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BEFORE THE ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE

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IN THE MATTER OF THE APPLICATION OF SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT, IN CONFORMANCE WITH THE REQUIREMENTS OF ARIZONA REVISED STATUTES, SECTIONS 40-360, et seq., FOR A CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY AUTHORIZING THE SOUTHEAST POWER LINK PROJECT, A DOUBLE-CIRCUIT 230KV TRANSMISSION LINE ORIGINATING FROM THE EXISTING SANTAN-BROWNING 230KV LINE TO A NEW SUBSTATION LOCATED EAST OF THE LOOP 202/STATE ROUTE 24 INTERCHANGE AND TERMINATING AT THE PERMITTED FUTURE ABEL-PFISTER-BALL 230KV LINE WITHIN THE CITY OF MESA, ARIZONA AND TOWN OF QUEEN CREEK, ARIZONA IN MARICOPA

Docket No. L-00000B-18-0265-0180

Case No. 180

CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY

RECEIVED
AZ CORP COMMISSION
DOCKET CONTROL
2018 SEP 17 A 10: 53

A. Introduction.

COUNTY.

Pursuant to notice given as provided by law, the Arizona Power Plant and Transmission Line Siting Committee ("Committee") held a public hearing on September 6 through September 11, 2018 in Mesa, Arizona, in conformance with the requirements of Arizona Revised Statutes ("A.R.S.") §§ 40-360, et seq., for the purpose of receiving evidence and deliberating on the August 1, 2018 application and the August 3, 2018 supplement to the application ("Application") of Salt River Project Agricultural Improvement and Power District ("Applicant") for a Certificate of Environmental Compatibility ("Certificate") in the above-captioned case (the "Transmission Line Project" or "Project").

The following members and designees of members of the Committee were present at one or more of the hearing days for the evidentiary presentations, public comment, and/or the deliberations:

Arizona Corporation Commission

DOCKETED

SEP 17 2018

DOCKETED BY

| 1 | Thomas K. Chenal | Chairman, Designee for Arizona Attorney General Mark | | | |
|----|---|--|--|--|--|
| 2 | | Brnovich | | | |
| 3 | Laurie A. Woodall | Designee of the Chairman, Arizona Corporation Commission | | | |
| 5 | Leonard C. Drago | Designee for Director, Arizona Department of | | | |
| 6 | | Environmental Quality | | | |
| 7 | John Riggins Designee for Director, Arizona Department of Wareness Resources | | | | |
| 8 | Mary Hamway | Appointed Member, representing incorporated cities and towns | | | |
| 9 | Teath seath of the administrative of | | | | |
| 10 | Gil Villegas, Jr. | Appointed Member, representing counties | | | |
| 11 | Jim Palmer | Appointed Member, representing agricultural interests | | | |
| 12 | Jack Haenichen Appointed Member, representing the general public | | | | |
| 13 | Patricia Noland | Appointed Member, representing the general public | | | |
| 14 | | | | | |
| 15 | The Applicant was represented by Kenneth C. Sundlof, Jr. and Garrett J. Olexa of | | | | |
| 16 | the law firm of Jennings, Strouss & Salmon, P.L.C. and Karilee S. Ramaley of Salt River | | | | |
| 17 | Project Agricultural Improvement and Power District. The following parties were granted | | | | |
| 18 | intervention pursuant to A.R.S. § 40-360.05: | | | | |
| 19 | PPGN-Ellsworth, LLLP, PPGN-Core, LLLP, PPGN-Crismon, LLLP, PPGN-Williams, | | | | |
| 20 | LLLP and PPGN-Ray, LLLP ("PPGN") represented by Cameron C. Artigue and Susan | | | | |
| 21 | E. Demmitt of Gammage & Burnham, PLC; | | | | |
| 22 | • Charles Feenstra Dairy, LLC, Van Rijn Dairy, the Barbara M. and Charles L. Feenstra | | | | |
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Trust, Robinson Farms, Inc., Robo Land LLC, the H. and Glenda Stechnij Trust, and

Rijlaarsdam Dairy, the Rijlaarsdam Family Trust, the Jacob and Mary Rijlaarsdam

Trust, the John and Brenda Van Otterlo Family Trust, Billy and Nora D. Maynard, the

Billy and Nora D. Maynard Trust, Dianne Maynard, Mesa-Casa Grande Land Co. LLC,

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Law Group

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And the following municipalities participated through a notice of intent to be a party, under A.R.S. § 40-360.05

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• City of Mesa, represented by Wilbert J. Taebel, City of Mesa City Attorney's Office;

Application, (ii) evidence, testimony and exhibits presented by Applicant and parties, and

