

PINAL CENTRAL SUBSTATION TO TORTOLITA SUBSTATION 500-KV TRANSMISSION PROJECT

Project Fact Sheet - June 2008

Introduction

Tucson Electric Power (TEP) is in the initial phase of planning for a new 500-kilovolt (kV) transmission line in Pinal County that is needed to meet its growing customer demand. Design and construction of the Pinal Central Substation to Tortolita Substation 500-kV Transmission Project is anticipated to begin in mid-2009 with an in-service date of mid-2011. The proposed 500-kV transmission line will increase reliability of the regional electrical system and meet rapidly growing demand for electricity in the Tucson metropolitan area and surrounding region. TEP's planning process will include a comprehensive environmental analysis and public participation activities that will identify preferred and alternative transmission line routes to meet the project purpose and need.



Tortolita Substation in the southern portion of the study area.

TEP recognizes the importance of reaching out to the community in the vicinity of this project prior to making any recommendations for constructing the proposed transmission line. This fact sheet is intended to provide an introduction to the proposed transmission line project. In addition to this fact sheet, TEP will be completing an extensive public participation process including distribution of project newsletters, a series of stakeholder meetings, and public open house meetings to collect input at key milestones throughout the planning process.

Purpose and Need

The purpose and need for the proposed transmission line is to increase regional electrical system reliability and meet rapidly growing demand for electricity in the Tucson metropolitan area and surrounding region. On average, southeast Arizona (i.e., Pinal, Pima, Cochise, Graham, Greenlee, and Santa Cruz counties) is expected to grow by 68 percent from 2000 to 2020 (Arizona

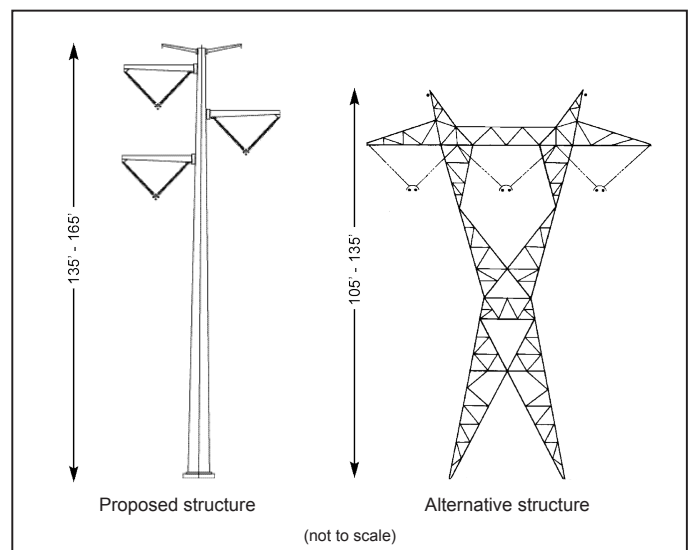
Department of Economic Security, 2006 and US Census Bureau, 2008). Pima County anticipates a growth rate of approximately 66 percent between 2000 and 2020 (Arizona Department of Economic Security, 2006 and US Census Bureau, 2008). This regional growth requires TEP and other utilities to upgrade the existing transmission infrastructure that currently supplies electricity to the area.

This proposed transmission line will provide power import capability to assist TEP in meeting the current and projected electrical demand of southeast Arizona and the Tucson metropolitan area. Today the regional grid is near capacity and additional infrastructure is needed to accommodate future electrical demand.

Project Description

The existing Pinal Central Substation is considered a major hub in the regional transmission grid, where power can be accessed from numerous existing generation facilities with available power supplies.

TEP plans to construct a new, single-circuit, 500-kV transmission line approximately 40 miles in length from the future Pinal Central Substation (under development), east of Casa Grande, Arizona to the Tortolita Substation, south of the Saguaro Power Plant near Red Rock, Arizona. This will necessitate expansion of the Tortolita Substation, including the addition of new 500-kV transformers and additional equipment to interconnect with the transmission line. The transmission line structures are anticipated to be single-pole structures, approximately 135 to 165 feet tall, or alternative structures could be lattice, approximately 105 to 135 feet tall, with an average span distance between structures of approximately 800 to 1,200 feet.



