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INDEX TO EXHIBITS

NO.	DESCRIPTION	IDENTIFIED	ADMITTED
UNS-27	Form of CEC for Nogales Transmission	583	demonstrative
UNS-28	Form of CEC for UNS Electric	583	demonstrative
UNS-29	Comparison of UNS-27 and UNS-28	583	demonstrative
UNS-30	Proposed CEC with Changes Made During Deliberations	593	demonstrative
UNS-31	Proposed CEC with Changes Made During Deliberations	643	demonstrative

1 BE IT REMEMBERED that the above-entitled and
2 numbered matter came on regularly to be heard before the
3 Arizona Power Plant and Transmission Line Siting
4 Committee, at the Desert Diamond Casino, 7350 South
5 Nogales Highway, Tucson, Arizona, commencing at 9:11
6 a.m. on the 8th of September, 2017.

7

BEFORE: THOMAS K. CHENAL, Chairman

8

LAURIE WOODALL, Arizona Corporation Commission

9

LEONARD DRAGO, Department of Environmental
Quality

10

JOHN RIGGINS, Arizona Department of Water
Resources

11

JIM PALMER, Agriculture, Appointed Member

12

MARY HAMWAY, Cities/Towns, Appointed Member

13

JACK HAENICHEN, Public Member

14

PATRICIA NOLAND, Public Member

15

RUSSELL JONES, Public Member

16

APPEARANCES:

17

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25

1 CHMN. CHENAL: All right. Good morning,
2 everyone. This is the time set for the continuation of
3 the hearing on the Nogales Transmission project.

4 We have a couple -- before we begin closing
5 arguments and begin deliberations on the CEC, are there
6 any housekeeping items we need to address, Mr. Guy,
7 Mr. Jacobs, Ms. Morrissey, Ms. Davis, Mr. Hains,
8 anything?

9 (No response.)

10 CHMN. CHENAL: Okay. Members have any
11 housekeeping items?

12 (No response.)

13 CHMN. CHENAL: Okay. I think the next order of
14 business would be closing arguments. We have a couple
15 members who are not here yet, but we have a quorum. So
16 I think in the interest of moving the process along we
17 should just begin and have closing arguments, and then
18 we can begin the deliberation.

19 So Mr. Guy, if you want to proceed.

20 MR. GUY: Absolutely. Thank you, Mr. Chairman.

21 Good morning, Mr. Chairman and Committee
22 members. Just a few brief remarks. I won't make this
23 long at all, but I did want to take the opportunity to
24 thank you, thank you for your time this week.

25 I think as you heard from the witnesses and seen

1 from us this is a very important project, very exciting
2 project for Hunt Power and for UNSE. And it has also
3 been a very important case for the many people who have
4 worked on it. And in some cases I think you heard for
5 many years people have worked on the ideas of these
6 projects. So we have been grateful for your time,
7 grateful for your consideration and your thoughtful
8 questions.

9 I just want to take a couple of minutes to
10 highlight some of the key points that I think are the
11 most relevant in the case. As you know, the Committee,
12 you can approve a CEC, deny a CEC, you can impose
13 conditions based on the environmental compatibility of
14 the projects after considering all of the factors in the
15 statute and rules.

16 You have heard live testimony. We filed
17 prefilled testimony, all the other documents we have had,
18 and they address all those factors under the Arizona
19 statutes that are to be considered in line siting cases.
20 Ms. Renee Darling, Michelle Bissonnette, David Cerasale,
21 the numerous environmental studies that we conducted
22 over several months, and in some cases longer than a
23 year, and all of the evidence demonstrates that those
24 two projects, the two projects we talked about, are
25 suitable and compatible with the environment and ecology

1 of the state, which is sort of the ultimate standard, if
2 you will, that we should be evaluating this by. And to
3 the extent there is any question or there was some
4 evidence of potential impact, the applicants have
5 committed to mitigation measures to minimize, mitigate
6 whatever impacts those are.

7 You have also heard from Staff witnesses,
8 Dr. Emordi and Mr. Gray, that the Commission not only
9 considers these same environmental factors that the
10 Committee considers, but the Commission also is
11 obligated to balance, and I think you heard them
12 describe it is the public interest determination, to
13 balance the need for the adequate, economical, and
14 reliable supply of electric power with the desire to
15 minimize the effect on the environment and ecology of
16 the state. So it is a little more than a balancing
17 test. And I think the evidence you heard on that test
18 also was comprehensive and unanimously in support of the
19 projects.

20 The two or three things that were highlighted on
21 that, the projects will immediately improve the
22 reliability of the grid in southern Arizona. This is
23 done by -- you heard Mr. Beck -- by not only providing
24 an alternative source of power to the Nogales area, it
25 provides voltage support, ancillary service, and just by

1 having the DC tie equipment there, it effectively acts
2 as a fuse or circuit breaker to stop sort of cascading
3 outages between the different grids.

4 We also heard both from the Staff witnesses and
5 Mr. Beck again that the projects will provide a
6 meaningful stepping stone or opportunity to further
7 improve the reliability of the grid in southern Arizona.
8 And that comes from giving them an opportunity to get
9 two separate substations, separate distribution lines in
10 the future.

11 And you heard both Mr. Gray and Mr. Beck talk
12 about that those benefits come with the additional
13 benefit of potential cost savings to the affected
14 ratepayers. They are not having to bear the cost of all
15 these projects, and they will likely see some cost
16 reductions over the longer term based on additional use
17 of the transmission by other users and the additional
18 opportunity to get cheaper power.

19 You heard Mr. Virant kind of -- this goes to the
20 balancing test as well. He talks about the DC tie
21 giving the opportunity for commercial transactions as a
22 merchant project. We are required to go out and
23 investigate the interest in, in the line. And from what
24 you heard Mr. Virant testify, that so far we have
25 received expressions of interest that exceed the

1 capacity of the project. In other words, building the
2 150 megawatt DC tie, and right now we have folks that
3 are saying we are interested in using that tie, and you
4 add up those numbers, it is greater -- I think he
5 said -- he may have said multiples of the 150 megawatts.
6 So the expectation is these facilities are needed, they
7 will be used, they will serve a purpose. That benefits
8 ratepayers, market participants, and utilities in the
9 area.

10 Finally, one last point. You heard from
11 Ms. Canales. She described the public outreach that
12 Hunt Power and UNSE have conducted, 2015, 2016, 2017,
13 months before we filed the case here. And the purpose
14 of that is to answer questions and address issues that
15 are raised by the local community and other
16 stakeholders.

17 And you saw them do that. They sent notices to
18 everyone within a half mile of the entire project and
19 had open house meetings. And you had them publish in
20 the newspapers, publish the signs on the side of the
21 road. And you had some public comment.

22 But largely this case was unopposed. It was
23 unanimous support among the parties that are involved in
24 the case. And I think the outreach has a lot to do with
25 that. I think addressing stakeholders' concerns through

1 that outreach has a lot to do with that. And I think
2 that also demonstrates the community values, that this
3 project is consistent with community values in the area
4 and, at least implicitly, reflects community support.
5 And that's what I leave with you.

6 And I look forward working through the CECs with
7 you and, again, appreciate your thoughtful questions and
8 attention.

9 CHMN. CHENAL: Thank you, Mr. Guy.

10 Mr. Jacobs, do you have any comments at this
11 point?

12 MR. JACOBS: Thank you, Mr. Chairman, members.
13 I just reiterate that the Land Department fully supports
14 the application as discussed yesterday based on the
15 agreement between the parties, and we are all on board
16 with the application. Thank you.

17 CHMN. CHENAL: All right. Thank you.

18 Ms. Davis, Mr. Hains.

19 MR. HAINS: Thank you, Chairman, members of the
20 Committee.

21 Staff recommends approval of the application.
22 We believe the testimony demonstrates real reliability
23 benefits to the project when built. Foremost in Staff's
24 mind, it alleviates a longstanding concern with the
25 radial nature of service to the Nogales load pocket.

1 There is also the potential for various economic
2 benefits that accrue to both the ratepayers and the
3 utility, UNSE, with the potential for economic
4 transactions as well as greater utilization of the
5 transmission grid and spreading of the fixed investment
6 in transmission costs.

7 With that, for those reasons, Staff does
8 recommend approval of the application. Thank you.

9 CHMN. CHENAL: Thank you.

10 Does the Committee, any members have any final
11 questions of the applicant or the parties or the
12 witnesses before we begin deliberations?

13 (No response.)

14 CHMN. CHENAL: Going once, going twice. Done.

15 Okay. That closes the hearing. Now we will
16 begin deliberations.

17 We have a general procedure I think most people
18 are familiar with. Mr. Jacobs, in case you aren't, we
19 will go through the screen, basically the CEC, the
20 language of it, and, you know, paragraph by paragraph if
21 we can, condition by condition. We will vote on it as
22 to form. So as we approve the portions of it, we are
23 simply approving the form. We will not be approving the
24 CEC until the end when we do a final up and down vote on
25 the entire CEC.

1 In this case there are two CECs, so we will
2 probably have to go through both of them. But I
3 suspect, my conversations with Mr. Guy, that that will
4 be a very quick process, because there is only very
5 minor differences in the two CECs and they are
6 basically -- we only have to discuss the differences.

7 I would like the record to reflect that Member
8 Drago and Member Haenichen have joined us. So we have a
9 full complement now, and I guess we are ready to
10 proceed.

11 Mr. Guy, I guess I will turn it over to you for
12 the moment as we get the CEC draft up on the screen.
13 Maybe you can remind us which one we will be dealing
14 with first, the interconnection project or the upgrade
15 project. You can kind of set the stage for us.

16 MR. GUY: Absolutely. Thank you, Mr. Chairman.
17 And Ms. Morrissey has paper copies of each of these
18 which we will collate and distribute if it is easier for
19 you to look at the paper copy.

20 So what we are going to distribute, and then we
21 will start live on one of the CECs, is we have a draft
22 form of CEC for the Nogales interconnection project.
23 Well, let me back up.

24 As I read the statute and rules, and I think
25 based on my prior discussions with Staff, what we are

1 really doing here is a CEC for each entity, and then
2 each entity's project. So we are going to first look at
3 a CEC for Nogales Transmission for the portions of the
4 project that it will construct. And then we will look
5 at a CEC for UNSE and the portions of the project it
6 will construct. I thought that was the easier way to do
7 it.

8 And then one of the documents we will distribute
9 in paper form was a red line between the two, which you
10 will see, I believe, ultimately what we ended up with
11 this morning is just terminology changes. And to the
12 extent because UNSE has more than one project, if you
13 will, a portion in the Nogales interconnection and then
14 all of the upgrade, at times we have duplicated
15 conditions to make them applicable to both.

16 CHMN. CHENAL: Okay. I think that will be more
17 clear as we go through it. And what you will be showing
18 us, Mr. Guy, is a draft CEC that incorporates the
19 suggestions not only of the applicant, but also of the
20 parties, and also picks up the CEC discussion we had
21 regarding Border Patrol and the other matters, is that
22 correct?

23 MR. GUY: That's correct. I think it includes
24 every condition that I believe parties either proposed
25 or agreed with.

1 CHMN. CHENAL: Okay. Yes, Member Hamway.

2 MEMBER HAMWAY: Is there the CEC on -- did they
3 load -- did you load a new version?

4 MR. GUY: We have not loaded a new version, but
5 we will distribute paper versions shortly.

6 MEMBER JONES: Excuse me. So the tablets are
7 the old versions?

8 MR. GUY: That's correct.

9 MEMBER JONES: Okay. Thank you.

10 CHMN. CHENAL: Member Woodall.

11 MEMBER WOODALL: This is a question for Staff.
12 The applicants have indicated that the Kantor upgrade
13 project will not be built unless the Nogales
14 interconnection project is built. Does Staff think that
15 there would be any merit or value in referencing that in
16 either of the CECs?

17 MR. HAINS: Chairman, Member Woodall, you raise
18 a very good point. It is one that is a challenging one
19 in various circumstances where you have multiple
20 projects that are contingent on other approvals. I
21 think more recently what came to mind was SunZia, for
22 instance, where it was anticipated some other projects
23 in the New Mexico phase of the project would be
24 necessary in order to complete the entire project as it
25 was proposed to the Committee.

1 Staff generally doesn't take a hard stance that
2 it is necessary to require that one project, in having
3 its CEC, a requirement that another thing be done first
4 as a precondition in order to perfect the ability to
5 construct under the one that is in front of the
6 Committee right now.

7 I would note that since both of these items are
8 in front of the Committee simultaneously right now, I
9 think that does at least inform those who are following
10 the matter that these two were contemplated in the same
11 context, that they are viewed as a common project.

12 I don't know if that's responsive to the
13 question. I don't have any specific.

14 MEMBER WOODALL: Yes or no, do you think there
15 is value?

16 MR. HAINS: I think there is a value on one
17 hand; I think there is a complication on the other hand.
18 The question is does the complication outweigh the
19 benefit.

20 MEMBER WOODALL: Okay.

21 MR. HAINS: And I'm not in a position to say
22 that we actually value that benefit or view the upshot
23 more than the complication that it would introduce.

24 MEMBER WOODALL: I just wanted to get your
25 mature thoughts on this matter, Mr. Hains. I personally

1 have no preference one way or the other, but I did want
2 the opportunity for Staff to opine.

3 MR. HAINS: And we are not asking for that.
4 Thank you.

5 MR. GUY: So, Mr. Chairman, we have distributed
6 three, we will label them as, exhibits for purposes of
7 the record, UNS-27, UNS-28, and UNS-29. UNS-27 is the
8 form of CEC for Nogales Transmission, UNS-28 is the form
9 of CEC for UNS Electric, and then UNS-29 is a comparison
10 document between those two.

11 CHMN. CHENAL: All right. UNS-29 was not, at
12 least on my copy, was not marked as such, but that's
13 fine.

14 MR. GUY: That was an oversight.

15 CHMN. CHENAL: That's okay.

16 MR. GUY: The red line should be UNS-29.

17 CHMN. CHENAL: In case anyone else doesn't have
18 it marked, that's 29. That's okay. No problem. No
19 problem. It is simple math. If there is three and the
20 first one is 27, that means the unmarked one has to be
21 29.

22 MR. GUY: So lastly, one other just context
23 point. What is on the screen then is UNS-27.

24 CHMN. CHENAL: Do you have a suggestion,
25 Mr. Guy, as to which document we should be looking at,

1 27 or 29, as we go through?

2 MR. GUY: I think 29 is the one to look at. And
3 I don't have a red line reflecting the additional
4 conditions that the Chairman or others have offered, but
5 when we come across that condition, it, if I recall, I
6 will point it out for purposes of the record. So I
7 would suggest we just go through UNS-27 like the
8 Committee would normally do and then look at the red
9 line to see if we need to make any changes to the second
10 one.

11 CHMN. CHENAL: Okay. That's very good.
12 Member Woodall.

13 CHMN. CHENAL: There is, a question was raised
14 we review the UNS-27, for example, there is referenced
15 two previous cases. Obviously that will be deleted in
16 the final version, but that's just for reference right
17 now.

18 So unless anyone has any comments, we just dive
19 into it. So what we will do is -- if I can ask, who is
20 the master of the -- Mr. Guy, you are the master of the
21 screen up there?