(iii) the comments of the public, and being advised of the legal requirements of A.R.S. §§

40-360 through 40-360.13, upon motion duly made and seconded, voted 9 to 0 to grant the

new 230 kilovolt ("kV") double-circuit transmission from the existing Santan-Browning

230kV line to a new substation ("RS-31") located east of the Loop 202/SR-24 interchange

Queen Creek, Arizona, and Maricopa County, Arizona. The proposed transmission line

and substation are needed to support future customer needs and economic development in

The Project includes the construction and operation of approximately 7 miles of

Project components are located in the City of Mesa, Arizona and the Town of

Applicant, its successors and assigns, this Certificate for construction of the Project.

and terminating at the permitted, future Abel-Pfister-Ball¹ 230kV line.

Pieter and Jody Van Rijn, represented by Court S. Rich and Eric A. Hill of the Rose

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 Town of Queen Creek represented by James T. Braselton and Vail C. Cloar of Dickinson Wright, PLLC.

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At the conclusion of the hearing, the Committee, after considering the (i)

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B. Overview Project Description.

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C. Approved CEC Route Corridor and Route Description.
 The route herein approved ("CEC Route") is approximately 7 miles in length and includes a 230kV/69kV substation (RS-31), and crosses private and public lands within the

¹ The Abel-Pfister-Ball transmission line (Decision 71441, Case 148) was previously named Abel-Moody. The line was renamed between 2010 and 2011 to Abel-Pfister-Ball.

City of Mesa, Maricopa County and the Town of Queen Creek, and is generally depicted in Exhibit A. The transmission line will be constructed within an approximate 100 foot right of way (some locations may vary based on final engineering and design), the location of which will be determined as set forth in this Certificate. The Project is divided into four segments:

1. Northern Segment. The northern segment will originate at the existing Santan-Browning 230kV transmission line (point P1 on Exhibit A) and end at the site of the RS-31 substation. From the first existing pole on the Browning Santan line east of the Loop 202, the line shall proceed in a diagonal direction to the ADOT right of way (as shown on Exhibit A). The line right of way will then proceed parallel to and abutting (to the extent reasonably feasible for a linear right of way) the eastern ADOT right of way boundary of the Loop 202. At a point where the Loop 202 begins to transition to the west, shown on Exhibit A in the approximate area of point P2, the line shall proceed into the orange shaded area to the ultimate RS-31 site. The poles will be located at least 200 feet from the day care center located at the intersection of the Loop 202 and Warner Road.

For the portion of the segment abutting the Loop 202 right of way, Applicant may deviate from a construction parallel and abutting the ADOT right of way, but only where reasonably necessary, in good faith, to avoid obstructions, for sound engineering reasons, to provide for a linear right of way where the boundaries of the ADOT right of way are irregular, or by agreement with the underlying property owner. In no event shall the deviation cause the line right of way to extend beyond a corridor of 200 feet from the edge of the ADOT right of way.

- Substation Site: The RS-31 substation will be located on approximately 25 acres to be located within the 163 acre area depicted on Exhibit A.
- Central Segment: The central segment will originate at the RS-31 substation site. It will proceed from the substation within the orange area shown on Exhibit A in the

orange area, and then shall cross the SR-24 freeway at the approximate location shown on Exhibit A to the point identified as point P3.

From point P3, along the constructed portion of the SR-24 freeway, to point P4 on Exhibit A, the line right of way shall parallel and abut (to the extent reasonably feasible for a linear right of way) the southwest side of the SR-24 right of way as shown on Exhibit A. For this portion Applicant may deviate from a construction parallel and abutting SR-24 right of way, but only where reasonable necessary, in good faith, to avoid obstructions, for sound engineering reasons, to provide for a linear right of way where the boundaries of the SR-24 right of way are irregular, or by agreement with the underlying property owner. If requested by ADOT, the Phoenix-Mesa Gateway Airport or the City of Mesa, the line right of way may deviate from the SR-24 right of way boundary to allow room for a future drainage channel. In no event shall a deviation cause the right of way to extend beyond a corridor of 300 feet from the edge of the southwest boundary of SR-24 right of way unless additional deviation is needed to avoid plans for a future drainage channel.

From point P4, along the unconstructed portion of the SR-24 freeway, to point P5 on Exhibit A, the line right of way shall parallel and abut (to the extent reasonably feasible for a linear right of way) the southwest side of the SR-24 right of way, as it may be determined in the future (or if not determined, as may be reasonably estimated). For this portion Applicant may deviate from a construction parallel and abutting the SR-24 right of way, but only where reasonably necessary, in good faith, to avoid obstructions, for sound engineering reasons, to provide for a linear right of way where the boundaries of the SR-24 right of way are irregular, or by agreement with the underlying property owner. In no event shall the deviation cause the line right of way to extend beyond a corridor of 150 feet from the edge of the southwest boundary of the SR-24 right of way.

