

EXHIBIT 2

TO COMPLAINT FOR SPECIAL ACTION

FRANTI III HOLDINGS, LLC, ET AL V. CITY OF TUCSON

ORIGINAL



0000211529

**BEFORE THE ARIZONA POWER PLANT
AND TRANSMISSION LINE SITING COMMITTEE**

IN THE MATTER OF THE APPLICATION
OF TUCSON ELECTRIC POWER
COMPANY, IN CONFORMANCE WITH
THE REQUIREMENTS OF A.R.S. § 40-360,
ET SEQ., FOR A CERTIFICATE OF
ENVIRONMENTAL COMPATIBILITY
AUTHORIZING THE MIDTOWN
RELIABILITY PROJECT, WHICH
INCLUDES THE CONSTRUCTION OF A
NEW 138 KV TRANSMISSION LINE
ORIGINATING AT THE EXISTING
DEMOSS-PETRIE SUBSTATION
(SECTION 35, TOWNSHIP 13 SOUTH,
RANGE 13 EAST), WITH AN
INTERCONNECTION AT THE PLANNED
VINE SUBSTATION (SECTION 06,
TOWNSHIP 14 SOUTH, RANGE 14 EAST),
AND TERMINATING AT THE EXISTING
KINO SUBSTATION (SECTION 30,
TOWNSHIP 14 SOUTH, RANGE 14 EAST),
EACH LOCATED WITHIN THE CITY OF
TUCSON, PIMA COUNTY, ARIZONA.

Docket No. L-00000C-24-0118-232

Case No. 232

**CERTIFICATE OF
ENVIRONMENTAL
COMPATIBILITY**

Arizona Corporation Commission

DOCKETED

JUL 29 2024

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A. INTRODUCTION

Pursuant to notice given as provided by law, the Arizona Power Plant and Transmission Line Siting Committee (“Committee”) held public hearings in Tucson, Arizona, on July 8, 2024, through July 19, 2024, 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 May 24, 2024 Application of Tucson Electric Power Company (“TEP” or “Applicant”) for a Certificate of Environmental Compatibility (“Certificate”) authorizing construction of a 138 kilovolt (“kV”) transmission line in Tucson, Arizona in Pima County (the “Midtown Reliability Project” or “Project”).

The following members and designees of members of the Committee were

1 present at one or more of the hearing days for the evidentiary presentations, public
2 comment and/or the deliberations:

3 Adam Stafford	Chairman, Designee for Arizona Attorney General Kris
4	Mayes
5 Gabby Mercer	Designee of the Chairman, Arizona Corporation
6	Commission ("Commission")
7 Leonard Drago	Designee for Director, Arizona Department of
8	Environmental Quality
9 David French ¹	Designee for Director, Arizona Department of Water
10	Resources
11 Nicole Hill	Designee for Director, Governor's Energy Office
12 Scott Somers	Appointed Member, representing cities and towns
13	
14 David Kryder	Appointed Member, representing agricultural interests
15 Margaret "Toby" Little	Appointed Member, representing the general public
16 Jon Gold	Appointed Member, representing the general public
17 David Richins	Appointed Member, representing the general public

18 The Applicant was represented by Meghan H. Grabel and Elias J. Ancharski of
19 Osborn Maledon, P.A. and in-house counsel for TEP, Megan C. Hill. The following
20 parties were granted intervention pursuant to A.R.S. § 40-360.05: Banner—University
21 Medical Center Tucson Campus, LLC and Banner Health represented by Michelle De
22 Blasi of the Law Office of Michelle De Blasi; City of Tucson represented by Roi I.
23 Lusk and Jennifer J. Stash; Pima County represented by Bobby Yu; and Underground
24 Arizona represented by Daniel Dempsey.