22 MR. GUY: I am.

23 CHMN. CHENAL: All right.
24 Member Woodall.

25 MEMBER WOODALL: As is typical, I would, I don't

1 know if this is a motion or request, but I would think
2 it would be appropriate to authorize the Chairman to, in
3 the final draft, make any technical and conforming
4 language modifications so that we don't have to focus
5 our attention on typographical errors. And I don't know
6 how my fellow Committee members feel about that. So I
7 guess if that's a motion, I move that we authorize the
8 Chairman to make technical and conforming language
9 changes to the final form of the CEC.

10 MEMBER HAENICHEN: I will second that.

11 CHMN. CHENAL: I have a motion and second. Any
12 further discussion?

13 (No response.)

14 CHMN. CHENAL: All in favor say aye.

15 (A chorus of ayes.)

16 CHMN. CHENAL: Okay. So I will be authorized to
17 make typographical and we will call scrivener's errors,
18 nonmaterial changes to the document and technical
19 corrections.

20 Mr. Guy, if you could scroll down to lines 20
21 through 28. Does any member have any comments regarding
22 the language on page 1, lines 20 through 28?

23 May I have a motion to approve.

24 MEMBER HAMWAY: So moved.

25 MEMBER JONES: So moved.

1 CHMN. CHENAL: Who moved?

2 MEMBER JONES: Russ.

3 MEMBER HAMWAY: And Mary seconds.

4 CHMN. CHENAL: All in favor say aye.

5 (A chorus of ayes.)

6 CHMN. CHENAL: Next page, Mr. Guy. If I could
7 just ask, Mr. Guy, get as much of the page as possible.

8 MEMBER WOODALL: Mr. Chairman.

9 CHMN. CHENAL: Yes.

10 MEMBER WOODALL: I was wondering. I don't know
11 if it is typical to make reference to application being
12 made for intervention and any rulings thereon. I know
13 that typically the Commission orders slap on a
14 procedural detail. And I am not suggesting that we do
15 that. I was just wondering what we typically do.

16 CHMN. CHENAL: I think typically we stay -- what
17 happened in our hearing, which was, you know, we allow
18 parties to intervene. I think it just reflects the
19 record.

20 MEMBER WOODALL: So we don't need to make a
21 specific reference to Marshall Magruder and the denial
22 thereof?

23 CHMN. CHENAL: I think that's probably correct.

24 MEMBER WOODALL: Okay, thank you. I just wanted
25 to ask what your preferences were.

1 CHMN. CHENAL: So lines 1 through -- let's
2 figure out how best to do this. Maybe we only get a
3 half a page up there. If we get lines 1 through 14, and
4 then we will go 15 through 28, that might be sufficient.

5 All right. So we have lines 1 through 16 on
6 page 2.

7 MEMBER PALMER: Motion to approve.

8 MEMBER JONES: Second.

9 CHMN. CHENAL: Motion and second. All in favor
10 say aye.

11 (A chorus of ayes.)

12 CHMN. CHENAL: Then we will -- all right. Let's
13 just leave it there. Then we have lines 20 through 28,
14 page 2.

15 MEMBER NOLAND: Mr. Chairman.

16 CHMN. CHENAL: Yes, Member Noland.

17 MEMBER NOLAND: I think you have left out
18 Mr. Palmer. Didn't we go to 17 previously? 14.

19 MEMBER JONES: I think we went through 14 so it
20 is 15.

21 MEMBER NOLAND: 15.

22 CHMN. CHENAL: Okay. We don't want to forget
23 Member Noland, so make sure we have line -- okay, 14
24 through 28.

25 MR. GUY: Mr. Chairman, if I may.

1 CHMN. CHENAL: Yes, Mr. Guy.

2 MR. GUY: I don't recall. I will point
3 something out here. So on line 24, 25 will have listed
4 the parties who have intervened. Marshall Magruder is
5 not listed because my notes reflected that you treated
6 his filing as comments as opposed to a limited
7 appearance or intervention.

8 CHMN. CHENAL: That's true.

9 MR. GUY: But I have not checked the transcript.

10 CHMN. CHENAL: He was not allowed to intervene,
11 and there was actually a vote on it. He was denied
12 intervention status. I don't know that we need to
13 reflect that on the CEC. The record is pretty clear.

14 MEMBER JONES: Chairman, I go ahead and move
15 that we adopt lines 15 through 28.

16 CHMN. CHENAL: Okay. We have a motion.

17 MEMBER WOODALL: Okay.

18 CHMN CHENAL: We have a motion and second. All
19 in favor say aye.

20 (A chorus of ayes.)

21 MEMBER NOLAND: Mr. Chairman.

22 CHMN. CHENAL: Yes, Member Noland.

23 MEMBER NOLAND: I made the motion with regard to
24 Mr. Magruder and I didn't necessarily deny him
25 intervention. I made a motion that we consider his

1 statements as submitted, and that we would review them.

2 CHMN. CHENAL: Okay. I don't remember exactly
3 what the language was, but I think to put it in a
4 positive reference, I mean we appreciated Mr. Magruder's
5 comments. We admitted into evidence his statements
6 as -- his motion as a public statement, and I think we
7 went through it extensively in the evidence. Mr. Beck
8 and others went through question by question. So I
9 think we gave full consideration to Mr. Magruder's
10 comments.

11 MEMBER WOODALL: Excuse me, Chairman.

12 CHMN. CHENAL: Yes, Member Woodall.

13 MEMBER WOODALL: I would like to get Staff's
14 perspective on this since they are going to be the ones
15 that are going to be preparing the final form of order.

16 Do you think we should include Marshall
17 Magruder's denial of his participation and affirmative
18 statement of what we did consider or not?

19 MR. HAINS: Thank you, Chairman, Member Woodall.

20 I am not the Committee's attorney, so I can't
21 say what you are doing is the right thing or the wrong
22 thing. I would say from practice before the Commission
23 it is typical in the orders that are presented to the
24 Commission that they do reflect the procedural history
25 to the extent somebody did request intervention and how

1 it was resolved. I think it could be resolved simply by
2 noting Mr. Magruder did file an intervention request,
3 and that, in lieu of granting intervention, his
4 intervention request was treated as a comment, and
5 that's how his matter was resolved.

6 CHMN. CHENAL: And that would be fine.

7 MEMBER NOLAND: Chairman, that was my point. He
8 couldn't be here, he couldn't be here by phone. I did
9 not make a motion to deny him intervention, just to
10 treat his comments in a different manner since he could
11 not participate.

12 CHMN. CHENAL: Maybe we could, unless someone --
13 I mean one possibility is to say Mr. Magruder filed a
14 motion for intervention, he was not granted intervention
15 status, but his motion was treated as public -- as a
16 statement.

17 MR. GUY: And Mr. Derstine reminded me that the
18 applicants did receive the e-mail from him essentially
19 withdrawing, stating he was not going to be
20 participating, he would not be requesting to participate
21 after the fact unless the hearing proceeded in its
22 normal course at a later time. I don't know that we
23 need to reflect that, but there is the concept of he has
24 intervened and we haven't ruled on it, I mean he
25 essentially said that I am not planning to be there.

1 CHMN. CHENAL: Mr. Hains.

2 MR. HAINS: Yes, thank you, Chairman.

3 And to piggy-back on the comments of Mr. Guy, I
4 believe the transcript from the prehearing conference
5 also reflects that Mr. Magruder indicated on the record
6 at that point the same thing, to the effect if he was
7 not available and the proceeding did not proceed beyond
8 this week, he would not be going forward as a party to
9 this.

10 CHMN. CHENAL: So let's add some language. I
11 want to get the correct title of the document that he
12 filed. I am afraid I don't have that in front of me.
13 But I think you can get that, Mr. Guy. We can say that
14 Mr. Marshall Magruder filed, and give the title to the
15 document, was not granted intervention status, but his
16 motion was treated as public, as a public -- as a
17 statement in writing.

18 MEMBER WOODALL: And Mr. Chairman, I believe
19 insertion of the absolute correct title for the motion
20 would be something that would be within your authority
21 to make technical and conforming changes personally.

22 And I made this suggestion not only to
23 correspond with the typical procedural history that's
24 contained within the CEC, but out of consideration for
25 Mr. Magruder, to show that his information was

1 presented. I think it is important that there be a
2 reference to that in the document.

3 CHMN. CHENAL: Maybe we refer to the statute but
4 we treat as a limited appearance under the statute,
5 which is 40-360.05.

6 All right. Mr. Guy has added language on
7 page 2, line 26, through page 3, line 3. And I should
8 probably read it for the record because nobody is going
9 to have it in front of him looking at the exhibits.

10 So Mr. Guy added: On August 28th, 2017,
11 Marshall Magruder filed a notice of intent to become a
12 party intervenor, paren, and initial comments on the CEC
13 application. Mr. Magruder stated that he would not be
14 able to participate in the hearing and his request to
15 intervene was not granted. His participation was
16 treated as a limited appearance under A.R.S. Section
17 40-360.05. The Committee considered his comments during
18 the hearing.

19 So with that additional language, may I have a
20 motion to approve?

21 MEMBER HAMWAY: So moved.

22 MEMBER JONES: Second.

23 CHMN. CHENAL: We have a motion and second. All
24 in favor say aye.

25 (A chorus of ayes.)

1 CHMN. CHENAL: Okay. Now, let me stop for a
2 second. Now, when we refer to the lines that we are
3 looking at, it will not be in sync with the exhibits
4 that we have. So when someone is reading the record,
5 and this was in the last hearing, when someone is
6 reading the record, they are going to be hopelessly
7 confused because we are going to be referring to a
8 docket that they don't have in front of him.

9 MEMBER WOODALL: Mr. Chairman.

10 CHMN. CHENAL: I have a solution, I think. I
11 think if I could ask the applicant at the end of this
12 process to make a copy of what we will have reviewed on
13 the screen, and we will make that UNS-30 in this case,
14 and so the record will be clear if someone wants to
15 follow our comments, they will have to look at Exhibit
16 No. 30, UNS-30, to follow the lines that we approve.

17 Does that make sense?

18 MEMBER WOODALL: Chairman, may I ask --

19 CHMN. CHENAL: Yes.

20 MEMBER WOODALL: Is it possible you can put this
21 additional language in a comment for the Word document,
22 and that way we know that it is going in there but we
23 can continue to just use this instrument? Just a
24 thought. I have no preference.

25 CHMN. CHENAL: That's a word processing. I

1 think it makes it a hard process. I don't know. You
2 can ask Mr. Guy.

3 MEMBER WOODALL: Just copy and paste it into a
4 comment. It is just a thought.

5 MEMBER NOLAND: Mr. Chairman, I think that's a
6 little more confusing for me. It is a good suggestion,
7 but I think yours is better; for clarity.

8 MR. GUY: What I did, based on Ms. Woodall's
9 suggestion, is there is a way to turn off what you just
10 made, so I did that. So now the line numbers are
11 reflective of the original exhibit. But I have not
12 eliminated the change. So we could -- we can always --

13 MEMBER WOODALL: That's going to be helpful to
14 me as we go through the document. I understand the
15 Chairman's proposal. That is helpful to me now.

16 MEMBER NOLAND: Having seen that, I understand.
17 I just, I am worried about what you said, somebody
18 reviewing the document doesn't get what we were doing
19 with what lines.

20 CHMN. CHENAL: That's --

21 MEMBER NOLAND: Like anyone would want to read
22 it.

23 MR. GUY: I think we can also do what the
24 Chairman suggested, is at the end we could make the
25 final document a new exhibit.

1 MEMBER WOODALL: To me that makes a lot of
2 sense. One, it will help me with my deliberations and
3 following what we are doing, and yet there be a final
4 instrument that has all of the comments.

5 MEMBER JONES: I concur. For ease while we do
6 this, I agree with that. So numbers will match any
7 changes like that, that we add, we can have the one copy
8 at the end. I don't know. The Chairman is thinking
9 about it.

10 CHMN. CHENAL: Well, my Committee has left me in
11 the dust, which is not the first time that that happens.
12 I am totally confused now. We are referring to the line
13 numbers. By adding language, we are changing what is on
14 Exhibit 27.

15 If you, Mr. Guy, put it -- delete, add the
16 language and then we approve it, the approval will be by
17 lines. And then you delete the, kind of undo those, we
18 are back to what is in Exhibit 27. And we go through
19 this process, we are approving by lines. But we are
20 now, we are going to be confused, as to someone reading
21 this transcript I think will be confused as to which
22 document they should be looking at, Exhibit 27 or
23 Exhibit 30 in my example.

24 MEMBER WOODALL: I guess what I am thinking is
25 that if we are going through this document and he is

1 saving the changes in the ether, at any point during the
2 proceedings he can pop that back in. If we would say,
3 oh, my goodness, what did we say before, Mr. Guy will
4 have it.

5 I think it will just be easier to refer to a
6 marked document and see what we are going, what changes
7 we are making, and then at the end we will have a final
8 red line version. It is just going to help, because
9 otherwise it is extremely difficult to follow the
10 discussions. That's just my perspective, and I will
11 muddle through whatever the Committee wants to do.

12 MR. JACOBS: I think if you have actually --
13 excuse for just -- I think if you actually have detailed
14 discussions about a specific portion and you are going
15 back and forth between the markup and the original, it
16 is going to be confusing. So I think the idea of having
17 an Exhibit 30 and just dealing with the markup the whole
18 way through will ultimately prove it is all there and
19 you are talking about what the actual document is.

20 CHMN. CHENAL: Yes.

21 MEMBER WOODALL: But we are not going to have
22 the Exhibit 30 until the end of this process.

23 MR. JACOBS: That's true, but it will be what is
24 on the screen.

25 MEMBER WOODALL: Anyone reading the transcript

1 that's reading references to lines and pages, this is
2 going to be confused.

3 CHMN. CHENAL: I don't --

4 MEMBER WOODALL: Anyway, moving on.

5 CHMN. CHENAL: I don't think so.

6 MEMBER WOODALL: I abandon the field.

7 CHMN. CHENAL: I don't think it will be
8 confusing, because at the end of the exercise, we will
9 have a reference to page and line numbers like we just
10 approved, and we will have Exhibit 30. And if you look
11 at Exhibit 30 at page 2 on line 26, you will see the
12 language there. It will all be there.

13 It won't -- I don't think it will be confusing.
14 It is just we don't know what it will look like until
15 the end, because we will be adding information. But I
16 think at the end it will be very easy to pull up Exhibit
17 30 and see exactly and follow it on the record. But
18 that's my thought.

19 Member Noland.

20 MEMBER NOLAND: Mr. Chairman, for nine years we
21 have done it this way, and we have had no question about
22 it that I have heard, so...

23 MEMBER WOODALL: I abandon the field.

24 MEMBER NOLAND: But I think it is a good idea to
25 have an Exhibit 30. That's an issue we haven't had, and

1 I think that's a good one.

2 CHMN. CHENAL: Let's just proceed with that for
3 now and keep the language in there, and then this will
4 evolve as we go through it. All right.

5 So let's look at lines, page -- what page are we
6 on, Mr. Guy? 3 -- this page 3, lines 1 through 17.

7 MEMBER JONES: I move to approve.

8 MEMBER WOODALL: Second. So we are referring to
9 the line numbers, we are referring to what is on the
10 screen, right?

11 CHMN. CHENAL: Yes.

12 MEMBER WOODALL: Okay.

13 CHMN. CHENAL: We have a motion. Do we have a
14 second?

15 MEMBER NOLAND: Second.

16 CHMN. CHENAL: Okay, and second. All in favor
17 say aye.

18 (A chorus of ayes.)