4. Southern Segment. The southern segment shall be constructed on a Crismon Road alignment beginning at point P5 on Exhibit A to the permitted but currently unbuilt

Abel-Pfister-Ball 230kV line (point P6 on Exhibit A). From point P5 on Exhibit A to Germann Road, the line may be constructed either on the east or west side of Crismon Road, or may cross from one side to the other. South of Germann Road, the line will be constructed on the east side. The existing 69kV line on the east side of Crismon Road shall be collocated on the new structures. The line right of way shall parallel and abut the Crismon Road right of way, as its ultimate width may be planned by the City of Mesa and/or the Town of Queen Creek. The line right of way may deviate from a construction parallel and abutting the Crismon Road right of way, but only where reasonable necessary, in good faith, to avoid obstructions, for sound engineering reasons, or by agreement with the underlying property owner. The transmission line shall be constructed so as to avoid the existing house on the Northwest corner of Crismon and Germann Roads. In no event shall the deviation cause the line right of way to extend beyond a corridor of 150 feet from the edge of the future Crismon Road right of way.

CONDITIONS

This Certificate is granted upon the following conditions:

- 1. During the development, construction, operation, maintenance and reclamation of the Project, the Applicant shall comply with all existing applicable air and water pollution control standards and regulations, and with all existing applicable statutes, ordinances, master plans, and regulations of any governmental entity having jurisdiction, including, but not limited to, the United States of America, the State of Arizona, Maricopa County, the City of Mesa, the Town of Queen Creek and their agencies or subdivisions, including but not limited to the following:
 - 1.1 All applicable land use regulations;
 - 1.2 All applicable zoning stipulations and conditions, including, but not limited to, landscaping and dust control requirements;
 - 1.3 All applicable water use, discharge and/or disposal requirements of the Arizona Department of Water Resources and the Arizona Department of Environmental Quality;

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1.4 All applicable noise control standards; and

- 1.5 All applicable regulations governing storage and handling of hazardous chemicals and petroleum products.
- 2. The Applicant shall make every reasonable effort to promptly investigate, on a case-specific basis, all complaints of interference with radio or television signals from operation of the Transmission Line Project addressed in this Certificate and where such interference is caused by the Transmission Line Project take reasonable measures to mitigate such interference. The Applicant shall maintain written records for a period of five (5) years of all complaints of radio or television interference attributable to operations, together with the corrective action taken in response to each complaint. All complaints shall be recorded to include notations on the corrective action taken. Complaints not leading to a specific action or for which there was no resolution shall be noted and explained. Upon request, the written records shall be provided to the Staff of the The Applicant shall respond to complaints and implement mitigation Commission. measures. In addition, the Transmission Line Project shall be evaluated on a regular basis so that damaged insulators or other line materials that could cause interference are repaired or replaced in a timely manner.
- 3. The Applicant shall obtain all approvals and permits necessary to construct, operate and maintain the Transmission Line Project required by any governmental entity having jurisdiction including, but not limited to, the United States of America, the State of Arizona, Maricopa County, the City of Mesa, the Town of Queen Creek and their agencies and subdivisions.
- 4. The Applicant shall consult with the State Historical Preservation Office ("SHPO") and consulted tribes with respect to cultural resources. If human remains and/or funerary objects are encountered on private land during the course of any ground-disturbing activities related to the construction of the Transmission Line Project, the

Applicant shall cease work on the affected area of the Transmission Line Project and notify the Director of the Arizona State Museum as required by A.R.S. § 41-865.

- 5. The Applicant shall comply with the notice and salvage requirements of the Arizona Native Plant Law (A.R.S. §§ 3-901, et seq.) and shall, to the extent feasible, minimize the destruction of native plants during construction and operation of the Transmission Line Project.
- 6. The Applicant shall comply with the Arizona Game and Fish Department ("AGFD") guidelines for handling protected animal species, should any be encountered during construction and operation of the Transmission Line Project, and shall consult with AGFD as necessary on other issues concerning wildlife.
- 7. This authorization to construct the Transmission Line Project shall expire ten (10) years from the date the Certificate is approved by the Arizona Corporation Commission (the "Commission"). Construction of the transmission Line Project shall be complete, such that the Transmission Line Project is in service within this 10-year timeframe. However, prior to the expiration of the time period, the Applicant may request that the Commission extend this time limitation.
- 8. In the event that the Transmission Line Project requires an extension of the term(s) of this Certificate prior to completion of construction, the Applicant shall file such a time extension request at least one hundred eighty (180) days prior to the expiration date of the Certificate. The Applicant shall use reasonable means to promptly notify all cities and towns within a five (5) mile radius of the centerline of the Transmission Line Project and all landowners and residents within a one (1) mile radius of the centerline of the Transmission Line Project, all persons who made public comment at this proceeding who provided a mailing or email address, and all parties to this proceeding of the request and the date, time, and place of the hearing or open meeting during which the Commission will