25 At the conclusion of the hearing, the Committee, after considering the
26 (i) Application, (ii) evidence, testimony, and exhibits presented by the parties, and
27 (iii) comments of the public, and being advised of the legal requirements of A.R.S. §§
28 40-360 through 40-360.13, upon motion duly made and seconded, voted 9 to 0 in

¹ Member French was excused from the second week of the hearing and did not participate in the vote.

1 favor of granting Applicant, its successors and assigns, this Certificate for the
2 construction of the Project.

3 **B. Overview Project Description**

4 The Project will involve the construction of the new DeMoss Petrie-to-Vine-to-
5 Kino 138 kV transmission line approximately 8.5 miles in length mounted on steel
6 monopole structures. The Project will loop the existing TEP DeMoss Petrie (“DMP”)
7 138 kV Substation to the existing TEP Kino 138 kV Substation with a connection at
8 the planned Vine 138 kV Substation. TEP’s preferred route is a combination of
9 Alternative Routes B and 4.

10 *DeMoss Petrie-to-Vine Alternatives*

11 **Alternative Route B (Preferred Route)** – Preferred Route B leaves the
12 existing DMP Substation to the southeast for a distance of 0.3 miles, turning
13 east for approximately 2 miles on West Grant Road, which turns into East
14 Grant Road at North Stone Avenue. Route B turns south on North Park Avenue
15 for approximately 0.6 miles, then east onto East Adams Street for
16 approximately 0.4 miles, then north on North Vine Avenue for approximately
17 0.16 miles, terminating at the planned Vine Substation. Alternative Route B is
18 approximately 3.5 miles in length.

19
20 **Alternative Route D** – Alternative Route D leaves the existing DMP
21 Substation to the southeast for a distance of 0.3 miles, turning east on West
22 Grant Road for approximately 2.75 miles, which turns into East Grant Road at
23 North Stone Avenue. Alternative Route D continues east along East Grant
24 Road to North Campbell Avenue, where it turns south to an alignment centered
25 between East Lester Street and North Ring Road for approximately 0.4 miles,
26 turning west for approximately 0.35 miles, where it terminates at the planned
27 Vine Substation. Alternative Route D is approximately 3.8 miles in length.

Vine-to-Kino Alternatives

Alternative Route 4 (Preferred Route) – Preferred Route 4 leaves the planned Vine Substation to the south on North Vine Avenue for a distance of 0.16 miles, turns west on East Adams Street for approximately 0.4 miles, and south onto North Park Avenue for approximately 0.3 miles. At East Speedway Boulevard the route turns west for approximately 0.15 miles, then south on North Euclid Avenue for approximately 1.1 miles, continuing to East 12th Street where it turns west for approximately 0.05 miles and then south for approximately 0.11 miles to span East Aviation Parkway and the Union Pacific Railroad. At South Toole Avenue Route 4 turns south for approximately 0.55 miles, following South Toole Avenue until it turns into South Euclid Avenue at East 16th Street. At East 19th Street the route jogs east for approximately 0.03 miles to then turn south for approximately 1.3 miles to continue on South Euclid Avenue. Route 4 turns east onto East 36th Street for approximately 0.78 miles, which it follows to terminate at the existing Kino Substation. Alternative Route 4 is approximately 5.0 miles in length.

Alternative Route 1 – Alternative Route 1 leaves the planned Vine Substation to the east on an alignment centered between East Lester Street and North Ring Road to North Campbell Avenue for a distance of 0.33 miles. At North Campbell Avenue the route turns south, continuing onto South Campbell Avenue at East Broadway Boulevard for approximately 2.8 miles. Route 1 crosses East Aviation Parkway and the Union Pacific Railroad, and continues on South Campbell Avenue where it intersects with East 22nd Street. At the intersection with East Fairland Stravenue, the route turns southwest onto East Willis Way for approximately 0.1 miles, then southeast on South Cherrybell

1 Stravenue for approximately 0.1 miles, and southwest onto East Silverlake
2 Road for approximately 0.2 miles. Just east of South Warren Avenue, the route
3 turns south onto an alley for approximately 0.03 miles, and then east for
4 approximately 0.04 miles to the intersection of East Barleycorn Lane and
5 South Martin Avenue, where it turns south onto South Martin Avenue, which it
6 follows for approximately 0.5 miles to the intersection with East 36th Street.
7 Route 1 turns west onto East 36th Street for approximately 0.05 miles, and
8 then terminates at the existing Kino Substation.