A general project study area has been established that extends south from approximately Eleven Mile Corner Road and Kleck Road, east of Casa Grande to Interstate 10 and Air Park Road approximately 0.5 mile north of the Pinal and Pima County line. The general project area consists of land managed by the Arizona State Land Department and private lands under the planning jurisdiction of Pinal County and the City of Eloy. The study area also includes isolated plots of federal land managed by the Bureau of Land Management. Major features in the project area include the Central Arizona Project Canal, Interstate 10, Picacho Mountains and Picacho Peak State Park, Union Pacific Railroad, and several existing transmission lines and other local utilities. The study area is a mixture of relatively flat agricultural and desertscrub land, small mountains (e.g., Picacho Mountains), several ephemeral washes/streams (e.g., McClellan Wash, Santa Cruz River), and development (residential, commercial, and light industrial) concentrated along Interstate 10 (e.g., Eloy, Picacho). See the attached map illustrating the project study area and land ownership.



Residences and undeveloped land in the northern portion of the study area.

TEP will also work with other agencies during the process to comply with applicable regulations prior to construction of the proposed transmission line.

Planning Process and Project Schedule

Six primary tasks will be conducted during the planning process, including environmental studies and several key public participation activities. TEP will be conducting the planning process over the next several months and anticipates filing a CEC application in the fourth quarter of 2008. A general overview of these tasks is illustrated in the planning process diagram on the next page.

Environmental Studies

TEP will consider environmental factors prior to making any recommendations for constructing the proposed transmission line. The primary environmental factors to be studied include existing and future land uses, as well as visual, cultural/archaeological, and biological resources. Evaluation of these environmental factors is an important component of the CEC application.

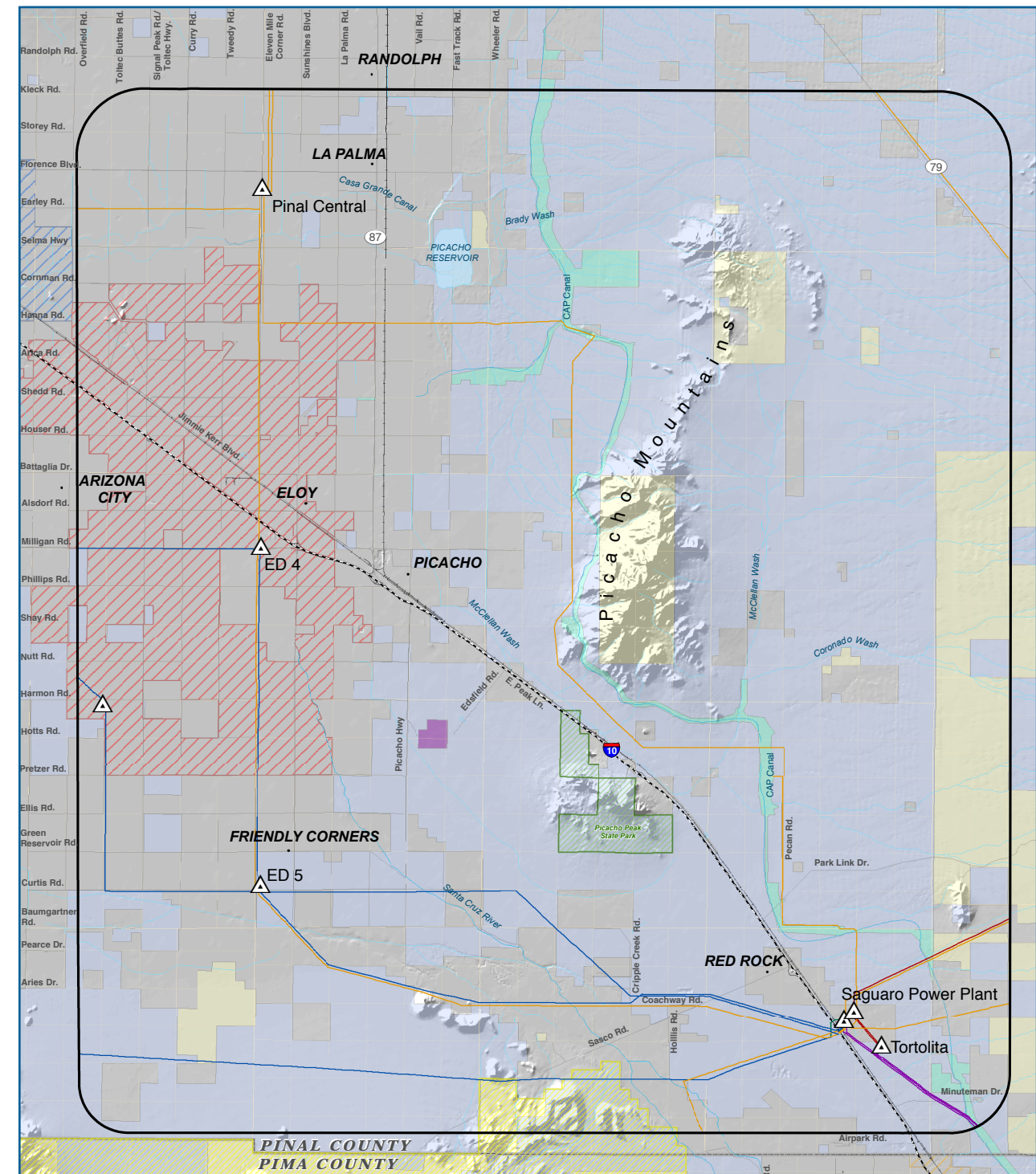
TEP will consult with federal, state, and local agencies (e.g., Arizona Game and Fish Department, State Historic Preservation Office, Pinal County) regarding potential environmental issues within the project area. TEP will consider environmental issues identified by the agencies throughout the planning process, as well as any potential mitigation measures to reduce or minimize environmental impacts.