19 CHMN. CHENAL: All right. Thank you. Let's go
20 to page 3, lines 18 through 28.

21 MEMBER JONES: Move to approve.

22 CHMN. CHENAL: We have a motion. Do we have a
23 second?

24 MEMBER PALMER: Second.

25 CHMN. CHENAL: Motion and second. All in favor

1 say aye.

2 (A chorus of ayes.)

3 CHMN. CHENAL: All right. Thank you.

4 Page 4, lines 1 through 16.

5 MEMBER PALMER: Move to approve.

6 MEMBER NOLAND: Second.

7 CHMN. CHENAL: We have a motion and second. All
8 in favor say aye.

9 (A chorus of ayes.)

10 CHMN. CHENAL: All right. Let's go to page 3.
11 Let's do it, let's split the page in half, lines 15
12 through 28.

13 MEMBER HAENICHEN: Page 4.

14 CHMN. CHENAL: Page 4, lines 15 through 28. Do
15 we have a motion?

16 MEMBER PALMER: Move to approve.

17 MEMBER JONES: Second.

18 CHMN. CHENAL: All in favor say aye.

19 (A chorus of ayes.)

20 CHMN. CHENAL: Mr. Guy, hold it right there if
21 you would. What I was looking for, and I didn't see it,
22 is there is a reference to the CEC route. Is that
23 defined?

24 MEMBER JONES: Decided both GPS --

25 CHMN. CHENAL: No, no. We refer to the CEC

1 route in the document, and I just want to see if that
2 was defined anywhere. I believe this is a pretty
3 significant term.

4 MR. GUY: So it is defined right here, the route
5 herein approved for the Nogales interconnection project
6 CEC route.

7 CHMN. CHENAL: I see. Okay. Thank you.

8 Let's move on to page 5.

9 MR. GUY: And let me clarify. I don't want to
10 slow things down, but this may be a question later. So
11 a few lines up, so this is issuing a certificate to
12 Nogales Transmission for the 230kV transmission line.
13 So when we say the Nogales interconnection project, and
14 we are talking about Nogales Transmission CEC, it is a
15 CEC for that piece, the Gateway to U.S.-Mexico border
16 230kV transmission line.

17 CHMN. CHENAL: Right.

18 So I think we are on page 5, lines 1 through 14.

19 MEMBER HAENICHEN: 1 through 9, maybe, because
20 the conditions.

21 CHMN. CHENAL: I am sorry. Well, 1, let's go 1
22 through 14. Because we won't go to the conditions yet.

23 MEMBER JONES: Move lines 1 through 14.

24 CHMN. CHENAL: Second?

25 MEMBER RIGGINS: Second.

1 CHMN. CHENAL: We have a motion and second.

2 Now we will go to the conditions, and we will do
3 these one at a time. So let's look at Condition No. 1.

4 Member Noland.

5 MEMBER NOLAND: Mr. Chairman, this is where I
6 felt we should modify the language for this condition on
7 line, what is now line 19, after including, comma, but
8 not limited to, comma.

9 CHMN. CHENAL: Very good.

10 MEMBER NOLAND: And I move that we adopt that
11 condition as modified.

12 CHMN. CHENAL: Okay. And I -- just for the
13 record I think, and not only for this, but all the other
14 ones, the language we will be approving is the
15 substantive language of the condition, but not the
16 reference to a previous siting case, is that correct?

17 I think we just had that -- had a continuing
18 understanding that we approve the language. And
19 Mr. Guy, you don't have to go through and delete each
20 one, but I think we just understand as we go through
21 that we will -- that the motion as we approve the
22 language will not include the language of previous CEC
23 cases.

24 So we have a motion to approve Condition 1. Do
25 we have a second?

1 MEMBER HAMWAY: Second.

2 CHMN. CHENAL: We have a motion and second. All
3 in favor say aye.

4 (A chorus of ayes.)

5 CHMN. CHENAL: Condition 2.

6 MEMBER NOLAND: Mr. Chairman.

7 CHMN. CHENAL: Yes.

8 MEMBER NOLAND: On Condition 2, a little
9 different language, I am not sure we need it, but just
10 in case you miss anyone, I would, after the word by,
11 permits required by, I would add any government entity
12 having jurisdiction, comma, including but not limited
13 to, comma.

14 CHMN. CHENAL: Excellent suggestion, Member
15 Noland. Yes, thank you.

16 Okay. Hold -- okay.

17 We need to consider the FAA. And I am not sure
18 if in 1 and 2, you know, that should be added. I don't
19 remember the actual discussion. I thought we discussed
20 we were going to add FAA in that.

21 MR. GUY: FAA is added later --

22 CHMN. CHENAL: Okay.

23 MR. GUY: -- to a condition that Staff proposed.

24 CHMN. CHENAL: Okay. Well, then let's stick
25 with No. 2 with the additional language suggested by

1 Member Noland.

2 May we have a motion.

3 MEMBER NOLAND: Mr. Chairman, I move we adopt
4 the language for Condition No. 2 as modified.

5 MEMBER PALMER: Second.

6 CHMN. CHENAL: Motion and second. All in favor
7 say aye.

8 (A chorus of ayes.)

9 CHMN. CHENAL: Let's look at Condition No. 3.
10 May I have a motion.

11 MEMBER HAMWAY: So moved.

12 MEMBER JONES: Second.

13 CHMN. CHENAL: We have a motion and second. All
14 in favor say aye.

15 (A chorus of ayes.)

16 CHMN. CHENAL: All right. Let's look at No. 4,
17 Condition 4. Condition 4 is the condition that is being
18 proposed by the applicant based on our extensive
19 conversation on the record.

20 Member Woodall.

21 MEMBER WOODALL: I would recommend that we
22 include your title, Chairman Thomas Chenal.

23 CHMN. CHENAL: Okay. To the Chairman would be
24 fine. My name doesn't need to be there.

25 MEMBER JONES: Move to approve.

1 MEMBER HAMWAY: Second.

2 CHMN. CHENAL: Okay. We have a motion and a
3 second. All in favor say aye.

4 (A chorus of ayes.)

5 CHMN. CHENAL: Let's look at Condition 5.

6 MEMBER JONES: Move to approve.

7 CHMN. CHENAL: We have a motion. Do we have a
8 second?

9 MEMBER HAMWAY: Second.

10 CHMN. CHENAL: Motion and second. All in favor
11 a say aye.

12 (A chorus of ayes.)

13 CHMN. CHENAL: No. 6. We will only be able to
14 look at the screen on a portion of 6. Give us a moment
15 to look at the paper version.

16 MEMBER JONES: Move to approve.

17 MEMBER NOLAND: Second.

18 CHMN. CHENAL: One second. I need to read 6.

19 All right. We have a motion. And do we have a
20 second?

21 MEMBER HAMWAY: Second.

22 CHMN. CHENAL: A motion and second for
23 Condition 6. All in favor say aye.

24 (A chorus of ayes.)

25 CHMN. CHENAL: All right.

1 Condition 7.
2 MEMBER JONES: Move to approve.
3 MEMBER HAMWAY: Second.
4 CHMN. CHENAL: You guys, I am a slow reader.
5 We have a motion and a second. All in favor say
6 aye.
7 (A chorus of ayes.)
8 CHMN. CHENAL: Okay, Condition 7 is approved.
9 Condition 8. Do we have a motion?
10 MEMBER JONES: So moved.
11 MEMBER HAMWAY: Second.
12 CHMN. CHENAL: Motion and second. All in favor
13 say aye.
14 (A chorus of ayes.)
15 CHMN. CHENAL: Condition 9.
16 MEMBER JONES: I move to approve.
17 MEMBER NOLAND: Second.
18 CHMN. CHENAL: Motion and second. All in favor
19 say aye.
20 (A chorus of ayes.)
21 CHMN. CHENAL: Okay. Condition 10.
22 MEMBER JONES: Move to approve.
23 MEMBER WOODALL: Second.
24 CHMN. CHENAL: Okay. Do we have a motion? Do
25 we have a second?

1 MEMBER JONES: Yes.

2 CHMN. CHENAL: Motion and second. All in favor
3 say aye.

4 (A chorus of ayes.)

5 CHMN. CHENAL: Okay, Condition 11.

6 MEMBER JONES: Move to approve.

7 MEMBER WOODALL: Second.

8 CHMN. CHENAL: Motion and second. All in favor
9 say aye.

10 (A chorus of ayes.)

11 CHMN. CHENAL: Okay. Condition 12.

12 MEMBER PALMER: Motion to approve.

13 MEMBER JONES: Second.

14 CHMN. CHENAL: We have a motion and second. All
15 in favor say aye.

16 (A chorus of ayes.)

17 CHMN. CHENAL: Condition 13.

18 MEMBER NOLAND: Move to adopt Condition 13.

19 MEMBER HAMWAY: Second.

20 CHMN. CHENAL: We have a motion and a second.
21 All in favor say aye.

22 (A chorus of ayes.)

23 CHMN. CHENAL: Condition 14. Do we have a
24 motion?

25 MEMBER HAMWAY: So moved.

1 MEMBER WOODALL: Second.

2 CHMN. CHENAL: We have a motion and a second.

3 All in favor say aye.

4 (A chorus of ayes.)

5 CHMN. CHENAL: All right. Condition 15.

6 MEMBER JONES: Move to approve.

7 CHMN. CHENAL: We have a motion. Do we have a
8 second?

9 MEMBER NOLAND: Second.

10 CHMN. CHENAL: Motion and second. All --

11 MEMBER WOODALL: I had --

12 CHMN. CHENAL: Member Woodall.

13 MEMBER WOODALL: -- a question. And that is
14 they should be permitted to deviate, but we don't --
15 let's see.

16 MEMBER HAENICHEN: Can't hear you.

17 MEMBER WOODALL: Okay. So it says we are
18 permitted to deviate to address engineering constraints
19 on one or more private property -- private landowners'
20 properties and if you receive consent from all
21 landowners.

22 So that deviation would extend how far? I mean
23 there is no qualification there. That was my -- and if
24 it is we have done this before, then I just had a
25 question regarding it, not that I am suggesting that

1 they are going to be moving it miles away, because I
2 don't think they would. They haven't studied it.

3 MEMBER JONES: I think the question, a thousand,
4 was that within a thousand feet?

5 MEMBER WOODALL: Right. But this suggests that
6 maybe the corridor, you know, outside of that thousand
7 feet. And there is no qualifier there. I just bring
8 that to folks' attention in case somebody has a concern.

9 MEMBER HAMWAY: Maybe just say deviate within
10 the corridor.

11 MEMBER JONES: Yeah, deviate within the
12 corridor.

13 CHMN. CHENAL: Mr. Guy.

14 MR. GUY: Well, I mean the only comment to that
15 is, I agree this language does not contain a
16 restriction, and if the Committee wants to impose a
17 restriction or include a restriction, then that makes
18 sense.

19 Within the corridor probably isn't necessary,
20 because the applicant can be anywhere within the
21 corridor because that's what has been approved. So the
22 intent of this language is to go outside the corridor if
23 the Committee believes that's reasonable for -- this is,
24 again, this is the Nogales interconnection portion of
25 the project.

1 CHMN. CHENAL: Member Woodall.

2 MEMBER WOODALL: I was wondering --

3 CHMN. CHENAL: Can't hear you.

4 MEMBER WOODALL: I don't know how to make it go.
5 Hello.

6 MEMBER JONES: This, Mr. Chairman --

7 MEMBER WOODALL: I was just wondering -- I am
8 sorry, Mr. Jones.

9 MEMBER JONES: No, I was just saying, while you
10 were getting the mike, I was going to ask if there was
11 an inference or, in terms of property owners, does it
12 need to be specific with regard to the State Land
13 Department.

14 MEMBER WOODALL: Mr. Hains, what I was going to
15 ask you was does Staff have any input, useful or
16 otherwise, with respect to this issue of nonqualifying.

17 CHMN. CHENAL: We prefer the useful.

18 MEMBER WOODALL: You are never going to get over
19 the ancient comment. You are going to pay for that for
20 awhile. I am joking.

21 MR. HAINS: Until you are really ancient.

22 MEMBER WOODALL: Won't be long now.

23 MR. HAINS: Chairman, Member Woodall, thank you
24 for the opportunity.

25 I assume you are referring back to the

1 discussion we had about whether something might need
2 substantial change if you are stepping outside the
3 noticed parameter. One aspect of the substantial
4 challenge analysis first, you know, the notion is not,
5 it is not just that's what was noticed; it is whether
6 the notice and how it was expressed may have advertently
7 or inadvertently led somebody to think they are okay,
8 they are in the clear and such.

9 So there is some notion that people who are
10 right on the bubble, right on the boundary, that they
11 are close enough where there is some notion that, you
12 know, if it is like five foot outside the noticed
13 corridor, that might be within what is contemplated as
14 something that would not necessarily be a substantial
15 change.

16 To your point about whether something is small
17 enough deviation that it is still tolerable for a
18 substantial change analysis, I think I agree with you,
19 there should be some parameters. It would be reasonable
20 to have something like that in a condition of this sort.
21 I don't know what a good number would be.

22 I do take your point, and I recognize I was the
23 one who raised the issue in the first place, so I do
24 assume some responsibilities for having highlighted this
25 in the first instance. Like I said, substantial change

1 is an analysis that has to be performed based on what is
2 actually contemplated to be done and what is going to be
3 done and what is being approved expands beyond the scope
4 of what was originally requested. It did request a
5 1,000 foot corridor.

6 There are some additional nuances to substantial
7 change, though, that could permit -- for instance, an
8 incidental deviation, that it is not so substantial that
9 a person who is right on the bubble, for instance, if
10 you were right on the boundary of that thousand foot,
11 you know, you do know it could have been right on your
12 border, and that's close enough where if you were paying
13 attention you should have known that it could, if it was
14 a matter of hopping over one side of the street to the
15 other side of the street, you are still within that
16 zone. So it was --

17 MEMBER WOODALL: I understand.

18 MR. HAINS: -- close enough.

19 MEMBER WOODALL: I understand what you are
20 saying, but the question I was asking was a bit more
21 precise. Do you think we need to have a qualifier here?
22 And if, for example, Mr. Beck says, well, we would
23 definitely deviate beyond X hundred feet, that would be
24 helpful. I just wanted to bring up the discussion point
25 because you had raised the issue, and right now there is

1 no qualifier here.

2 MR. HAINS: I think it would be appropriate;
3 however, I don't know what a good number would be. And
4 at the same time, when I say I think it would be
5 appropriate, I think it would be appropriate from a
6 regulatory sense, from a sense of trying to police the
7 document, bearing in mind, however, that an engineer's
8 perspective, when they build it, and with all due
9 respect to Mr. Beck and his prognosticatory skills in
10 terms of trying to forecast how much deviation he can
11 work with, and that engineers are able to work their way
12 around challenges, you know, to the extent we have the
13 resources to throw out and work within constraints, that
14 there still may be challenges that may exceed even what
15 they think right now they can do with the corridor.

16 That said, I am loathe to put in too tight of a
17 constraint on them.

18 MEMBER WOODALL: I understand what you are
19 saying. But I was just wondering if the applicant had a
20 number and they said we definitely won't be deviating
21 beyond that. But I don't see Mr. Beck expressing any
22 great enthusiasm for pitching out a number.