9
10 **Alternative Route 1.2** – Alternative Route 1.2 leaves the planned Vine
11 Substation to the south along Vine Road to Mabel Street for a distanced of 0.2
12 miles. At Mabel Street the route turns east for 0.1 miles to Cherry Avenue.
13 Route 1.2 turns south for a distance of 0.2 miles to Speedway Boulevard. At
14 Speedway Boulevard the route turns east to Campbell Avenue for a distance of
15 0.25 miles then south on Campbell Avenue continuing onto South Campbell
16 Avenue at East Broadway Boulevard for approximately 1.9 miles. Route 1.2
17 crosses East Aviation Parkway and the Union Pacific Railroad, and continues
18 on South Campbell Avenue where it intersects with East 22nd Street. At the
19 intersection with East Fairland Stravenue, the route turns southwest onto East
20 Willis Way for approximately 0.1 miles, then southeast on South Cherrybell
21 Stravenue for approximately 0.1 miles, and southwest onto East Silverlake
22 Road for approximately 0.2 miles. Just east of South Warren Avenue, the route
23 turns south onto an alley for approximately 0.03 miles, and then east for
24 approximately 0.04 miles to the intersection of East Barleycorn Lane and
25 South Martin Avenue, where it turns south onto South Martin Avenue, which it
26 follows for approximately 0.5 miles to the intersection with East 36th Street.
27 Route 1.2 turns west onto East 36th Street for approximately 0.05 miles, and
28 then terminates at the existing Kino Substation.

1 The Committee approves the preferred route, B4, and alternative routes D, 1,
2 and 1.2 in their entirety, subject to the Findings of Fact and Conclusions of Law
3 contained herein. A map of the Project, including all of the preferred and alternative
4 routes proposed by the Applicant, is included as **Exhibit A**. Maps of the final
5 approved routes and their respective corridor widths are attached as **Exhibit B**.

6 **CONDITIONS**

7 This Certificate is granted upon the following conditions:

8 1. This authorization to construct the Project shall expire ten (10) years
9 from the date this Certificate is approved by the Commission, with or without
10 modification ("Time Period"). Construction of the Project shall be complete, defined
11 as the Project being in-service, within this Time Period. However, prior to the
12 expiration of the Time Period, the Applicant may request that the Commission extend
13 the Time Period.

14 2. In the event that the Project requires an extension of the term(s) of this
15 Certificate prior to completion of construction, the Applicant shall file such time
16 extension request at least one hundred and eighty (180) days prior to the expiration of
17 the Certificate. The Applicant shall use reasonable means to promptly notify the City
18 of Tucson, the City of South Tucson, Pima County, Arizona Department of
19 Transportation ("ADOT"), Arizona State Land Department ("ASLD"), and all
20 landowners and residents within a one (1) mile radius of the centerline of the Project,
21 all persons who made public comment at this proceeding who provided a mailing or
22 email address, and all parties to this proceeding. The notification provided will
23 include the request and the date, time, and place of the hearing or open meetings
24 during which the Commission will consider the request for extension. Notification
25 shall be no more than three (3) business days after the Applicant is made aware of the
26 hearing date or the open meeting date.

