

1 BEFORE THE ARIZONA POWER PLANT
2 AND TRANSMISSION LINE SITING COMMITTEE
3 IN THE MATTER OF THE APPLICATION)
4 OF SOUTHLINE TRANSMISSION,)
5 L.L.C., IN CONFORMANCE WITH THE)
6 REQUIREMENTS OF ARIZONA REVISED)
7 STATUTES 40-360, ET SEQ., FOR A)
8 CERTIFICATE OF ENVIRONMENTAL)
9 COMPATIBILITY AUTHORIZING)
10 CONSTRUCTION OF THE NON-WAPA-)
11 OWNED ARIZONA PORTIONS OF THE)
12 SOUTHLINE TRANSMISSION PROJECT,)
13 INCLUDING A NEW APPROXIMATELY)
14 66-MILE 345-KV TRANSMISSION LINE))
15 IN COCHISE COUNTY FROM THE)
16 ARIZONA-NEW MEXICO BORDER TO THE))
17 PROPOSED SOUTHLINE APACHE)
18 SUBSTATION, THE ASSOCIATED)
19 FACILITIES TO CONNECT THE)
20 SOUTHLINE APACHE SUBSTATION TO)
21 THE ADJACENT AEPKO APACHE)
22 SUBSTATION, AND APPROXIMATELY 5)
23 MILES OF NEW 138-KV AND 230-KV)
24 TRANSMISSION LINES AND)
25 ASSOCIATED FACILITIES TO CONNECT))
26 THE EXISTING PANTANO, VAIL,)
27 DEMOSS PETRIE, AND TORTOLITA)
28 SUBSTATIONS TO THE UPGRADED)
29 WAPA-OWNED 230-KV APACHE-TUCSON)
30 AND TUCSON-SAGUARO TRANSMISSION))
31 LINES IN PIMA AND PINAL COUNTIES))
32 _____)

DOCKET NO.
L-00000AAA-16-0370-
00173

CASE NO. 173

AMENDMENT TO
DECISION NO. 75978

PREHEARING
CONFERENCE

18
19 At: Phoenix, Arizona
20 Date: November 24, 2020
21 Filed: November 30, 2020

REPORTER'S TRANSCRIPT OF PROCEEDINGS

21
22 COASH & COASH, INC.
23 Court Reporting, Video & Videoconferencing
24 1802 N. 7th Street, Phoenix, AZ 85006
25 602-258-1440 Staff@coashandcoash.com

26 By: Kathryn A. Blackwelder, RPR
27 Certified Reporter
28 Certificate No. 50666

1 BE IT REMEMBERED that the above-entitled and
2 numbered matter came on regularly to be heard before
3 the Arizona Power Plant and Transmission Line Siting
4 Committee in Phoenix, Arizona, commencing at 2:04 p.m.
5 on the 24th of November, 2020, with all participants
6 appearing via videoconference.

7
8 BEFORE: THOMAS K. CHENAL, Chairman

9 APPEARANCES:

10 For Joint Applicant Tucson Electric Power Company:

11 Snell & Wilmer
12 Mr. J. Matthew Derstine
13 One Arizona Center
14 400 East Van Buren Street, Suite 1900
15 Phoenix, Arizona 85004

16 and

17 Tucson Electric Power Company
18 Ms. Megan J. DeCorse
19 88 East Broadway Boulevard, MS HQE910
20 P.O. Box 711
21 Tucson, Arizona 85702

22 For Joint Applicant Southline Transmission, L.L.C.:

23 Osborn Maledon
24 Ms. Meghan H. Grabel
25 2929 North Central Avenue, 21st Floor
 Phoenix, Arizona 85012

ALSO PRESENT:

Mr. Ed Beck, Tucson Electric Power Company
Ms. Renee Darling, Tucson Electric Power Company
Mr. Eric Raatz, Tucson Electric Power Company
Ms. Theresa Knoblock, SWCA Environmental Consultants
Mr. Doug Patterson, Southline Transmission, L.L.C.
Ms. Marie Elena Cobb, Assistant to Chairman Chenal
Mr. Tod Brewer, Assistant to Chairman Chenal

1 CHMN. CHENAL: This is the time set for the
2 prehearing conference in the Southline Case 173.

3 May I have appearances, please.

4 MS. DeCORSE: Sorry. I was looking at Matt
5 and then having trouble unmuting.

6 My name is Megan DeCorse for Tucson Electric
7 Power.

8 MR. DERSTINE: And Matt Derstine, Snell &
9 Wilmer, on behalf of Tucson Electric Power.

10 MS. GRABEL: And Meghan Grabel of Osborn
11 Maledon on behalf of Southline Transmission Company.

12 CHMN. CHENAL: Very well. And just so we can
13 make sure everyone who's appearing is noted in the
14 record, can you introduce whose representatives are
15 also on the call?