23 So, anyway, I wanted to bring it up. And having
24 done that, I don't need to discuss it any further.

25 CHMN. CHENAL: Member Haenichen.

1 MEMBER HAENICHEN: Mr. Chairman, perhaps some
2 language like should the applicant find the need to make
3 an excursion outside of the approved corridor, he would
4 negotiate in good faith with the landowner affected.

5 CHMN. CHENAL: That's certainly a possibility.
6 You know, there is a safeguard in here that it is -- the
7 landowners have to all consent. Of course, I think the
8 concern is the neighbors of those landowners who might
9 anticipate that, you know, it is going along the
10 corridor and then wake up one day and realize that their
11 neighbor over whose project it goes decided to push it
12 on the border and it impacts much more substantially the
13 neighbors than had been anticipated.

14 MEMBER WOODALL: May I ask, would the Staff be
15 amenable to some modification that says they will be
16 able to deviate and UNS, if they receive consent from
17 all landowners who would be affected by the deviation
18 and provide notice to Staff -- would that be helpful?

19 MR. HAINS: And this would be rather than the
20 current configuration of the condition where the
21 notification to Staff under the condition as stated
22 right now would be of the annual compliance
23 certification, so instead we would get it before --

24 MEMBER WOODALL: Yes.

25 MR. HAINS: -- at the moment when it happens?

1 MEMBER WOODALL: Correct. And it would just go
2 in after affected by the deviation, comma, and provides
3 notice of the deviation to Staff within 60 days or
4 something.

5 MR. HAINS: I think that would be appropriate.

6 MEMBER WOODALL: Okay.

7 CHMN. CHENAL: Mr. Guy.

8 MR. GUY: Mr. Chairman, I think if that's where
9 we land, my comments are largely irrelevant, but I did
10 want to make sure -- I think you captured the intent of
11 this provision, is to address deviations that we may not
12 be aware of now, engineering constraints, landowners who
13 may not know it impacts their property.

14 So the intent is, if you get consent from all
15 affected landowners, then you can deviate, even if it is
16 outside the corridor. So from an affected stakeholder
17 perspective, if you will, we are trying to capture that.

18 To the extent there is a boundary for it, I
19 think it is less of a notice to landowner issue and
20 perhaps more of what evidence was before the Commission,
21 in other words, what area do you consider from an
22 environmental perspective. You know, for example, we
23 had witnesses that testified that for a lot of the
24 environmental studies they had a one-mile corridor they
25 looked -- half-mile corridor they looked at. And again,

1 I am not suggesting put one mile in here, but I am
2 suggesting that that's what the evidence supports,
3 because the evidence supports a study corridor from an
4 environmental perspective.

5 CHMN. CHENAL: Member Woodall.

6 MEMBER WOODALL: I was not suggesting that Staff
7 would have to approve or deny the modification. This is
8 just kind of like a heads-up so that Staff knows while
9 it is happening, and it is really more because there is
10 no qualifier here. So that's the only reason I am
11 suggesting it. I am not suggesting that Staff would
12 object, oppose. It is just a notice provision.

13 MEMBER JONES: Mr. Chairman, just a question for
14 myself. Everyone that was within the certain distance
15 of the point of the project, the exact line, not
16 withstanding the thousand feet wide corridor, would be
17 provided notice and opportunity to comment. I think, if
18 a half mile or quarter mile, that you put the signs and
19 notify those residents.

20 MR. GUY: The applicants invited residents
21 within half a mile to the open meetings following
22 application.

23 MEMBER JONES: And that was based on the line
24 being in a certain configuration. So if you were to use
25 the line, can't we just use the same parameter and shift

1 it out? And if someone falls within that, they would
2 be, otherwise -- because if the project was as modified,
3 they would have been notified originally. So it just
4 would shift in and out based on that centerline and the
5 half mile.

6 CHMN. CHENAL: I am not sure if there is a half
7 mile restriction on this, though.

8 MEMBER JONES: My point is, from the point -- if
9 people outside that half mile didn't get notification,
10 if you shift it a quarter of a mile, for instance, then
11 there are people within that half mile of that new
12 location who never even were notified and never had a
13 chance to intervene or discuss it. So to protect their
14 interest, wouldn't it be prudent to at least make them a
15 notified party if that shifts by that much?

16 CHMN. CHENAL: I don't think that's getting to
17 the point I raised, as the neighbors who would be
18 affected, you know, more than the landowners, if they
19 agree.

20 So Mr. Hains, did you have a comment?

21 MR. HAINS: Yes. And thank you, Chairman.

22 And to your point, Member Jones, that is the
23 problem of substantial change, is the application is
24 already underway. Say it did move, as you suggested,
25 like half a mile or quarter mile outside what was

1 actually originally requested in the application. It is
2 too late now for a party to jump in and say, oh, I would
3 intervene now and I want to put on a case.

4 You are on the cusp of actually approving
5 something right now. They wouldn't be in a position to
6 preserve rights if they want to appeal what you actually
7 granted and such. That's the problem substantial change
8 is concerned with. They never got the chance because
9 they are lulled, as the case may be, advertently or
10 inadvertently. There is not necessarily a sense there
11 was some purpose to do that, that's not necessary. It
12 is just that they would have been led to believe based
13 on what was applied for that, implicitly or explicitly,
14 they don't have to worry if this is the boundary where
15 they are concerned with.

16 Is that a fair explanation for you?

17 MEMBER JONES: Oh, yeah, I get it. It just
18 seems to be kind of a flaw in the process.

19 MEMBER NOLAND: Mr. Chairman.

20 CHMN. CHENAL: Member Noland.

21 MEMBER NOLAND: Mr. Chairman, I don't support
22 this condition, and I am surprised I didn't catch it in
23 Case 173. It is a double-edged sword for me, because as
24 I complimented TEP and UNSE, they don't request a
25 2500-foot corridor. They are very conservative about

1 their corridors.

2 But I believe the corridor has to be maintained,
3 because that's the legal corridor that has been shown
4 that we have had the hearings on that has established
5 the half-mile notification. And so if there is a -- and
6 if the Corporation Commission should decide to adopt the
7 policy, if there isn't a good one, on a slight deviation
8 that they could approve, I am okay with that. But I am
9 not going to support this condition.

10 CHMN. CHENAL: Mr. Guy.

11 MR. GUY: Mr. Chairman, in talking with the
12 applicants for this project, we are agreeable to strike
13 this condition if it is causing this discomfort rather
14 than hang things on and limit and change, because for
15 this particular project we don't really think this is an
16 issue.

17 CHMN. CHENAL: It is a sensitive issue. I think
18 that's wise in this case. So we will make the proper
19 motion to strike that condition. But it raises a big
20 issue, and I am not sure it is going to be a problem or
21 not on the next CEC we consider either, I just don't
22 know. But we can be sure it will come up in a future
23 case. So I think it is a very good discussion.

24 So put your thinking caps on how to deal with
25 it. I don't know if Mr. Hains or Ms. Davis, you know,

1 if we make a record of what we believe on a particular
2 case is a nonmaterial deviation of -- let me throw out a
3 number and say the next case we handle, because the
4 topography, we say, well, we think a deviation from the
5 corridor by a thousand feet, you know, or 500 feet in
6 this case, if there is an engineering problem that the
7 applicant encounters and we find in this case that that
8 would be a nonmaterial deviation, what would be your
9 thoughts on something like that?

10 MR. HAINS: Chairman, Chairman, typically when
11 this kind of issue comes up it is addressed inside the
12 hearing and, you know, sometimes you will solicit from
13 the parties a brief, as necessary, on an issue when it
14 has been highlighted there is a potential you might have
15 to have a substantial change in order to accommodate
16 that issue that was wasn't foreseen at the time the
17 application was made.

18 There are things that, even though it is --
19 would ordinarily be a substantial change, might
20 nonetheless survive that analysis. For instance, let's
21 say you have a change that is a deviation from what was
22 noticed, but the deviation entirely takes place on the
23 land of one landowner who is a party here and actually
24 knew about it all along. They can waive it. They can
25 agree. They are already here, they can preserve their

1 rights if necessary. There are things like that.

2 So, for instance, if it is like State Land,
3 State Land, if there was that issue, they know what they
4 are in for; they are here. If there was contemplated a
5 substantial change in this proceeding, for instance,
6 they could evaluate it while they are here at the table
7 and decide whether to put forward the case that they
8 felt was necessary to preserve their requirements and so
9 on.

10 Again, it is going to depend on what the
11 circumstances are. It is kind of hard to anticipate
12 when we don't actually even know if it will even occur.
13 That's the challenge here. And in terms of a going
14 forward solution, the only thing I can think of is ask
15 for the corridor you think you need. And I understand
16 what Member Noland is -- I appreciate that. So, yeah.
17 That would be the only suggestion I have.

18 MEMBER NOLAND: Mr. Chairman.

19 CHMN. CHENAL: Member Noland.

20 MEMBER HAENICHEN: I move we eliminate No. 14.

21 MEMBER WOODALL: Second.

22 MEMBER NOLAND: Mr. Chairman.

23 CHMN. CHENAL: Member Noland.

24 MEMBER NOLAND: I believe exactly what Mr. Hains
25 has said, that in areas where there may be difficulty,

1 that's where you ask for a larger corridor -- and we
2 have seen that -- and then taken it down in areas where
3 there is no anticipated issue.

4 Again, we have really not dealt with this issue,
5 not that it doesn't need to be, but I would think that
6 there should be some policy from the Corporation
7 Commission that would oversee any slight deviation,
8 because we don't know if there is going to be one or
9 not. So thank you for letting me comment on that.

10 CHMN. CHENAL: No, I think this is a very
11 important issue. And I tend to agree that the better
12 course is that the applicant comes in and has the
13 corridor they believe they need for problematic areas.
14 Maybe it is a larger corridor. Well, we have a motion
15 and second.

16 MEMBER JONES: I just wanted to explain my vote.
17 There have been initiatives passed that affect the
18 regulatory structure in this state with regard to
19 takings, and essentially without due process at least.
20 And my opinion, if we were to leave that clause in, we
21 make the people in near proximity subject to potential
22 taking without due process. And that's something I am
23 fundamentally against. So...

24 MEMBER HAMWAY: It is not a taking if they
25 agree. My point is it is not a taking if all the

1 landowners agree. And if one landowner says no, then
2 what does the applicant do? It goes back to the drawing
3 board, correct? So the fact that you need 100 percent
4 of all landowners is your constraint. If everybody
5 agrees, then there is no issue. Right? I don't know.
6 I am not a lawyer.

7 CHMN. CHENAL: Well, I think it is a complicated
8 issue. But I think we have a solution in this case.

9 We have a motion and a second to remove
10 Condition 14. So all in favor say aye.

11 (A chorus of ayes.)

12 CHMN. CHENAL: Yeah. I think it is complicated.
13 I think this is a good discussion. Because we are going
14 to face this again.

15 Okay. Any further comments by the members on
16 Condition 14?

17 Member Hamway.

18 MEMBER HAENICHEN: We just picked up five lines.

19 MEMBER HAMWAY: So we might be back where we
20 started.

21 CHMN. CHENAL: So when we are looking at
22 Exhibit 30, we will know exactly where we are supposed
23 to be.

24 Condition 15. Do we have a motion?

25 MEMBER NOLAND: Motion we approve Condition 16.

1 CHMN. CHENAL: 15.

2 MEMBER NOLAND: 15, sorry.

3 MEMBER JONES: Second.

4 CHMN. CHENAL: Motion and second. All in favor
5 say aye.

6 (A chorus of ayes.)

7 CHMN. CHENAL: Let's look at 16.

8 MEMBER PALMER: Motion to approve.

9 CHMN. CHENAL: Do we have a motion?

10 MEMBER RIGGINS: Second.

11 CHMN. CHENAL: Motion and second. All in favor
12 say aye.

13 (A chorus of ayes.)

14 CHMN. CHENAL: Condition 17.

15 MEMBER JONES: Move to approve.

16 MEMBER NOLAND: Second.

17 CHMN. CHENAL: Okay. Let's hold the press. I
18 made the mistake of looking at my paper, and now that we
19 deleted a condition, the number on the paper on Exhibit
20 27 is different than what we are looking at on the
21 screen, which we Exhibit 30. So looking --

22 MR. GUY: I thought I did not delete the number
23 for that very reason.

24 CHMN. CHENAL: Oh, okay. Okay. Yeah. Okay. I
25 am sorry. So we just approved 15, is that correct? And

1 16 --

2 MEMBER JONES: And 16 and 17 is pending.

3 CHMN. CHENAL: 17 is pending. Okay. Excuse me.

4 Okay. Do we have a motion to approve 17?

5 MEMBER HAENICHEN: I move.

6 MEMBER RIGGINS: Second.

7 CHMN. CHENAL: Motion and second. All in favor

8 say aye.

9 CHMN. CHENAL: Okay. 18.

10 MEMBER JONES: Move to approve. This is one
11 that has the Federal Aviation Administration regulations
12 in this.

13 MEMBER HAENICHEN: I will second.

14 CHMN. CHENAL: We have a motion and a second for
15 18. All those in favor say aye.

16 (A chorus of ayes.)

17 CHMN. CHENAL: Okay. 19. Do we have a motion?

18 MEMBER JONES: So moved.

19 MEMBER PALMER: So moved.

20 MEMBER JONES: Second.

21 CHMN. CHENAL: We have a motion and second. All
22 in favor say aye.

23 (A chorus of ayes.)

24 CHMN. CHENAL: No. 20.

25 MR. GUY: Mr. Chairman.

1 CHMN. CHENAL: Yes.

2 MR. GUY: Applicant has a few changes that we
3 would like to make to 20 before the Commission considers
4 it; if you give us a few seconds, I will make them.

5 CHMN. CHENAL: Sure.

6 MR. GUY: That completes our changes to 20 and
7 essentially it gets closer to the language Staff
8 proposed but we think is language that's more typical
9 now.

10 CHMN. CHENAL: Yes. Is Staff comfortable with
11 Exhibit -- or Condition 20 as revised?

12 MR. HAINS: Chairman, yes. I think we would
13 prefer, in addition to the measurements, that they
14 actually do it as part of a study. I think that does
15 make more sense to us.

16 CHMN. CHENAL: So is Staff comfortable with the
17 language that's reflected on what will be Exhibit 30,
18 UNS-30?

19 MR. HAINS: Yes, Chairman.

20 CHMN. CHENAL: Okay. Do we have a motion --

21 MEMBER HAENICHEN: I move.

22 CHMN. CHENAL: -- for Condition 20?

23 MEMBER HAMWAY: Second.

24 CHMN. CHENAL: We have a motion and second. All
25 in favor say aye.

1 (A chorus of ayes.)

2 MR. GUY: If I may, I have some changes to 21 as
3 well.

4 CHMN. CHENAL: Yeah.

5 MR. GUY: We will make them.

6 That completes our changes to 21. I think the
7 purpose behind that is my understanding is sometimes
8 those transmission service agreements are confidential
9 in nature.

10 CHMN. CHENAL: Yeah, I remember that from a
11 previous case. Okay. So is Staff comfortable with
12 Condition 21 as reflected on UNS Exhibit 30?

13 MR. HAINS: Yes, Chairman. Mr. Beck did address
14 that, and we discussed it, and that is consistent
15 with -- in the SunZia matter it was the same concern.
16 And yeah, we are comfortable with this modification.