1 3. Subject to this Committee's findings as set forth in the Findings of Fact
2 and Conclusions of Law, during the development, construction, operation,
3 maintenance and reclamation of the Project, the Applicant shall comply with all
4 existing applicable air and water pollution control standards and regulations, and with
5 all existing applicable statutes, ordinances, master plans and regulations of any
6 governmental entity having jurisdiction including, but not limited to, the United States
7 of America, the State of Arizona, Pima County, the City of Tucson, the City of South
8 Tucson, and their agencies and subdivisions, including but not limited to the
9 following:

10 (a) All applicable land use regulations;

11 (b) All applicable zoning stipulations and conditions including, but not
12 limited to, landscaping and dust control requirements;

13 (c) All applicable water use, discharge and/or disposal requirements of
14 the Arizona Department of Water Resources and the Arizona
15 Department of Environmental Quality;

16 (d) All applicable noise control standards; and

17 (e) All applicable regulations governing storage and handling of
18 hazardous chemicals and petroleum products.

19 4. Subject to this Committee's findings as set forth in the Findings of Fact
20 and Conclusions of Law, the Applicant shall obtain all approvals and permits
21 necessary to construct, operate and maintain the Project required by any governmental
22 entity having jurisdiction including, but not limited to, the United States of America,
23 the State of Arizona, Pima County, the City of Tucson, the City of South Tucson, and
24 their agencies and subdivisions.

25 5. The Applicant shall comply with the Arizona Game and Fish
26 Department ("AGFD") guidelines for handling protected animal species, should any
27 be encountered during construction and operation of the Project, and shall consult
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1 with AGFD or U.S. Fish and Wildlife Service, as appropriate, on other issues
2 concerning wildlife.

3 6. The Applicant shall design the Project's facilities to incorporate
4 reasonable measures to minimize electrocution of and impacts to avian species in
5 accordance with the Applicant's avian protection program. Such measures will be
6 accomplished through incorporation of Avian Power Line Interaction Committee
7 guidelines set forth in the current versions of *Suggested Practices for Avian*
8 *Protection on Power Lines* and *Reducing Avian Collisions with Power Lines* manuals.

9 7. The Applicant shall consult the State Historic Preservation Office
10 ("SHPO") pursuant to A.R.S. § 41-861 through 41-864, the State Historic
11 Preservation Act. Construction for the Project shall not occur without SHPO
12 concurrence. Any project involving federal land is a federal undertaking and requires
13 SHPO concurrence on the adequacy of the survey and area of potential effects. The
14 Applicant shall coordinate with SHPO regarding the status of Section 106
15 consultation.

16 8. If any archaeological, paleontological, or historical site or a significant
17 cultural object is discovered on private, state, county, or municipal land during the
18 construction or operation of the Project, the Applicant or its representative in charge
19 shall promptly report the discovery to the Director of the Arizona State Museum
20 ("ASM"), and in consultation with the Director, shall immediately take all reasonable
21 steps to secure and maintain the preservation of the discovery as required by A.R.S. §
22 41-844 or A.R.S. § 41-865, as appropriate.

23 9. The Applicant shall comply with the notice and salvage requirements of
24 the Arizona Native Plant Law (A.R.S. § 3-901 *et seq.*) and shall, to the extent feasible,
25 minimize the destruction of native plants during the construction and operation of the
26 Project.

1 10. The Applicant shall make every reasonable effort to promptly
2 investigate, identify, and correct, on a case-specific basis, all complaints of
3 interference with radio or television signals from operation of the Project addressed in
4 this Certificate and where such interference is caused by the Project take reasonable
5 measures to mitigate such interference. The Applicant shall maintain written records
6 for a period of five (5) years of all complaints of radio or television interference
7 attributable to operations, together with the corrective action taken in response to each
8 complaint. All complaints shall be recorded and shall include notation on the
9 corrective action taken. Complaints not leading to a specific action or for which there
10 was no resolution shall be noted and explained. Upon request, the written records
11 shall be provided to the Staff of the Commission. The Applicant shall respond to
12 complaints and implement appropriate mitigation measures. In addition, the Project
13 shall be evaluated on a regular basis so that damaged insulators or other line materials
14 that could cause interference are repaired or replaced in a timely manner.