Public Participation

TEP will distribute information about the project and solicit public input during meetings with community leaders, elected officials, and stakeholders as well as through media briefings, public open house meetings, informational newsletters and a telephone information line.

TEP will form a stakeholder group consisting of various community members, agency staff, and landowners. The stakeholder group will be composed of a cross-section of individuals who are familiar with issues in the community and represent a broad range of interests. The stakeholder group is an important element of the planning process and will provide valuable information and comments that will be considered for the proposed transmission line project.

Public open house meetings will be conducted within the project area and announced via project newsletters, local newspapers, and other methods. The public will have many chances to view key project information, interact with project technical staff, and provide comments regarding the proposed transmission line project.



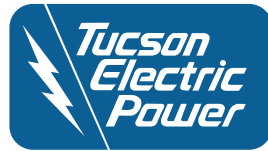
Picacho Mountains and the Union Pacific Railroad in the central portion of the study area.

Arizona Corporation Commission Approval

Arizona Revised Statutes 40-360 requires that TEP prepare and file a Certificate of Environmental Compatibility (CEC) application with the Arizona Corporation Commission (ACC) prior to construction of a proposed high-voltage transmission line. The CEC application will be reviewed by the Arizona Power Plant and Transmission Line Siting Committee which will recommend specific action regarding the application to the ACC. Final approval to construct the proposed transmission line will be issued by the ACC.

PLANNING PROCESS	TASK 1 SITING CRITERIA, DEFINE STUDY AREA, AND SECONDARY DATA COLLECTION	TASK 2 OPPORTUNITIES/CONSTRAINTS ANALYSIS AND ALTERNATIVES IDENTIFICATION	TASK 3 DETAILED INVENTORY AND ALTERNATIVES ASSESSMENT	TASK 4 ALTERNATIVES SELECTION AND RESOURCE SURVEYS	TASK 5 PREPARATION AND FILING OF CEC APPLICATION	TASK 6 CEC HEARINGS
PUBLIC PARTICIPATION ACTIVITIES	<ul style="list-style-type: none"> Community leader and elected official briefings Identify and contact stakeholders Project fact sheet Stakeholder meeting #1 Newsletter #1 Public open house #1 	<ul style="list-style-type: none"> Stakeholder meeting #2 Newsletter #2 Public open house meeting #2 	<ul style="list-style-type: none"> Stakeholder meeting #3 	<ul style="list-style-type: none"> Stakeholder meeting #4 Newsletter #3 Public open house meeting #3 	<ul style="list-style-type: none"> Ongoing activities 	<ul style="list-style-type: none"> Public hearings before the Arizona Power Plant and Transmission Line Siting Committee and ACC
TIMELINE*	May - June	June - July	July - August	August - November	October - November	December 2008 - January 2009

*estimated schedule



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Who is TEP?

TEP provides safe, reliable power to nearly 400,000 customers in the Tucson metropolitan area. Its parent company, UniSource Energy Corporation, oversees a family of energy companies serving more than 1.5 million Arizona residents. The proposed Pinal Central Substation to Tortolita Substation 500-kV Transmission Line Project is needed to help TEP serve its customers' growing energy needs. TEP values community input, and the company looks forward to working with the agencies, residents and businesses throughout the study area during the planning process for this important project.

Who is EPG?

EPG is a local, multi-disciplinary, environmental consulting firm retained by TEP to conduct the environmental studies and to assist with the public participation activities for the Pinal Central Substation to Tortolita Substation 500-kV Transmission Line Project planning process. EPG has over 30 years of experience in siting and permitting transmission lines within Arizona. An important component of their approach is to integrate community input with the planning process to identify environmentally compatible transmission line route(s).

Contact Information

A toll-free project telephone line **(888) 751-0145**, has been set up for the public to provide comments or request additional information on the Pinal Central Substation to Tortolita Substation 500-kV Transmission Line Project.

For more information, visit TEP's Web site at www.tep.com.