17 CHMN. CHENAL: Very good.

18 Member Woodall.

19 MEMBER WOODALL: So these would be submitted
20 pursuant to some confidentiality agreement with Staff or
21 not?

22 MR. GUY: I think the concept was to be closer
23 to what the actual practice is, and so I think that is
24 typically what happens.

25 MR. HAINS: Chairman, Member Woodall, with

1 regard to the contents of these agreements, to the
2 extent that they may contain studies for CEII, the
3 critical energy infrastructure information, that would
4 be covered under the relevant federal rule, but to the
5 extent they have competitive confidential material, you
6 know, to the extent it is necessary, we will enter the
7 appropriate confidentiality agreements at such time.

8 But in practice, typically what happens is the
9 material is provided to Staff, and we will have a
10 meeting to discuss, to the extent that it, you know, is
11 noted, and that it gets filed in the appropriate
12 shredder so that we do not have to retain a copy for
13 very long for record retention and for security
14 information purposes.

15 MEMBER WOODALL: So your answer, it would be
16 subject to confidentiality requirements. Okay. Thank
17 you.

18 MR. HAINS: Yes.

19 CHMN. CHENAL: Okay. So Condition 21, may I
20 have a motion.

21 MEMBER JONES: A motion to adopt as amended.

22 MEMBER WOODALL: Second.

23 CHMN. CHENAL: Motion and second. All those in
24 favor say aye.

25 (A chorus of ayes.)

1 CHMN. CHENAL: 22, Condition 22. Do we have a
2 motion?

3 MEMBER NOLAND: So moved.

4 CHMN. CHENAL: Second?

5 MEMBER HAMWAY: Second.

6 CHMN. CHENAL: Okay. We have a motion and
7 second. All in favor say aye.

8 (A chorus of ayes.)

9 CHMN. CHENAL: Condition 23.

10 MEMBER PALMER: Motion to approve.

11 MEMBER JONES: Second.

12 CHMN. CHENAL: Just one question to the
13 applicant. What is the significance of the March 1st,
14 2019 date?

15 MR. GUY: Maybe Mr. Beck or Mr. Jerden can
16 comment on that. But based on my understanding, it is
17 typically about 15 months, 15 to 18 months in most
18 proceedings I have seen after the CECs are approved. I
19 think as a practical matter, the significance is it
20 let's enough things happen that it makes the filing
21 worthwhile. You have posted notice, you start acquiring
22 materials, you perhaps acquired some rights-of-way. So
23 that's the, as a practical matter, a good time to do it.

24 CHMN. CHENAL: I have no issue with the date. I
25 just, maybe I look at the more experienced members of

1 the Committee, if it has been a different practice as to
2 the date picked or -- Member Woodall.

3 MEMBER WOODALL: I have actually reviewed these
4 filings. And I agree that it would be better to have a
5 compliance document that actually had more detail to it,
6 because getting a piece of paper that says and nothing
7 has happened here and nothing has happened there, it is
8 a waste of everyone's time.

9 CHMN. CHENAL: Okay. So we have a motion and a
10 second on Condition 23. All in favor say aye.

11 (A chorus of ayes.)

12 CHMN. CHENAL: 24.

13 MEMBER JONES: Move to approve.

14 MEMBER WOODALL: Second.

15 CHMN. CHENAL: We have a motion and a second.
16 Just before we vote on it, is there any other entity
17 that should receive notice?

18 Member Palmer, anything you can think of, sir?

19 MEMBER PALMER: No. That's good from my
20 standpoint.

21 CHMN. CHENAL: Okay. We have a motion and a
22 second. All in favor say aye.

23 (A chorus of ayes.)

24 CHMN. CHENAL: Okay, approved.

25 Condition 25.

1 Member Noland.

2 MEMBER NOLAND: I am comfortable with the ten
3 years on this project. I think it is a large enough
4 project that it is going to take some time. When I
5 heard yesterday about the rebuild project that we
6 approved in 2009 and they finished it in 2014, it was
7 not a hugely extensive project and it took that long, it
8 is nice to have that feedback sometimes to realize how
9 long these projects take. So in this case I am
10 comfortable with the ten years.

11 MEMBER WOODALL: Mr. Chairman, I associate
12 myself with Member Noland's comments. If the Commission
13 doesn't like ten years, they always have the ability to
14 modify the decision.

15 CHMN. CHENAL: Okay. So we have a -- may I have
16 a motion.

17 MEMBER NOLAND: I move that we adopt
18 Condition 25.

19 MEMBER HAENICHEN: Second.

20 CHMN. CHENAL: Motion and second. All in favor
21 say aye.

22 (A chorus of ayes.)

23 CHMN. CHENAL: Okay. Condition 26.

24 MEMBER PALMER: Motion to approve.

25 MEMBER WOODALL: Second.

1 CHMN. CHENAL: We have a motion and second. All
2 in favor say aye.

3 (A chorus of ayes.)

4 CHMN. CHENAL: Okay. 27.

5 MEMBER JONES: Move to approve.

6 CHMN. CHENAL: We have a motion. Do we have a
7 second?

8 MEMBER HAMWAY: Second.

9 CHMN. CHENAL: All in favor say aye.

10 (A chorus of ayes.)

11 CHMN. CHENAL: Okay. Condition 28.

12 MEMBER JONES: Move to approve.

13 MEMBER PALMER: Second.

14 CHMN. CHENAL: I don't have a problem with this
15 necessarily, but I am just looking at the list of folks
16 who receive notice in 28 and compare it to Condition 24.
17 So that's the same.

18 MEMBER JONES: It is not. Because in this one,
19 it goes in the docket or other parties, so it is more
20 expansive.

21 CHMN. CHENAL: I don't have a problem. I just
22 bring it out if anyone has a concern.

23 Mr. Guy.

24 MR. GUY: The list of parties looks to be the
25 same, Santa Cruz, City of Nogales, State Land, SHPO, and

1 Game & Fish. But the member is correct that 28 also
2 requires that it be provided to all parties in the
3 docket and all parties that made limited appearance.
4 That's the difference.

5 CHMN. CHENAL: I think it is important to point
6 out. So if there is no further discussion, may I have a
7 motion to approve 28.

8 MEMBER HAMWAY: Move.

9 MEMBER WOODALL: Second.

10 CHMN. CHENAL: Motion and second. All those in
11 favor say aye.

12 (A chorus of ayes.)

13 CHMN. CHENAL: Condition 29.

14 MEMBER NOLAND: I move the adoption of
15 Condition 29.

16 MEMBER JONES: Second.

17 CHMN. CHENAL: Motion and second. All in favor
18 say aye.

19 (A chorus of ayes.)

20 CHMN. CHENAL: All right. Very good.

21 So now we are in the findings of fact and
22 conclusions of law portion of the CEC. Let's do them
23 one at a time.

24 MEMBER JONES: Move to approve Finding of Fact,
25 Conclusion of Law No. 1.

1 CHMN. CHENAL: Do we have a second?

2 MEMBER HAMWAY: Second.

3 CHMN. CHENAL: Member Woodall.

4 MEMBER WOODALL: So since you are getting two
5 CECs, why do you need a reference? I may not be
6 following this correctly, but why do you need a signing
7 with respect to the names of the other project in one
8 CEC?

9 I mean it says Nogales interconnection project
10 and Nogales Tap to Kantor upgrade project aid the state.
11 Why do you have both of them in there if they are two
12 CECs?

13 MR. GUY: So you may actually be looking at the
14 original, because the one on the screen I don't have
15 that. So I'm --

16 MEMBER WOODALL: Okay, I am sorry. I have great
17 difficulty reading what is on the screen. So thank you.

18 CHMN. CHENAL: Member Woodall, you should be
19 looking at a correct version of the exhibit. Because it
20 only has the one project referenced.

21 MEMBER WOODALL: I am looking at UNS-29.

22 CHMN. CHENAL: We are on --

23 MEMBER HAMWAY: 27.

24 MEMBER WOODALL: I thought we were looking
25 through the red line. But anyway, okay.

1 CHMN. CHENAL: 29.

2 MEMBER WOODALL: That's what I was looking at.
3 Moving on.

4 CHMN. CHENAL: So we have a motion. Do we have
5 a second?

6 MEMBER HAMWAY: Yes, I seconded.

7 CHMN. CHENAL: We have a motion and second for
8 Finding of Fact, Conclusion of Law No. 1. All in favor
9 say aye.

10 (A chorus of ayes.)

11 CHMN. CHENAL: Okay. Finding of Fact No. 2.

12 MEMBER JONES: Move No. 2.

13 CHMN. CHENAL: We have a motion. Do we have a
14 second?

15 MEMBER HAENICHEN: Second.

16 MEMBER HAMWAY: Second.

17 CHMN. CHENAL: Motion and second. All in favor
18 say aye.

19 (A chorus of ayes.)

20 CHMN. CHENAL: Okay. Finding of Fact No. 3.

21 MEMBER JONES: Move No. 3.

22 MEMBER PALMER: Second.

23 CHMN. CHENAL: We have a motion and second. All
24 in favor say aye.

25 (A chorus of ayes.)

1 CHMN. CHENAL: 4.

2 MEMBER JONES: Move No. 4.

3 MEMBER PALMER: Second.

4 CHMN. CHENAL: We have a motion and a second.

5 All in favor say aye.

6 (A chorus of ayes.)

7 CHMN. CHENAL: Finding of Fact No. 5.

8 MEMBER JONES: Move No. 5.

9 MEMBER HAENICHEN: Second.

10 CHMN. CHENAL: We have a motion and second. All
11 in favor say aye.

12 (A chorus of ayes.)

13 MEMBER NOLAND: Mr. Chairman.

14 CHMN. CHENAL: Member Noland.

15 MEMBER NOLAND: I move we adopt the CEC for Case
16 No. 176 for the Nogales Transmission line as modified.

17 CHMN. CHENAL: I believe it is the -- hold it.
18 I believe it is the Nogales interconnection project.

19 MEMBER NOLAND: Interconnection project as
20 modified.

21 MEMBER JONES: Second.

22 CHMN. CHENAL: So we have a motion and a second.
23 Let's have a roll call vote, please, starting with
24 Member Drago. If you wanted to make any comments,
25 please proceed.

1 MEMBER DRAGO: Before I do, I have a question,
2 and I am not sure if the -- sorry. I am not sure if it
3 is the time to comment. But during the week we had a
4 correction that was needed on this placemat. Remember
5 this?

6 CHMN. CHENAL: Got to talk into the microphone.

7 MEMBER DRAGO: There was a correction needed on
8 the placemat, Exhibit UNS-16. When does that get
9 updated?

10 CHMN. CHENAL: Mr. Guy.

11 MR. GUY: We can update it to replace -- the
12 correct information, corrected numbers, was in
13 Ms. Darling's presentation. So we have the correct
14 information in the record. So we weren't planning to
15 file an errata to the placemat. I mean if the Committee
16 wants us to, we can certainly do that.

17 MEMBER DRAGO: I would suggest we do if someone
18 looks back at the application.

19 CHMN. CHENAL: So we will ask the applicant to
20 provide a revised placemat as the exhibit. I am seeing
21 that the applicants' attorneys are nodding.

22 MEMBER DRAGO: Thank you.

23 Member Woodall.

24 MEMBER WOODALL: And I am assuming that the
25 placemat, we are basically talking about a document; we

1 are not talking about making duplicate laminated
2 placements.

3 MEMBER DRAGO: I would agree with that.

4 MEMBER WOODALL: Okay. I just want to make
5 sure.

6 MR. GUY: We will file an errata to Exhibit
7 UNS-16.

8 CHMN. CHENAL: That would be sufficient. Okay.
9 We have a motion to approve the CEC for the
10 Nogales interconnection project, Case 176. Has there
11 been a second? I am sorry.

12 MEMBER JONES: I said second.

13 MEMBER HAENICHEN: Roll call.

14 CHMN. CHENAL: Now we are doing the roll call.
15 So Member Drago, if you have any comments, make them;
16 otherwise vote aye or nay, we would appreciate it, and
17 we will go through the roll call.

18 MEMBER DRAGO: Approve.

19 MEMBER RIGGINS: Approve.

20 MEMBER JONES: Aye.

21 MEMBER WOODALL: Aye.

22 MEMBER HAMWAY: Aye.

23 MEMBER HAENICHEN: Aye.

24 MEMBER PALMER: Aye.

25 MEMBER NOLAND: Mr. Chairman, are you going to

1 call the names so we know who is voting?

2 CHMN. CHENAL: I believe the court reporter has,
3 Colette has that. But maybe, yeah, so far we have
4 everyone has said aye, Member Drago, Member Riggins,
5 Member Jones, Member Woodall, Member Hamway, Member
6 Haenichen, Member Palmer.

7 And now, Member Noland.

8 MEMBER NOLAND: Mr. Chairman, I would like to
9 explain my vote.

10 CHMN. CHENAL: Sure.

11 MEMBER NOLAND: Mr. Chairman, I want to thank
12 the Corporation Commission Staff for being a part of
13 this hearing. I find their input is important and it is
14 helpful, and I appreciate it. So with that I vote aye.

15 CHMN. CHENAL: Thank you.

16 And I also echo the compliments to Staff. I
17 think it is very helpful to have their participation in
18 these proceedings. It is very helpful to have that
19 perspective. It gives me confidence in some of these
20 tricky areas. I won't compliment the applicant yet
21 because we have another one to go through.

22 I vote aye as well.

23 So we have a previous motion to allow me to make
24 any scrivener, you know, technical revisions -- or
25 nontechnical revisions, scrivener's errors and such.

1 So, you know, if the applicant will provide me a law
2 review edited version that I -- it is appropriate for
3 signing, I will review it and we will get it filed with
4 the Corporation Commission forthwith.

5 MEMBER NOLAND: Mr. Chairman.

6 CHMN. CHENAL: Member Noland.

7 MEMBER NOLAND: Was that vote nine to zero?

8 CHMN. CHENAL: Yes.

9 MEMBER NOLAND: Thank you. Can you tell that I
10 was once the parliamentarian of the senate?

11 MEMBER HAENICHEN: Yes.

12 CHMN. CHENAL: I appreciate it.

13 How about if we just take a 10-minute break here
14 and then we will proceed with the next CEC, which I
15 expect will go very quickly.

16 (A recess ensued from 10:43 a.m. to 11:06 a.m.)

17 CHMN. CHENAL: All right. Let's go back on the
18 record. And I need to do a couple things on the CEC we
19 just approved.

20 I think for clarity, we should -- I should ask
21 for the Committee to confirm that the CEC we approved
22 was for Nogales Transmission, LLC, with respect to the
23 Nogales interconnection project. And I think I just
24 would like the Committee just to confirm that that's the
25 CEC that was approved, so...

1 MEMBER JONES: I will move to confirm as you
2 just related it to us.

3 MEMBER WOODALL: Second.

4 CHMN. CHENAL: We have a motion and second. All
5 in favor say aye.

6 (A chorus of ayes.)

7 CHMN. CHENAL: Okay. Thank you for that. I
8 think the record is clear.

9 Now, we have to go and look at the Exhibit A, I
10 don't know how many exhibits, Exhibit A and Exhibit B to
11 the CEC. We approved the CEC and they are referenced,
12 but I think to make the record clear we should approve
13 the actual exhibits. And Exhibit A to the CEC we just
14 approved, Mr. Guy, would you describe what it is that we
15 are looking at.