15 11. If human remains and/or funerary objects are encountered during the
16 course of any ground-disturbing activities related to the construction or maintenance
17 of the Project, the Applicant shall cease work on the affected area of the Project and
18 notify the Director of the ASM as required by A.R.S. § 41-865 for private land, or as
19 required by A.R.S. § 41-844 for state, county, or municipal lands.

20 12. One hundred eighty (180) days prior to construction of the Project, the
21 Applicant shall post signs in or near public rights-of-way, to the extent authorized by
22 law, reasonably adjacent to the Project giving notice of the Project. Such signage shall
23 be no smaller than a roadway sign. The signs shall:

24 (a) Advise the area is a future site of the Project;

25 (b) Provide a phone number and website for public information
26 regarding the Project; and

27 (c) refer the public to the Docket.

1 Such signs shall be inspected at least once annually and, if necessary, be
2 repaired or replaced, and removed at the completion of construction.

3 The Applicant shall make every reasonable effort to communicate the decision
4 either approving or disapproving the Certificate in digital media.

5 The Applicant shall also communicate through its Project website the status
6 and location of the route ultimately constructed and the removal and undergrounding
7 of the existing utility infrastructure along that route.

8 13. At least ninety (90) days before construction commences on the
9 Project, the Applicant shall provide the City of Tucson, the City of South Tucson,
10 Pima County, ADOT, ASLD, Pascua Yaqui Tribe, and known builders and
11 developers who are building upon or developing land within one (1) mile of the
12 centerline of the Project with a written description, including the approximate height
13 and width measurements of all structure types, of the Project. The written description
14 shall identify the location of the Project and contain a pictorial depiction of the
15 facilities being constructed. The Applicant shall also encourage the developers and
16 builders to include this information in their disclosure statements. Upon approval of
17 this Certificate by the Commission, the Applicant may commence construction of the
18 Project.

19 14. The Applicant shall use non-specular conductor and non-reflective
20 surfaces for the transmission line structures on the Project.

21 15. The Applicant shall remove all 46 kV substations and lines, including
22 wires, poles, and other equipment, that are no longer required as a result of the
23 upgraded 138 kV substation and transmission line. Removals are estimated to begin
24 in 2027 and complete by 2037, based on an estimated in-service date of the Vine
25 Substation and associated 138 kV transmission line in 2027.

26 16. The Applicant shall move all existing parallel overhead lower voltage
27 distribution lines underground, currently located within the same road right-of-way as
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1 the Project as constructed. The Applicant shall notify all joint use attachers within six
2 (6) months of Certificate approval so they can begin design to relocate their facilities.

3 17. The Applicant shall collaborate with each neighborhood and/or
4 neighborhood association that parallels the route in which the Project is ultimately
5 constructed on residential roads to determine the preferred transmission pole finish for
6 that neighborhood. Pole finishes may include weathering steel, galvanized, or painted
7 in Mojave Sage. In the event the neighborhood cannot decide on a preference
8 following a good faith effort, the Applicant will use the preferred weathering steel
9 pole finish.

10 18. The Applicant will work with the City of Tucson, as part of the Project,
11 to discuss the potential to incorporate any right-of-way enhancements into the
12 approved route including, but not limited to, multi-use pathways, chicanes, artwork,
13 and landscaping;

14 19. The Applicant shall be responsible for arranging that all field personnel
15 involved in the Project receive training as to proper ingress, egress, and on-site
16 working protocol for environmentally sensitive areas and activities. Contractors
17 employing such field personnel shall maintain records documenting that the personnel
18 have received such training.

19 20. The Applicant shall follow the most current Western Electricity
20 Coordinating Council ("WECC") and North American Electric Reliability
21 Corporation ("NERC") planning standards, as approved by the Federal Energy
22 Regulatory Commission ("FERC"), National Electrical Safety Code ("NESC")
23 standards, and Federal Aviation Administration ("FAA") regulations.