consider the request for extension. Notification shall be no more than three (3) business days after the Applicant is made aware of the hearing date or the open meeting date.

- 9. In the event the Applicant, its assignees, or successors, seeks to modify the Certificate terms at the Commission, it shall provide copies of such request to the Board of Supervisors of Maricopa County, the City of Mesa, the Town of Queen Creek, all parties to this Docket, and all parties who made a limited appearance in this Docket.
- 10. The Applicant, or its assignees(s), or successors, shall design the Transmission Line Project to incorporate reasonable measures to minimize impacts to avian species. Such design will be accomplished through compliance with the 2006 standards of the Avian Power Line Interaction Committee, and address the application of recommended measures to minimize the risk of collision, as described in the 2012 guidelines of the Avian Power Line Interaction Committee.
- 11. The Applicant shall use non-specular conductors and non-reflective surfaces for the transmission line structures on the Transmission Line Project.
- 12. The Applicant shall provide a copy of this Certificate to the Board of Supervisors for Maricopa County, the City of Mesa and the Town of Queen Creek.
- 13. The Applicant shall follow the most current Western Electricity Coordinating Council ("WECC") and North American Electric Reliability Corporation ("NERC") planning standards, as approved by the Federal Energy Regulatory Commission ("FERC"), and National Electrical Safety Code ("NESC") standards.
- 14. The Applicant shall comply with all regulations and requirements of the Federal Aviation Administration.
- 15. The Applicant shall submit a compliance certification letter annually, identifying progress made with respect to each condition contained in this Certificate, including which conditions have been met. Each letter shall be submitted to Commission's Docket Control commencing on September 1, 2019. Attached to each certification letter

shall be documentation explaining how compliance with each condition was achieved. Copies of each letter, along with the corresponding documentation, shall be submitted to the Arizona Attorney General's Office. With respect to the Transmission Line Project, the requirement for the compliance letter shall expire on the date the Transmission Line Project is placed into operation. Notification of such filing with Docket Control shall be made to the Board of Supervisors for Maricopa County, the City of Mesa, the Town of Queen Creek, all parties to this Docket, and all parties who made a limited appearance in this Docket.

- 16. Any transfer or assignment of this Certificate shall require the assignee or successor to assume in writing all responsibilities of the Applicant listed in this Certificate and its conditions as required by A.R.S. § 40-360.08(A) and R14-3-213(F) of the Arizona Administrative Code.
- 17. At least ninety (90) days, but not more than three hundred sixty-five (365) days before construction commences on the Transmission Line Project, the Applicant shall provide cities and towns within five (5) miles of the Transmission Line Project, Maricopa County and known builders and developers who are building upon or developing land within one (1) mile of the centerline of the Transmission Line Project with a written description, including height and width measurements of all structure types, of the Transmission Line Project. The written description shall identify the location of the Transmission Line Project and contain a pictorial depiction of the facilities. The Applicant shall also encourage the developers and builders to include this information in their disclosure statements.
- 18. Within one hundred twenty (120) days of the Commission decision approving this Certificate, the Applicant will post signs in or near public rights of way giving notice of the Transmission Line Project corridor to the extent authorized by law. The Applicant shall place such signs in prominent locations at reasonable intervals (no

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25 26 more than one-half mile, subject to obtaining permission from the landowner) so that the public is notified along the full length of the Project until the transmission structures are constructed. To the extent practicable, within forty-five (45) days of securing easement or right of way for the Project, the Applicant shall erect and maintain signs providing public notice that the property is the site of a future transmission line or substation. Such signage shall be no smaller than a normal roadway sign. The signs shall advise:

- Future site of an SRP power line; a.
- b. A phone number and website for public information regarding the Project; Such signs shall be inspected at least once annually and, if necessary, be repaired or replaced, and removed at the completion of construction.
- 19. Within one hundred twenty (120) days of the Commission's decision granting this Certificate, the Applicant shall make good faith efforts to commence discussions with the City of Mesa and the Town of Queen Creek, the Arizona Department of Transportation, the Phoenix-Mesa Gateway Airport, Maricopa County and private landowners on whose property the Transmission Line Project corridor is located, including that PPGN shall be a notified party, to identify the specific location for the Transmission Line Project's right of way and placement of poles. A copy of this Certificate shall be provided to such private landowners and the Arizona Department of Transportation, the Phoenix-Mesa Gateway Airport, the City of Mesa, the Town of Queen Creek and Maricopa County. A description of the good faith efforts and discussions shall be included in the annual compliance-certification letter.
- 20. The Applicant shall participate in good faith in state and regional transmission study forums to coordinate transmission expansion plans related to the Transmission Line Project and to resolve transmission constraints in a timely manner.
- 21. When Transmission Line Project's facilities are located parallel to and within 100 feet of any existing natural gas or hazardous pipeline, the Applicant shall:

- a. Ensure grounding and cathodic protection studies are performed to show that the Project's location parallel to and within 100 feet of such pipeline results in no material adverse impacts to the pipeline or to public safety when both the pipeline and the Project are in operation. The Applicant shall take appropriate steps to ensure that any material adverse impacts are mitigated. The Applicant shall provide to the Commission Staff and file with Docket Control a copy of the measurements performed and additional mitigation, if any, that were implemented as part of its annual compliance certification letter; and
- b. Ensure that measurements are performed simulating an outage simulation of the applicable project that may be caused by the collocation of the project parallel to and within 100 feet of the existing natural gas or hazardous liquid pipeline. The measurements should either: i) show that such simulated outage does not result in customer outages; or ii) include operating plans to minimize any resulting customer outages. The Applicant shall provide a copy of the measurement results to the Commission Staff and file it with Docket Control as part of the Applicant's annual compliance certification letter.
- 22. The Applicant will have the discretion to determine the orientation of the RS-31 Substation on the site consistent with its electrical and operational needs. Prior to the construction of the RS-31 Substation, or afterwards as may be appropriate to the development of the area, the Applicant and the City of Mesa shall in good faith jointly develop a plan to appropriately mitigate the visual impact of the RS-31 Substation within the substation footprint. In developing the plan, the Applicant and the City shall consider the current development in the area, the security of the site, and shall design the plan to

 reasonably control the costs that the plan will impose on the Applicant's customers while simultaneously addressing the goals and objectives of the City of Mesa in the area.

- 23. The Applicant shall pursue reasonable efforts to work with private landowners on whose property the Transmission Line Project will be located and PPGN, to mitigate the impacts of the location, construction, and operation of the Transmission Line Project on private land and negotiate such right of way agreements in good faith. A description of the good faith efforts and discussions shall be included in the annual compliance-certification letter.
- 24. The Certificate Conditions shall be binding on the Applicant, its successors, assignee(s) and transferees and any affiliates, agents, or lessees of the Applicant who have a contractual relationship with the Applicant concerning the construction, operation, maintenance or reclamation of the Transmission Line Project. The Applicant shall provide in any agreement(s) or lease(s) pertaining to the Transmission Line Project that the contracting parties and/or lessee(s) shall be responsible for compliance with the Conditions set forth herein, and the Applicant's responsibilities with respect to compliance with such Conditions shall not cease or be abated by reason of the fact that the Applicant is not in control of or responsible for the operation and maintenance of the Transmission Line Project facilities.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

This Certificate incorporates the following Findings of Fact and Conclusions of Law:

- 1. The Transmission Line Project aids the state and the Southwest region in meeting the need for an adequate, economical and reliable supply of electric power.
- The Transmission Line Project aids the state in preserving a safe and reliable electric transmission system.
- 3. The Applicant made reasonable efforts to work with landowners to minimize the impact of the power lines.

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- 4. The conditions placed on the Transmission Line Project in this Certificate effectively minimize the impact of the Transmission Line Project on the environment and ecology of the state.
- 5. The conditions placed on the areas for construction of the Transmission Line Project are reasonably narrow so as to not unnecessarily burden adjacent property owners.
- 6. The conditions placed on the Transmission Line Project in this Certificate resolve matters concerning balancing the need for the Transmission Line Project with the impact on the environment and ecology of the state arising during the course of the proceedings, and, as such, serve as findings and conclusions on such matters.
- 7. The Transmission Line Project is in the public interest because the Transmission Line Project's contribution to meeting the need for an adequate, economical and reliable supply of electric power outweighs the minimized impact of the Transmission Line Project on the environment and ecology of the state.

DATED this 17 day of September, 2018.

THE ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE

By

Thomas Chenal, Chairman

Exhibit A