16 MR. GUY: Yes. Exhibit A is a five-page
17 document. It contains on the first two pages a legal
18 description of Alternative 3 that was before the
19 Committee for the Nogales connection. And, in fact, it
20 still says Alternative 3, which I guess we could -- we
21 could leave Alternative 3 there if you want the record
22 to reflect that's the one that was approved, or in the
23 final version, if we want to strike through
24 Alternative 3 and call it the approved CEC route, that's
25 a scrivener's change you can probably make.

1 CHMN. CHENAL: Let me ask the Committee if there
2 is a preference.

3 MEMBER JONES: Mr. Chairman, I would like to --
4 I think it would just be less confusing. Because
5 initially when I was reading in front of the CEC, it did
6 refer to which alternative. I noticed from the handouts
7 that that's what it in fact was. But I think it would
8 be much clearer to someone substantively reading this --

9 CHMN. CHENAL: To keep the language, keep
10 Alternative 3 in there?

11 MEMBER JONES: Yes, Mr. Chairman.

12 CHMN. CHENAL: Does anyone on the Committee
13 disagree with that?

14 (No response.)

15 CHMN. CHENAL: Okay. So I think the consensus
16 is we will keep Exhibit -- or Alternative 3.

17 MR. GUY: So we will just finish the
18 description. The first two pages are the legal
19 description. And I believe this is probably the first
20 time the Committee has seen the legal description. But
21 that's what the first two pages are.

22 The next three pages are the map or the
23 schematic. And this is the same exhibit, I don't have
24 the exhibit number in front of me, but the same exhibit
25 we distributed, the applicant distributed yesterday as

1 an example of what type of diagram could go in the back
2 of a CEC. And so this is the three-page map showing
3 Alternative 3 with the thousand-foot corridor in all
4 places except where it comes near the CNF lands.

5 MEMBER JONES: Mr. Chairman, do you need a
6 motion to adopt, or what?

7 CHMN. CHENAL: Yes, but not quite. Okay. So
8 that's what we just looked at, is the Exhibit A, is that
9 correct, Mr. Guy?

10 MR. GUY: That's correct.

11 CHMN. CHENAL: Before we vote on that to confirm
12 it, there is an Exhibit B that's attached. And that's
13 the -- you explain what that is.

14 MR. GUY: Exhibit B is the letter that -- so
15 entitled wildlife -- it is entitled Hearing Exhibit
16 UNS-11A, Wildlife and Vegetation Mitigation Measures,
17 Arizona Game & Fish Department. That's the cover page.

18 Then the actual document is the letter that
19 Arizona Game & Fish sent to the Chairman of the Line
20 Siting Committee on August 23rd, 2017, and it contains
21 the various mitigation measures that the applicants have
22 agreed to implement over the entire project, both
23 Nogales's interconnection as well as the upgrade.

24 CHMN. CHENAL: Okay. So let me ask Member
25 Noland if we should take Exhibit A separately or do

1 Exhibit A and B at the same time. Does this matter in
2 parliamentary procedure?

3 MEMBER NOLAND: No problem including both. They
4 are already included in the CEC, so they have been
5 referenced and I have no problem including both.

6 CHMN. CHENAL: Maybe we just do a motion.

7 MEMBER JONES: Yes, I will move that we adopt
8 both Exhibits A and B to the CEC for the Nogales
9 project.

10 MEMBER HAMWAY: Second.

11 CHMN. CHENAL: Okay. We have a motion and
12 second. All in favor say aye.

13 (A chorus of ayes.)

14 CHMN. CHENAL: All right. Thank you.

15 So Mr. Guy, let's move then into the next CEC.
16 And maybe you can give the precise description of the
17 CEC so, when we vote on it later, the record will be
18 clear. We will be looking at UNS-28, but then as -- if
19 any corrections are made to the document we will be
20 looking at on the screen, that document will become
21 UNS-31.

22 MR. GUY: That is correct, although let me
23 suggest at least for your consideration that we should
24 look at UNS Exhibit 29, which is the document that
25 compares the CEC the Committee just approved to the

1 document that you would be reviewing and considering,
2 because then all you are looking at is the differences
3 at that point.

4 MEMBER HAENICHEN: Mr. Chairman.

5 CHMN. CHENAL: Member Haenichen.

6 MEMBER HAENICHEN: Referring to the statement
7 Mr. Guy just made, do you mean it compares to the
8 amended thing that we just approved? You have already
9 made changes in 29.

10 MR. GUY: No. That's a great clarification. We
11 have not made the changes to the CEC for UNS Electric
12 that the Committee just approved for the CEC for Nogales
13 Transmission. But we, of course, are agreeable to that,
14 and so we would need to revise -- we can very easily
15 revise the CEC for UNS Electric to conform and reflect
16 all the changes that have already been made. And then
17 what this red line shows in UNS-29 are the differences
18 the applicant actually proposed in the two different
19 CECs. For example, you can see on the title the red
20 line reflects that Nogales Transmission, LLC is stricken
21 through and UNS Electric is added.

22 MEMBER HAENICHEN: So you don't feel there is
23 any confusion we might encounter then as we move
24 through?

25 MR. GUY: I am sorry, I didn't understand the

1 question.

2 MEMBER HAENICHEN: Well, seeing as how you are
3 not really comparing apples to apples, I was just
4 wondering if there is any chance we might be confused,
5 or will you just point out each time the changes we made
6 just before the break would impinge upon our decision?

7 CHMN. CHENAL: One suggestion is if we go
8 through the red line version of the CEC to compare the
9 CEC to the previous one as drafted. And then we maybe
10 look at the changes we made to the previous one and just
11 vote on those at the same time just as a group, and just
12 adopt all those changes to the new CEC. Does that make
13 sense?

14 MEMBER JONES: I have a question. And I went
15 through the red line and it would appear that the
16 changes are those to the nomenclature required for the
17 technical portions, the actual equipment and structures
18 to conform to what we have heard in testimony, and the
19 name changes as well as the description of the project.
20 Otherwise it would appear to me that everything else is
21 the same.

22 Are there any changes, Mr. Guy?

23 MR. GUY: There are not. We were able to
24 eliminate all changes that you would -- different
25 conditions depending on the project. So everything is

1 nomenclature, names of companies.

2 There are some new paragraphs because, for
3 example, a notice provision, if you were to notify the
4 cities that may be affected by a reroute or extension,
5 you only have to notify the cities near that project as
6 opposed to both. So sometimes you had to duplicate
7 paragraphs.

8 MEMBER JONES: But those are changes that are
9 due to the route differences.

10 MR. GUY: That's right.

11 MEMBER WOODALL: So you are going to eliminate
12 the deviation condition from the CEC, correct?

13 MR. GUY: Yes. My understanding from the
14 suggestion earlier is we would implement all changes
15 that the Committee approved, all changes to this new CEC
16 UNS-28 that were made to 27.

17 CHMN. CHENAL: So let's do as you proposed,
18 Mr. Guy. We will go through and approve the language of
19 what is UNS -- I guess looking at UNS-29. Let's go
20 through and just do -- I don't think it will take long
21 to go through and approve the language of the CEC and
22 the conditions. And then we will, maybe as a group,
23 adopt the substantive changes we made to the previous
24 CEC and those will apply to this one. And I don't know
25 if we have to go through each change; we can just adopt

1 them as a group, and that way it will be clear, unless
2 anyone feels we should do it another way.

3 Member Haenichen.

4 MEMBER HAENICHEN: Just remind the other
5 Committee members we did actually drop one provision.

6 MEMBER JONES: That's why I would suggest the
7 motion would be more that this would conform to the one
8 we just approved, so any changes would be reflected in
9 this one.

10 CHMN. CHENAL: Yes.

11 MEMBER JONES: Okay. Thank you, Mr. Chairman.

12 CHMN. CHENAL: Let's go through, Mr. Guy, and
13 let's just go with what we are looking at, UNS-29. And
14 what, if we make any -- well, I don't know what changes
15 we are going to make to this if we do it the way I
16 proposed it, but you will create -- that will be UNS-31.

17 MR. GUY: Yes.

18 CHMN. CHENAL: Okay. Let's do it by page. And,
19 you know, we will split it lines 1 through 14 and 15
20 through 28. So page 1, lines 1 through 14.

21 MEMBER JONES: Move to approve.

22 MEMBER WOODALL: Second.

23 CHMN. CHENAL: We have a motion and a second.
24 All in favor say aye.

25 (A chorus of ayes.)

1 CHMN. CHENAL: Okay. Page 1, line 15 through
2 28.

3 MEMBER HAMWAY: Move to approve.

4 MEMBER JONES: Second.

5 CHMN. CHENAL: Motion and second. All in favor
6 say aye.

7 (A chorus of ayes.)

8 CHMN. CHENAL: Page 2, lines 1 through 14.

9 MEMBER JONES: Move to approve.

10 MEMBER HAMWAY: Second.

11 CHMN. CHENAL: We have a motion and a second.

12 All in favor say aye.

13 (A chorus of ayes.)

14 CHMN. CHENAL: Okay. Lines 15 through 28.

15 MEMBER HAMWAY: Move to approve.

16 MEMBER WOODALL: Second.

17 CHMN. CHENAL: We have a motion and a second.

18 All in favor say aye.

19 (A chorus of ayes.)

20 CHMN. CHENAL: Let's take a time-out right here.

21 This is the first change the other CEC now has, which is
22 the treatment, the language we added with regard to
23 Mr. Magruder. My suggestion is we continue to go
24 through this, approve it, and then supplement on top of
25 that en mass any changes we made to the previous CEC.

1 So we are at page 3, lines 1 through 14.

2 MEMBER JONES: Move to approve.

3 MEMBER NOLAND: Second.

4 MR. GUY: It might be helpful, I will at least
5 explain the red lines. I think once the Committee
6 understands what the changes are, then it will make even
7 the subsequent changes go faster.

8 So if you look at lines 2 through 7, the change
9 in the company name obviously from the Nogales
10 Transmission to UNSE, and then the change in which
11 projects the certificate approves. In the case of UNSE,
12 it is constructing both Nogales Tap to Kantor upgrade
13 project and a portion or, as the certificate says, the
14 following components of the Nogales interconnection
15 project, the Vail to Valencia 138kV transmission line
16 and the Gateway to Valencia 138kV line.

17 Those are the changes on lines 2 through 6. And
18 then all you see on lines 9 through 14 is the addition
19 of the description of the Nogales Tap to Kantor upgrade
20 project.

21 CHMN. CHENAL: Okay. So we have a motion to
22 approve page 3, lines 1 through 14. Do we have a
23 second?

24 MEMBER HAMWAY: Second.

25 CHMN. CHENAL: We have a motion and second?

1 All those in favor say aye.

2 (A chorus of ayes.)

3 CHMN. CHENAL: Okay. Page 3, lines 15 through
4 28.

5 MEMBER JONES: Move to approve.

6 MEMBER WOODALL: Second.

7 CHMN. CHENAL: We have a motion and second. All
8 those in favor say aye.

9 (A chorus of ayes.)

10 CHMN. CHENAL: Okay. Page 4, lines 1 through
11 14.

12 MEMBER WOODALL: Move to approve.

13 MEMBER PALMER: Second.

14 CHMN. CHENAL: We have a motion and second. All
15 those in favor say aye.

16 (A chorus of ayes.)

17 CHMN. CHENAL: Page 4, lines 15 through 28.

18 MEMBER JONES: Move to approve.

19 MEMBER WOODALL: Second.

20 CHMN. CHENAL: We have a motion and second. All
21 those in favor say aye.

22 (A chorus of ayes.)

23 CHMN. CHENAL: Page 5, lines 1 through 14.

24 MEMBER JONES: Move to approve.

25 MEMBER WOODALL: Second.

1 CHMN. CHENAL: We have a motion and second. All
2 those in favor say aye.

3 (A chorus of ayes.)

4 MEMBER NOLAND: Mr. Chairman.

5 CHMN. CHENAL: Yes, Member Noland.

6 MEMBER NOLAND: And if you notice, we are
7 referencing Exhibit A in that particular portion. Would
8 you like to also have an approval of Exhibit A as
9 included in this?

10 MEMBER JONES: It is on line 16 of page 5,
11 Mr. Chairman.

12 CHMN. CHENAL: Member Noland, you are asking to
13 approve the exhibit itself?

14 MEMBER NOLAND: Yes.

15 CHMN. CHENAL: Yes.

16 MEMBER JONES: So in the -- for example, to
17 approve lines 15 through 28 I would include in the -- to
18 approve Exhibit A.

19 CHMN. CHENAL: We have a motion. Do we have a
20 second?

21 MEMBER NOLAND: Second.

22 CHMN. CHENAL: We have a motion and second. All
23 in favor say aye.

24 (A chorus of ayes.)

25 CHMN. CHENAL: Page 5, line 15 through 28. And

1 allow you to read the additional language before we have
2 a motion.

3 MR. JACOBS: Excuse me, Mr. Chairman. Can I ask
4 a question?

5 CHMN. CHENAL: Yes.

6 MR. JACOBS: And this is just a technical
7 detail. The way it is described, the corridor, the way
8 it looks on the map, my understanding is it is a
9 straight line along the west side of Wilmot Road -- and
10 this is not about the state trust land. There is no
11 state trust land on either side there. And that is on
12 the west side.

13 When you read the physical description, I was
14 just reading it in this paragraph, it sounds like there
15 is an upside down L where it is crossing the street.
16 And I don't think that's what actually it does. It
17 talks about starting on the west side and then going --
18 starting west side, going to the east side. You know,
19 the strip is all on the east side.

20 So when it is described in this paragraph, I
21 don't think that actually matches what the legal
22 description is, which is all along existing route on the
23 east side of the street.

24 If I am wrong, I apologize, but they don't match
25 when I just read it.

1 MR. GUY: We do believe the narrative matches
2 the map, but they will sort through.

3 MR. JACOBS: I can withdraw that; if that's not
4 correct, I can withdraw that.

5 CHMN. CHENAL: Well, what is correct? Does the
6 narrative as described on page 5 match where the line is
7 going to be placed initially along the west side of
8 Wilmot and crossing over to the east side? Line 26 I
9 think is what we are talking about.

10 MR. GUY: Mr. Chairman, the narrative on the
11 screen, page 5 of the Exhibit 29, that is correct.
12 That's what has been in the record, that's the evidence.

13 Where the discrepancy may be -- and we just need
14 to confirm -- is in the Exhibit B, which is the legal
15 description. The legal description may not match this
16 narrative, and we will look into that. But it would be
17 a minor change in the nature -- and the point is the
18 narrative talks about the starting point -- and I am
19 looking at lines 25, 26, 27 -- the narrative talks about
20 the first pole of the line starting on the west side of
21 Wilmot Road and then crossing Wilmot Road and heading
22 south. That is correct. That's what exists today. But
23 the legal description may not reflect that.

24 CHMN. CHENAL: And I am looking at UNS-28. In
25 looking at Exhibit B, the map, the map seems to track

1 the narrative that we see on page 5 and -- it does not
2 track the narrative on page 5, because the way I am
3 reading the map, the line from the south, from Nogales
4 Tap, is exclusively on the east side of Wilmot Road,
5 whereas the narrative indicates that it begins, goes
6 south of the Nogales Tap on the west side of Wilmot, and
7 crosses over to the east side. So it seems like the map
8 is also somewhat inconsistent with the narrative.