24 21. The Applicant shall participate in good faith in state and regional
25 transmission study forums to coordinate transmission expansion plans related to the
26 Project and to resolve transmission constraints in a timely manner.

1 22. When Project facilities are located parallel to and within one hundred
2 (100) feet of any existing natural gas or hazardous pipeline, the Applicant shall:

3 (a) Ensure grounding and cathodic protection studies are performed to
4 show that the Project's location parallel to and within one hundred
5 (100) feet of such pipeline results in no material adverse impacts to
6 the pipeline or to public safety when both the pipeline and the
7 Project are in operation. The Applicant shall take appropriate steps
8 to ensure that any material adverse impacts are mitigated. The
9 Applicant shall provide to Staff of the Commission, and file with
10 Docket Control, a copy of the studies performed and additional
11 mitigation, if any, that was implemented as part of its annual
12 compliance-certification letter; and

13 (b) Ensure that studies are performed simulating an outage of the Project
14 that may be caused by the collocation of the Project parallel to and
15 within one hundred (100) feet of the existing natural gas or
16 hazardous liquid pipeline. The studies should either: (a) show that
17 such simulated outage does not result in customer outages; or (b)
18 include operating plans to minimize any resulting customer outages.
19 The Applicant shall provide a copy of the study results to Staff of the
20 Commission and file them with Docket Control as part of the
21 Applicant's annual compliance certification letter.

22 23. The designation of the corridors in this Certificate, as shown in **Exhibit**
23 **B**, authorizes a right-of-way no greater than 100 feet wide for the transmission line
24 nor does it grant the applicant exclusive rights within the corridors outside of the final
25 designated transmission right-of-way.

26 24. The Applicant shall submit a compliance certification letter annually,
27 identifying progress made with respect to and current status of each condition
28

1 contained in this Certificate. The letter shall be submitted to Commission's Docket
2 Control commencing on December 1, 2025. Attached to each certification letter shall
3 be documentation explaining how compliance with each condition was achieved.
4 Copies of each letter, along with the corresponding documentation, shall be submitted
5 to the Arizona Attorney General's Office. With respect to the Project, the requirement
6 for the compliance letter shall expire on the date the Project is placed into operation.
7 Notification of such filing with Docket Control shall be made to the City of Tucson,
8 the City of South Tucson, Pima County, ADOT, ASLD, the Pascua Yaqui Tribe, all
9 parties to this Docket, and all parties who made a limited appearance in this Docket.

10 25. The Applicant shall provide a copy of this Certificate to the City of
11 Tucson, the City of South Tucson, Pima County, ADOT, ASLD, and the Pascua
12 Yaqui Tribe.

13 26. Any transfer or assignment of this Certificate shall require the assignee
14 or successor to assume, in writing, all responsibilities of the Applicant listed in this
15 Certificate and its conditions as required by A.R.S. § 40-360.08(A) and R14-3-213(F)
16 of the Arizona Administrative Code.

17 27. In the event the Applicant, its assignee, or successor, seeks to modify
18 the Certificate's terms at the Commission, it shall provide copies of such request to
19 the City of Tucson, the City of South Tucson, Pima County, ADOT, ASLD, the
20 Pascua Yaqui Tribe, all parties to this Docket, and all parties who made a limited
21 appearance in this Docket.

22 28. The Certificate Conditions shall be binding on the Applicant, its
23 successors, assignee(s) and transferees, and any affiliates, agents, or lessees of the
24 Applicant who have a contractual relationship with the Applicant concerning the
25 construction, operation, maintenance or reclamation of the Project. The Applicant
26 shall provide in any agreement(s) or lease(s) pertaining to the Project that the
27 contracting parties and/or lessee(s) shall be responsible for compliance with the
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1 Conditions set forth herein, and the Applicant's responsibilities with respect to
2 compliance with such Conditions shall not cease or be abated by reason of the fact
3 that the Applicant is not in control of or responsible for operation and maintenance of
4 the Project facilities.

5 **FINDINGS OF FACT AND CONCLUSIONS OF LAW**

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

8 1. The Midtown Reliability Project is required to ensure the continued
9 provision of safe and reliable electric service to TEP customers.

10 2. While no party disputed the need for the Midtown Reliability Project,
11 certain parties asserted that applicable local ordinances and plans required that
12 portions of the routes be constructed below ground.

13 3. Constructing the Midtown Reliability Project below ground is not
14 needed for safety, reliability, or other utility operational reasons.

15 4. Evidence in the record indicates that constructing portions of the Project
16 below ground could be more expensive than constructing the route entirely above
17 ground.

18 5. As part of the Project as conditioned by this Certificate, TEP will
19 relocate existing overhead distribution lines below ground along the selected route.
20 Additionally, the Project will enable the retirement of up to eight existing 46 kV
21 substations and approximately 19 miles of existing 46 kV lines in the next ten years.

22 6. The evidence indicated that the Applicant needs the Project to be in
23 service by 2027 to maintain safe and reliable service in order to avoid additional
24 investment in the existing 46 kV system serving the area.

25 7. The Applicant determined the need for and proposed location of the
26 Vine substation through the use of a saturation study. The actual site was selected
27 based on available land and its immediate adjacent proximity to two (2) existing
28

1 substations, one of which is a 46 kV substation that will be retired and removed as
2 part of this Project.

3 8. In light of the incremental cost of building the Project underground
4 compared to overhead, the Applicant requested a finding from this Committee that
5 any local ordinance or plan that would require underground construction of the
6 Project was “unreasonably restrictive and [that] compliance therewith is not feasible
7 in view of technology available” pursuant to A.R.S. § 40-360.06(D).

8 9. The City and Underground Arizona disagree that a finding of fact
9 pursuant to A.R.S. § 40-360.06(D) is necessary and believe that it is feasible to
10 construct the Project consistent with local ordinances and plans with the technology
11 available and those local ordinances are not unreasonably restrictive. The Parties have
12 reserved and asserted all rights to judicial relief on this issue.

13 10. However, given the Commission’s Policy Statement found in Decision
14 No. 79140 (October 4, 2023), the Committee finds pursuant to A.R.S. § 40-360.06(D)
15 that any local ordinance or plan that requires TEP to incur an incremental cost to
16 construct the Project below ground “is unreasonably restrictive and compliance
17 therewith is not feasible in view of technology available.” This finding is conditioned
18 on the City and TEP not finding a means to, within six (6) months of the date of the
19 Commission’s approval of this Certificate, either (a) fund the incremental cost to
20 construct the Project below ground from a source other than through TEP’s utility
21 rates or from TEP, its affiliates, subsidiaries, or parent companies absent agreement
22 between the parties; or (b) obtain the City’s authorization to construct the Project
23 above ground through the City’s special exception or variance process, provided that
24 TEP files a special exception or variance application for the route approved within ten
25 (10) weeks of the Commission’s approval of this Certificate.

26 11. A.R.S. § 40-360.06(D) provides that “[w]hen it becomes apparent to the
27 chairman of the committee or to the hearing officer that an issue exists with respect to
28

1 whether such an ordinance, master plan or regulation is unreasonably restrictive and
2 compliance therewith is not feasible in view of technology available, the chairman or
3 hearing officer shall promptly serve notice of such fact by certified mail on the chief
4 executive officer of the area of jurisdiction affected and, notwithstanding any
5 provision of this article to the contrary, shall make such area of jurisdiction a party to
6 the proceedings on its request and shall give it an opportunity to respond on such
7 issue.” The City of Tucson was provided notice and made a party to the proceedings
8 under this provision and was provided an opportunity to respond.