9 MEMBER JONES: Mr. Chairman, I am wondering if
10 we were to -- if the narrative is -- all parties agree
11 that the narrative is correct, then on the next page,
12 page 6, where we approve and include as Exhibit B in the
13 motion, to include that the exhibit would conform to the
14 narrative, and then they could make whatever changes or
15 adjustments to it.

16 CHMN. CHENAL: Sure. I think that's what we
17 will do. Way to go, Member Jones.

18 Let's make sure the applicant -- let's get the
19 story straight, and we will make sure the language and
20 the map all sync up with that. Let's give them a minute
21 to make sure they are...

22 MR. GUY: Mr. Chairman, I think Member Jones'
23 suggestion would work from our perspective. We do
24 believe the narrative is correct. It is in the
25 document. We think the legal description and the map

1 are probably not correct at the beginning point. So we
2 can conform that to the narrative.

3 CHMN. CHENAL: Okay. Mr. Jacobs, any further --
4 that was a good catch. Thank you for that.

5 MR. JACOBS: No, that sounds great. Thank you.

6 CHMN. CHENAL: So Member Jones, would you make
7 your motion. Let's stick with the language on page 5,
8 though, lines 15 through 28.

9 MEMBER JONES: I just move to approve that
10 language and then the motion on the exhibit.

11 CHMN. CHENAL: Let's do one page at a time. So
12 we have a motion to approve page 5, lines 15 through 28.
13 Do we have a second?

14 MEMBER HAMWAY: Second.

15 CHMN. CHENAL: A motion and second. All in
16 favor say aye.

17 (A chorus of ayes.)

18 CHMN. CHENAL: Thank you.

19 Now let's go to page 6, lines 1 through 12.

20 MEMBER JONES: Mr. Chairman, I move that we
21 adopt line 1 through 14, and direct that we adopt
22 Exhibit B and direct that it conform to the language on
23 page 5 previously approved at lines 15 through 28 on
24 page 5.

25 CHMN. CHENAL: We have a motion. Do we have a

1 second?

2 MEMBER HAMWAY: Second.

3 CHMN. CHENAL: Any further discussion?

4 (No response.)

5 CHMN. CHENAL: All in favor say aye.

6 (A chorus of ayes.)

7 CHMN. CHENAL: Okay. Very good.

8 Now we go to conditions. Let's look at

9 Condition 1.

10 MEMBER NOLAND: Mr. Chairman.

11 CHMN. CHENAL: Member Noland.

12 MEMBER NOLAND: I am assuming that my changes,
13 including, but not limited to, on both Condition 1 and 2
14 will be included.

15 CHMN. CHENAL: Yes. And I think the way to do
16 that, Member Noland, I think is if we approve these
17 conditions and then we go back and we do a motion to
18 make all the changes that we made to the previous, to
19 the conditions that is, all the changes we made to the
20 conditions to the previous CEC will also be made to the
21 conditions in this CEC, including the deletion of one of
22 the conditions, would be an easy way to do that. And
23 that would pick up, for example, the change that you are
24 referring to.

25 MEMBER NOLAND: Okay, thank you.

1 MEMBER HAENICHEN: Then, if we are going to do
2 that, we don't even have to go through one at a time; we
3 can just do that right now.

4 CHMN. CHENAL: Well, I think there may be some
5 conditions in this CEC that are different than the
6 conditions in the other CEC.

7 MEMBER HAENICHEN: Okay. You have got to be
8 careful on the wording of applying all the changes made
9 to the other or apply to the ones similar or the same in
10 this one. Do you see what I am saying?

11 MEMBER NOLAND: Mr. Chairman.

12 CHMN. CHENAL: Member Noland.

13 MEMBER NOLAND: I just prefer to say that we
14 would like to have the language that was included in the
15 previous CEC for Condition 1 and 2 added to the CEC.

16 MEMBER HAENICHEN: I think go one at a time.

17 CHMN. CHENAL: Let's do them one at a time. Can
18 I ask the applicant to put up on the screen, can we have
19 like a comparison so we can see the changes so, as we go
20 through, we can make sure we approve the appropriate
21 language?

22 Thank you. I think this is a better way to do
23 it. I agree with Committee members who suggested we do
24 it one at a time and have the language in front of us.

25 Now, the cleanest way to do it is to make the

1 changes as we did in the previous case. Member Noland,
2 I will defer to you how to move the condition with the
3 changes you would like. If you want to restate it and
4 actually say the language you want to include, that's
5 fine.

6 MEMBER NOLAND: Thank you, Mr. Chairman.

7 I would adopt Condition 1 with the inclusion
8 after the word including, on line 19, comma, but not
9 limited to, comma. Am I on the right one?

10 CHMN. CHENAL: Yeah.

11 MEMBER NOLAND: Thank you.

12 MEMBER JONES: Second.

13 CHMN. CHENAL: Hold it.

14 MEMBER PALMER: Mr. Chairman.

15 CHMN. CHENAL: Yes.

16 MEMBER PALMER: What if we were to motion
17 adoption of the language in UNS-29 and include changes
18 approved from UNS-30 in that language, would that be a
19 clean way to do it?

20 CHMN. CHENAL: I think it would be clean. It
21 would save Mr. Guy the superhuman task of adding the
22 language at this time on a split screen. We could just
23 do it by motions. Is that okay with the other members?

24 MEMBER WOODALL: It is okay with me. And since
25 we have already given you the authority to make

1 technical and conforming language changes, if there are
2 any errors that you note, you can certainly take care of
3 those for us.

4 CHMN. CHENAL: Okay. So I just wanted to clear
5 that up before Member Jones -- before we just went ahead
6 and started approving it.

7 So Member Noland, you made a motion to approve
8 Condition 1 incorporating the same changes made in
9 UNS-30.

10 MEMBER NOLAND: Correct.

11 CHMN. CHENAL: Condition 1, do we have a second?

12 MEMBER HAENICHEN: Second.

13 CHMN. CHENAL: Motion and second. All in favor
14 say aye.

15 (A chorus of ayes.)

16 CHMN. CHENAL: Okay. Condition 2.

17 MEMBER NOLAND: Mr. Chairman, I would move that
18 we adopt Condition 2 as amended by adding the language
19 after required by any government entity, and that being
20 jurisdiction, including, but not limited to.

21 CHMN. CHENAL: Okay. We have a motion. Do we
22 have a second?

23 MEMBER JONES: Second.

24 CHMN. CHENAL: Motion and second with respect to
25 Condition 2. All in favor say aye.

1 (A chorus of ayes.)

2 CHMN. CHENAL: Okay. Condition 3.

3 MEMBER JONES: Move to approve.

4 MEMBER NOLAND: Second.

5 CHMN. CHENAL: Motion to approve Condition 3,
6 and second. All in favor say aye.

7 (A chorus of ayes.)

8 CHMN. CHENAL: And Condition 4.

9 MEMBER PALMER: Mr. Chairman, I move the
10 adoption of Condition 4 with the inclusion of the
11 language and changes made in UNS-30.

12 CHMN. CHENAL: Condition 4 to UNS-30?

13 MEMBER PALMER: Yes.

14 CHMN. CHENAL: Okay. We have a motion and a
15 second with respect to Condition 4. All those in favor
16 say aye.

17 (A chorus of ayes.)

18 CHMN. CHENAL: Was there a second for, to --

19 MEMBER NOLAND: Second.

20 CHMN. CHENAL: Okay. Member Noland, second.
21 Condition 5.

22 MEMBER PALMER: Move the adoption of
23 Condition 5.

24 MEMBER JONES: Second.

25 CHMN. CHENAL: Let's get both up.

1 MEMBER HAENICHEN: Let's see it first.

2 CHMN. CHENAL: Before we move, let's make sure
3 we have them and are looking at them.

4 Mr. Guy, I am not sure if it was a change to 5,
5 but it would be helpful to have both of them just to
6 verify.

7 Okay. So before we proceed, 5, when we are
8 looking at it on the left side of the screen and looking
9 at Exhibit UNS-30, when is the next condition, 5 through
10 when before the next change occurs? 14, okay. All
11 right. So let's go back to the CEC that we are working
12 through. So Condition 5, may we have a motion to
13 approve.

14 MEMBER HAMWAY: So moved.

15 MEMBER JONES: Second.

16 CHMN. CHENAL: Motion and second. All those in
17 favor say aye.

18 (A chorus of ayes.)

19 CHMN. CHENAL: Okay, Condition 6.

20 MEMBER JONES: Move to approve.

21 MEMBER HAMWAY: Move to approve.

22 CHMN. CHENAL: One at a time. Who moved?

23 MEMBER HAMWAY: Russ did -- I moved. Russ
24 seconded.

25 CHMN. CHENAL: We have a motion and a second for

1 Condition 6. All in favor say aye.

2 (A chorus of ayes.)

3 CHMN. CHENAL: Okay. Condition 7.

4 MEMBER JONES: Move to approve.

5 CHMN. CHENAL: We have a motion.

6 MEMBER HAMWAY: Second.

7 CHMN. CHENAL: And a second for Condition 7.

8 All in favor say aye.

9 (A chorus of ayes.)

10 CHMN. CHENAL: Condition 8. Do we have a
11 motion?

12 MEMBER HAMWAY: Move to approve.

13 MEMBER JONES: Second.

14 CHMN. CHENAL: We have a motion and second. All
15 those in favor say aye.

16 (A chorus of ayes.)

17 CHMN. CHENAL: Condition 9.

18 MEMBER JONES: Move to approve.

19 MEMBER HAMWAY: Second.

20 CHMN. CHENAL: Mr. James, you don't have to move
21 those, right? Would you just confirm that the Nogales
22 Interconnection CEC route is a defined term?

23 MR. GUY: It is.

24 CHMN. CHENAL: So motion and second for
25 Condition 9.

1 (A chorus of ayes.)

2 CHMN. CHENAL: Condition 10. Do we have a
3 motion?

4 MEMBER PALMER: Move to you approve.

5 MEMBER HAMWAY: Move --

6 MEMBER JONES: Second.

7 CHMN. CHENAL: We have a motion and a second and
8 a third, maybe a fourth. All in favor say aye.

9 (A chorus of ayes.)

10 CHMN. CHENAL: Okay. Condition -- is that 9 we
11 are up to? 11, Condition 11.

12 MEMBER PALMER: Move.

13 MEMBER JONES: Move to approve.

14 MEMBER HAMWAY: Second.

15 CHMN. CHENAL: We have a motion and a second.
16 All in favor say aye.

17 (A chorus of ayes.)

18 CHMN. CHENAL: Okay. Let's see 12.

19 MR. GUY: So just for information, 12 is
20 identical to 11, other than 12 refers to the Nogales Tap
21 to Kantor upgrade.

22 CHMN. CHENAL: May I have a motion.

23 MEMBER JONES: I will move.

24 MEMBER HAMWAY: Second.

25 CHMN. CHENAL: Okay. Condition -- which

1 condition now?

2 MEMBER HAMWAY: 12.

3 CHMN. CHENAL: 12. We have a motion and a
4 second for Condition 12. All in favor say aye.

5 (A chorus of ayes.)

6 CHMN. CHENAL: Okay, 13.

7 MEMBER JONES: I will move 13, Mr. Chairman.

8 MEMBER HAMWAY: Second.

9 MEMBER NOLAND: Second.

10 CHMN. CHENAL: Motion and second. All in favor
11 of Condition 13 say aye.

12 (A chorus of ayes.)

13 CHMN. CHENAL: Condition 14.

14 MEMBER PALMER: Motion to delete.

15 MEMBER JONES: Second.

16 CHMN. CHENAL: We have a motion and a second to
17 delete Condition 14. All in favor say aye.

18 (A chorus of ayes.)

19 MR. GUY: Let me back up there.

20 CHMN. CHENAL: Yes.

21 MR. GUY: So because of the addition of 12 in
22 UNS-28 and 29, I think it should actually be 15.

23 CHMN. CHENAL: Let's slow down, let's slow down.
24 Let's just slow down.

25 Let's go back, Mr. Guy, on the right-hand side.

1 Let's just make sure. Let's go back one. That's good
2 enough.

3 So the record is clear, we have approved what is
4 marked on Exhibit 29 as Exhibit Condition 14, we approve
5 that.

6 MEMBER PALMER: We have a motion to approve it.

7 CHMN. CHENAL: I think we have already approved
8 that.

9 MEMBER HAMWAY: No. He said to strike. So we
10 need to approve 14. We need to strike --

11 CHMN. CHENAL: So a motion to approve.

12 MEMBER HAMWAY: I move that we approve
13 Condition 14.

14 CHMN. CHENAL: Okay.

15 MEMBER HAENICHEN: I will second.

16 CHMN. CHENAL: I have a motion and second. All
17 those in favor say aye.

18 (A chorus of ayes.)

19 CHMN. CHENAL: Now, let's move to what is in
20 Exhibit 29 listed as Condition 15.

21 MEMBER PALMER: I will move to delete that one.

22 MEMBER HAMWAY: Second.

23 CHMN. CHENAL: We have a motion and second to
24 delete Condition 15. All in favor say aye.

25 (A chorus of ayes.)

1 CHMN. CHENAL: Condition 16.

2 MEMBER HAMWAY: Move to approve.

3 CHMN. CHENAL: Motion. Do we have a second?

4 MEMBER JONES: Second.

5 CHMN. CHENAL: All in favor say aye.

6 (A chorus of ayes.)

7 CHMN. CHENAL: Condition 17.

8 MR. GUY: 17 would be a duplicate of 16, but
9 applies to the second project.

10 CHMN. CHENAL: Correct, okay.

11 MEMBER JONES: Move to approve.

12 MEMBER HAENICHEN: We need a motion.

13 CHMN. CHENAL: We are on 17, Condition 17.

14 Member Jones has moved. Do we have a second?

15 MEMBER HAMWAY: Second.

16 CHMN. CHENAL: We have a motion and second. All
17 those in favor say aye.

18 (A chorus of ayes.)

19 CHMN. CHENAL: Condition 18.

20 MEMBER JONES: Move to approve.

21 CHMN. CHENAL: Second? Do we have a second?

22 MEMBER PALMER: Second.

23 CHMN. CHENAL: Motion and a second. All those
24 in favor say aye.

25 (A chorus of ayes.)

1 CHMN. CHENAL: Condition 19, motion to approve.
2 MEMBER HAMWAY: So moved.
3 CHMN. CHENAL: A second?
4 MEMBER JONES: Second.
5 CHMN. CHENAL: Motion and second. All in favor
6 say aye.
7 (A chorus of ayes.)
8 CHMN. CHENAL: Mr. Guy, can you -- we just
9 approved 19, is that correct?
10 MEMBER JONES: Yes, sir.
11 CHMN. CHENAL: So we are up to 20.
12 MEMBER JONES: Move to approve.
13 CHMN. CHENAL: We have some changes that we need
14 to incorporate.
15 MR. GUY: The changes that were made in UNS-27
16 will now be paragraph 22 in UNS-29.
17 CHMN. CHENAL: So were there any changes,
18 Mr. Guy, to what is listed in 29 --
19 MEMBER HAENICHEN: No.
20 CHMN. CHENAL: -- as Condition 20? Let's make
21 sure they are in sync here. Okay. So we have a motion
22 to approve Condition 20.
23 MEMBER HAMWAY: So moved.
24 CHMN. CHENAL: Second?
25 MEMBER PALMER: Second.