9 12. The Project aids TEP and the state in meeting the need for an adequate,
10 economical, and reliable supply of electric power without negatively affecting the
11 southwestern electric grid.

12 13. When constructed in compliance with the conditions imposed in this
13 Certificate, the Project aids the state, preserving a safe and reliable electric
14 transmission system.

15 14. During the course of the hearing, the Committee considered evidence on
16 the environmental compatibility of the Project as required by A.R.S. § 40-360 *et seq.*
17 In doing so, the Committee determined that it was in the public interest to adopt
18 Preferred Routes B and 4, and Alternatives D, 1, and 1.2, which are the final approved
19 routes shown in **Exhibit B**.

20 15. The Project and the conditions placed on the Project in this Certificate
21 effectively minimize the impact of the Project on the environment and ecology of the
22 state.

23 16. The conditions placed on the Project of this Certificate resolve matters
24 concerning balancing the need for the Project with its impact on the environment and
25 ecology of the state arising during the course of the proceedings, and, as such, serve
26 as finding and conclusions on such matters.

1 17. The Project is in the public interest because the Project's contribution to
2 meeting the need for an adequate, economical, and reliable supply of electric power
3 outweighs the minimized impact of the Project on the environment and ecology of the
4 state.

5 18. The Project substation is not jurisdictional because the definition of a
6 "transmission line" under A.R.S. § 40-360(10) only includes "new switchyards to be
7 used therewith," not substations.

8 DATED this 29th day of July, 2024.

9
10 THE ARIZONA POWER PLANT AND
11 TRANSMISSION LINE SITING
12 COMMITTEE

13
14 

15 By: _____
16 Adam Stafford, Chairman

CERTIFICATION OF MAILING

Pursuant to A.A.C. R14-3-204, the **ORIGINAL** of the foregoing and 26 copies were filed this 29th day of July, 2024 with:

Utilities Division – Docket Control
ARIZONA CORPORATION COMMISSION
1200 W. Washington St.
Phoenix, AZ 85007

COPIES of the foregoing mailed this 29th day of July, 2024 to:

Tom Van Flein
Chief Counsel/Division Director
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, Arizona 85007
lealdiv@azcc.gov
Counsel for Legal Division Staff

Ranelle Paladino – Co-Director
Briton Baxter – Co-Director
Utilities Division Arizona Corporation Commission
1200 W. Washington Street
Phoenix, Arizona 85007
rpaladino@azcc.gov
bbaxter@azcc.gov

Meghan H. Grabel
Elias Ancharski
Osborn Maledon
2929 N. Central Ave, 21st Floor
Phoenix, Arizona 85012
mgrabel@omlaw.com
earcharski@omlaw.com
Counsel for Applicant

Lisa L. Glennie
Glennie Reporting Services, LLC
1555 East Orangewood
Phoenix, Arizona 85020
admin@glennie-reporting.com
Court Reporter

1 Daniel Depmsey
2 Underground Arizona
3 737 East 9th Street
4 Tucson, Arizona 85719
5 Daniel@undergroundarizona.org
6 *Intervenor*

7 Michelle De Blasi
8 Law Office of Michelle De Blasi
9 7702 East Doubletree Ranch Road, Ste. 300
10 Scottsdale, Arizona 85258
11 mdeblasi@mdb-law.com
12 *Attorney for Banner University*

13 Roi Lusk
14 Jennifer J. Stash
15 City Attorney
16 P.O. Box 27210
17 Tucson, Arizona 85726-7210
18 Roi.lusk@tucsonaz.gov
19 Jennifer.Stash@tucsonaz.gov
20 *Attorneys for City of Tucson*

21 Bobby H. Yu
22 Pima County Attorney, Civil Division
23 32 North Stone Ave. Suite 2100
24 Tucson, Arizona 85701
25 Bobby.yu@pcao.pima.gov
26 *Attorney for Pima County*

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