1 CHMN. CHENAL: Motion and second to approve
2 Condition 20. All in favor say aye.

3 (A chorus of ayes.)

4 CHMN. CHENAL: Okay. Let's go to Condition 21.

5 MEMBER PALMER: I move we approve Condition 21.

6 MEMBER HAMWAY: Second.

7 CHMN. CHENAL: We have a motion and second. All
8 in favor say aye.

9 (A chorus of ayes.)

10 CHMN. CHENAL: Okay. Condition 22. 22, scroll
11 down to 22 on the right-hand side, because that's the
12 one we are considering.

13 MEMBER PALMER: I move we approve Condition 22
14 to reflect the changes in Condition 20 on UNS-30.

15 MEMBER JONES: Second.

16 CHMN. CHENAL: We have a motion and second with
17 respect to Condition 22. All those in favor say aye.

18 (A chorus of ayes.)

19 CHMN. CHENAL: Okay. Let's go to Condition 23.

20 MEMBER HAMWAY: So moved.

21 CHMN. CHENAL: Mr. Guy, are there any changes
22 to -- okay. So 23, the motion should probably include
23 the changes that are on Condition 21 of UNS-30. So if I
24 could have a motion.

25 MEMBER JONES: Move to approve 23 and conform to

1 Condition 21 in the UNS-30.

2 CHMN. CHENAL: We have a motion.

3 MEMBER HAMWAY: Second.

4 CHMN. CHENAL: We have a motion and second. All
5 in favor say aye.

6 (A chorus of ayes.)

7 CHMN. CHENAL: Okay. 24, Condition 24.

8 MEMBER NOLAND: I move we adopt Condition 24.

9 MEMBER WOODALL: Second.

10 CHMN. CHENAL: We have a motion and second. All
11 those in favor say aye.

12 (A chorus of ayes.)

13 CHMN. CHENAL: Thank you.

14 Condition 25. Let's read this. Okay. Do we
15 have a motion for Condition 25?

16 MEMBER HAMWAY: So moved.

17 MEMBER HAENICHEN: Second.

18 CHMN. CHENAL: We have a motion and second. All
19 in favor say aye.

20 (A chorus of ayes.)

21 CHMN. CHENAL: Condition 26.

22 MEMBER NOLAND: I move we adopt Condition 26.

23 MEMBER HAMWAY: Second.

24 CHMN. CHENAL: We have a motion and second. All
25 in favor say aye.

1 (A chorus of ayes.)

2 CHMN. CHENAL: Condition 27. Do we have a
3 motion to approve?

4 MEMBER HAENICHEN: So moved.

5 CHMN. CHENAL: Second.

6 MEMBER HAMWAY: Second.

7 CHMN. CHENAL: Motion and second. All in favor
8 of Condition 27 say aye.

9 (A chorus of ayes.)

10 CHMN. CHENAL: 28.

11 MEMBER HAMWAY: I move we adopt Condition 28.

12 MEMBER NOLAND: Second.

13 CHMN. CHENAL: We have a motion and second for
14 Condition 28. All in favor say aye.

15 (A chorus of ayes.)

16 CHMN. CHENAL: And Condition 29.

17 MEMBER JONES: Move we adopt 29.

18 MEMBER WOODALL: Second.

19 CHMN. CHENAL: We have a motion and second for
20 Condition 29. All in favor say aye.

21 (A chorus of ayes.)

22 CHMN. CHENAL: Condition 30.

23 MEMBER PALMER: Motion to adopt Condition 30.

24 MEMBER NOLAND: Second.

25 CHMN. CHENAL: We have a motion and second for

1 Condition 30. All in favor say aye.

2 (A chorus of ayes.)

3 CHMN. CHENAL: And Condition 31.

4 MEMBER JONES: Move to adopt.

5 CHMN. CHENAL: We have a motion for

6 Condition 31. May we have a second.

7 MEMBER HAMWAY: Second.

8 CHMN. CHENAL: We have a motion and second for

9 Condition 31. All in favor say aye.

10 (A chorus of ayes.)

11 CHMN. CHENAL: Okay. Let's go to the findings

12 of fact, conclusions of law, see if there are any

13 changes from the previous CEC.

14 Do we have a motion to approve lines 7 through

15 15, which includes Finding of Fact 1?

16 MEMBER HAMWAY: So moved.

17 MEMBER NOLAND: Second.

18 CHMN. CHENAL: Motion and second for Finding of

19 Fact 1, including lines 7 through 15. All in favor say

20 aye.

21 (A chorus of ayes.)

22 CHMN. CHENAL: Finding of Fact 2. Do I have a

23 motion to approve?

24 MEMBER JONES: Move.

25 MEMBER HAMWAY: Second.

1 CHMN. CHENAL: Motion and second for the Finding
2 of Fact 2. All in favor say aye.

3 (A chorus of ayes.)

4 CHMN. CHENAL: Finding of Fact 3.

5 MEMBER NOLAND: Move we approve Conclusion of
6 Law 3.

7 MEMBER HAENICHEN: Second.

8 CHMN. CHENAL: We have a motion and second for
9 Finding of Fact No. 3. All in favor say aye.

10 (A chorus of ayes.)

11 CHMN. CHENAL: Finding of Fact No. 4.

12 MEMBER HAMWAY: Move to approve Finding of Fact
13 No. 4.

14 CHMN. CHENAL: Do I have a second?

15 MEMBER NOLAND: Second.

16 CHMN. CHENAL: We have a motion and second for
17 Finding of Fact No. 4. All in favor say aye.

18 (A chorus of ayes.)

19 CHMN. CHENAL: Finding of Fact No. 5.

20 MEMBER PALMER: Move to approve.

21 CHMN. CHENAL: Second?

22 MEMBER HAMWAY: Second.

23 MEMBER HAENICHEN: Second.

24 CHMN. CHENAL: We have a motion and second for
25 Finding of Fact No. 5. All in favor say aye.

1 (A chorus of ayes.)

2 CHMN. CHENAL: All right. Let's go to the
3 exhibits, Mr. Guy, just to make sure we will get the
4 appropriate exhibits. And could you describe what
5 Exhibit A is, Mr. Guy.

6 MR. GUY: Exhibit A to what is now UNS
7 Exhibit 31 is identical to Exhibit A to Exhibit 30. It
8 is basically the description of the interconnection
9 project.

10 CHMN. CHENAL: Okay. And Exhibit A includes the
11 legal description and -- is that correct?

12 MR. GUY: That's correct.

13 CHMN. CHENAL: Okay. May I have a motion to
14 approve Exhibit A.

15 MEMBER HAMWAY: So moved.

16 MEMBER PALMER: Second.

17 CHMN. CHENAL: We have a motion and second to
18 approve Exhibit A. All in favor say aye.

19 (A chorus of ayes.)

20 CHMN. CHENAL: All right. Now, Mr. James,
21 Exhibit B to Exhibit 31, and we will describe what will
22 happen with respect to this exhibit.

23 MR. GUY: So Exhibit B is a seven-page document.
24 The first page is intended to be a legal description of
25 the existing Nogales Tap to Kantor line, the 27.8 miles

1 that has been described as approximately 27.5 miles
2 throughout the case, but that's the existing legal
3 description.

4 The only potential revision we could make to
5 this legal description, we think it is probably
6 sufficient because of the thousand-foot corridor, but
7 there is about 200, 300 feet where the line, as
8 described in this legal description, actually extends
9 northwest across Wilmot Road. So for this legal
10 description to be 100 percent accurate, we need to add
11 that 200 or 300 feet to show that the starting pole is
12 just to the west of road. But it is all within the
13 corridor.

14 CHMN. CHENAL: And the legal description and the
15 map also reflects -- it does not reflect the line on the
16 west side of the Wilmot, just on the east side, is that
17 correct?

18 MR. GUY: That's correct.

19 CHMN. CHENAL: And the description in the body
20 of the CEC describes on the bottom of, here on page 5
21 describes the line as starting on the west side of
22 Wilmot Road for a certain number of feet and then
23 crosses over to the east side. So is that correct? So
24 there is a little discrepancy there.

25 MR. GUY: That's correct.

1 CHMN. CHENAL: Let's decide whether we want that
2 corrected or not, given that there is a corridor.

3 MEMBER WOODALL: Chairman, I would like it to be
4 corrected by a late-filed exhibit so we have a piece of
5 paper in the record, and then it would be included in
6 the final CEC if one issues.

7 CHMN. CHENAL: All right. So how long would it
8 take the applicant to make those corrections?

9 MR. GUY: We expect we would be able to file
10 something on Monday.

11 CHMN. CHENAL: Why don't we just do it now
12 correctly. And so when you send me, the applicant,
13 assuming it is approved, if you just send it with the
14 correct Exhibit B, and then I think it will be more
15 complete that way.

16 MEMBER WOODALL: Mr. Chairman, if we could have
17 that also filed in the docket. I understand it is going
18 to be in the form of CEC, but if we could file that
19 modification language that you are talking about, that
20 would be helpful.

21 CHMN. CHENAL: Okay.

22 MR. GUY: We will.

23 CHMN. CHENAL: So you will both file separately
24 in the docket I guess an errata, and then it will be
25 attached to the CEC that I will be filing, so if it is

1 approved it will be with the correct Exhibit B. So we
2 are all clear. Okay.

3 Do I have a motion to approve Exhibit B with
4 that understanding?

5 MEMBER HAMWAY: So moved.

6 MEMBER WOODALL: Could I see the maps first?

7 MR. GUY: And you should have the maps attached
8 to the paper copy.

9 MEMBER WOODALL: Right, I understand. But I am
10 just trying to make sure they are attached to this one.

11 Okay. I don't need to see anymore. Thank you.

12 MEMBER PALMER: I would make a motion,
13 Mr. Chairman, that we adopt Exhibit B as corrected in
14 the description by the applicant and the discussions
15 here today.

16 CHMN. CHENAL: Okay.

17 MEMBER HAMWAY: Second.

18 CHMN. CHENAL: We have a motion and second. All
19 in favor say aye.

20 (A chorus of ayes.)

21 CHMN. CHENAL: And there is -- is there a third
22 exhibit, Exhibit C?

23 MR. GUY: There is. Exhibit C is the letter
24 from Arizona Game & Fish Department to the Line Siting
25 Committee.

1 CHMN. CHENAL: So may I have a motion to approve
2 Exhibit C.

3 MEMBER HAMWAY: So moved.

4 MEMBER JONES: Second.

5 CHMN. CHENAL: Motion and second. All in favor
6 say aye.

7 (A chorus of ayes.)

8 CHMN. CHENAL: All right. Now we come to the
9 moment of truth. Very real possibility that one CEC
10 could be approved and not the other. Just kidding.
11 Well, there is a possibility.

12 MEMBER WOODALL: I mean we are in a casino, so I
13 guess the odds are -- let me figure out what those odds
14 are.

15 CHMN. CHENAL: Okay. Before we do a roll call
16 and vote and adjourn, any final comments from any of the
17 members?

18 Member Haenichen.

19 MEMBER HAENICHEN: I would just like to
20 compliment the applicant for giving a thorough and
21 understandable explanation of the project, and listening
22 to our requests for additional information and providing
23 that information. I think they did a great job. So
24 good job.

25 CHMN. CHENAL: All right. Any further -- Member

1 Noland.

2 MEMBER NOLAND: Mr. Chairman, I move we adopt
3 and approve the CEC for -- what is the correct title of
4 this?

5 CHMN. CHENAL: I am going to let Mr. James state
6 that on the record and with the correct exhibit number.

7 MR. GUY: The final CEC that you would be voting
8 on would reflect all the changes that the Committee
9 voted on and approved and would be UNS Exhibit 31.

10 CHMN. CHENAL: And --

11 MEMBER HAENICHEN: She needs the title.

12 MR. GUY: I am sorry, the title. So Certificate
13 of Environmental Compatibility for UNS Electric, Inc.

14 MEMBER NOLAND: Thank you.

15 Mr. Chairman, I move we adopt it as amended and
16 with the exhibits approved.

17 MEMBER PALMER: Second.

18 CHMN. CHENAL: We have a motion and second. May
19 we have a roll -- any further discussion?

20 MEMBER WOODALL: I just wanted to express my
21 appreciation for Mr. Beck's testimony, which was wide
22 ranging, articulate, and extremely helpful. So thank
23 you, Mr. Beck.

24 CHMN. CHENAL: Okay. So why don't we start
25 again with Member Drago. And let's announce our name,

1 and if you have any comments prior to giving your vote,
2 please do so.

3 MEMBER DRAGO: Leonard Drago. Aye.

4 MEMBER RIGGINS: John Riggins. Aye.

5 MEMBER JONES: Russell Jones. Aye.

6 MEMBER WOODALL: Laurie Woodall. Aye.

7 MEMBER HAMWAY: I, too, want to thank the ACC
8 Staff and Mr. Beck. And seeing Mr. Guy and your full
9 team again, it was nice to work with you again.

10 So with that, I vote aye.

11 MEMBER HAENICHEN: Jack Haenichen. I vote aye.

12 MEMBER PALMER: Jim Palmer. And I express my
13 appreciation to the applicant, to the intervenor, the
14 Staff, State Land Department, the way you all worked
15 together for a very clear and concise, made it easy to
16 understand.

17 And with that, I vote aye.

18 MEMBER NOLAND: Patricia Noland. Aye.

19 CHMN. CHENAL: Tom Chenal. And I want to again
20 thank you, the applicant, and the whole crew. It is a
21 delight to work with you. Staff of the ACC, Mr. Jacobs,
22 everyone's input was very valuable, witnesses.

23 And I as well vote aye.

24 So if the applicant will provide me with the
25 forms of CEC with the correct exhibits, I will execute

1 it and file it with the ACC, you know, as soon as I
2 receive it.

3 Are there any further comments or housekeeping
4 items?

5 MEMBER NOLAND: Mr. Chairman, I assume you are
6 going to include the vote of nine to zero on the
7 document.

8 CHMN. CHENAL: Yes. I was testing Member
9 Noland's patience on my parliamentary guffaws.

10 Yes, nine/zero vote on the second CEC.

11 Anything further?

12 (No response.)

13 CHMN. CHENAL: All right. Let's adjourn. Thank
14 you everybody.

15 (The hearing concluded at 12:00 p.m.)

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1 STATE OF ARIZONA)
2 COUNTY OF MARICOPA)

3 BE IT KNOWN that the foregoing proceedings were
4 taken before me; that the foregoing pages are a full,
5 true, and accurate record of the proceedings all done to
6 the best of my skill and ability; that the proceedings
7 were taken down by me in shorthand and thereafter
8 reduced to print under my direction.

9 I CERTIFY that I am in no way related to any of
10 the parties hereto nor am I in any way interested in the
11 outcome hereof.

12 I CERTIFY that I have complied with the
13 ethical obligations set forth in ACJA 7-206(F)(3) and
14 ACJA 7-206 (J)(1)(g)(1) and (2). Dated at Phoenix,
15 Arizona, this 12th day of September, 2017.

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18

19 _____
20 COLETTE E. ROSS
21 Certified Reporter
22 Certificate No. 50658

23 I CERTIFY that Coash & Coash, Inc., has complied
24 with the ethical obligations set forth in ACJA 7-206
25 (J)(1)(g)(1) through (6).

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