16 MR. BECK: Hello, Mr. Chairman. Ed Beck on
17 behalf of Tucson Electric Power.

18 CHMN. CHENAL: You retired, didn't you,
19 Mr. Beck?

20 MR. BECK: Semi. I am back consulting now,
21 so...

22 CHMN. CHENAL: I know that.

23 And who else do we have, just so we have a
24 record of everyone who's on the call?

25 Renee Darling, she's actually on mute, so

1 Ms. Darling.

2 Mr. Patterson.

3 MR. PATTERSON: Hello, Mr. Chairman. Doug
4 Patterson on behalf of Southline.

5 MS. DARLING: I'll try again. Renee Darling
6 on behalf of TEP.

7 MS. KNOBLOCK: Theresa Knoblock with SWCA
8 Environmental Consultants working with TEP.

9 MR. RAATZ: Hello, Mr. Chairman. Eric Raatz
10 with TEP.

11 CHMN. CHENAL: Very good. And there's one
12 more person; I forget your name. I see you're AZO
13 Zoom 1 with an e-mail address, but I forget this
14 gentleman's name.

15 MR. BREWER: That would probably be me,
16 Mr. Chairman. It's Tod Brewer.

17 CHMN. CHENAL: Oh, Tod. Of course. I'm
18 sorry.

19 MR. BREWER: It's okay.

20 CHMN. CHENAL: That's the new -- I've only
21 met him on video once, and that was some time ago, so
22 I'm sorry about that. I've got to meet you in person.
23 But we've been remote and we've been all over the
24 place, so nice to see you.

25 Okay. Let's go through our normal little

1 checklist I have, that I have for every hearing. I
2 want to confirm lodging arrangements. I think we have
3 those set up down in Tucson at the DoubleTree. Marie,
4 I think for the most part people are registering, but I
5 don't think we had too many reservations as of a few
6 days ago. But I think we're going to have a pretty
7 full complement of people appearing live. I know I saw
8 the list earlier today.

9 Most people will be appearing live, I think,
10 depending on people's schedules, Committee Members, I
11 should say. Some will have to appear remotely, but I
12 think we're going to have mostly, as we did in
13 Hashknife, mostly a live -- the Committee will be live.
14 And I guess we've got to follow up with the Committee
15 Members, Marie or Tod, to make sure that they've
16 actually made their reservations.

17 Parties, any requests to intervene? I'm
18 unaware of any.

19 (No response.)

20 CHMN. CHENAL: No intervenors in this case.

21 MR. DERSTINE: I'll just note for the record
22 that I did reach out, had a phone conversation, then a
23 follow-up e-mail conversation with Todd Jackson of
24 Mountain View Ranch, advised him of this prehearing
25 conference, ensured that he had the notice of hearing,

1 was aware of it, asked him if he had any questions or
2 intended to intervene in the case to let me know, and I
3 haven't heard back from him.

4 CHMN. CHENAL: All right. And as we know,
5 the portion of the line that he was concerned with is
6 not part of the line that's the subject of this
7 hearing, so I'm not surprised he's not going to be
8 involved.

9 Notice to affected jurisdictions, I know that
10 was filed and it's a pretty extensive list: City of
11 Tucson, Pima County, Pinal County, Town of Sahuarita,
12 and Marana.

13 MR. DERSTINE: The notice to affected
14 jurisdictions was filed, with the required number of
15 copies with docket; and as docket control likes to do,
16 they took control of mailing that out. And all the
17 return receipts by certified mail are shown in the
18 docket and reflect mailing to all those affected
19 jurisdictions, as well as Committee Members.

20 CHMN. CHENAL: All right, good. Notice of
21 hearing, I know that was filed and that's of record and
22 we sent it to a number of parties, parties in interest.

23 And has the applicant complied with the
24 posting and publishing requirements of the notices
25 discussed in the procedural order?

1 MR. BECK: Yes, Mr. Chairman. We noticed in
2 the Arizona Daily Star two different times,
3 October 31st and November 1st. We also placed the
4 notice in the Green Valley News and the Explorer, which
5 is in northwest Tucson.

6 CHMN. CHENAL: Good.

7 MR. BECK: In addition, we also placed the
8 signs out on the right-of-way for the project.

9 CHMN. CHENAL: Right. I was going to ask
10 that question on the posting.

11 MR. BECK: Yes.

12 CHMN. CHENAL: Okay, perfect. And there will
13 be testimony, obviously, involving that, some evidence
14 involving that as part of your hearing?

15 MR. BECK: Yes, there will.

16 CHMN. CHENAL: The agenda, any changes or
17 issues with the agenda that's been filed that would
18 need to be amended before the hearing?

19 MR. DERSTINE: I don't think so.

20 CHMN. CHENAL: Ms. Grabel, any issues with
21 the agenda?

22 MS. GRABEL: No, sir, none from our
23 perspective.

24 CHMN. CHENAL: All right. And Ms. DeCorse,
25 maybe take a look at it and let us know so we have time

1 to correct it, just in case, so we get it finalized
2 before the hearing starts Tuesday. That would be no
3 fun to have to hold the hearing off a day or so to
4 repost the agenda.

5 All right. The hearing itself -- bear with
6 me just one moment -- so we know it will start
7 December 1st at 1:00 p.m. That evening -- we usually
8 go to 5:00. That evening at 5:30, I want to say, I'm
9 looking for that language, yes, there will be a special
10 evening session on December 1st to take any public
11 comment. And then the hearing will start, you know,
12 complete the next day, 9:00 a.m. through 5:00, as long
13 as it takes.

14 I know we've set aside a lot of time for
15 this. I mean, with no intervenors and with -- based on
16 what's been said at previous hearings, I expect this
17 will be completed the first week. How much time do you
18 think it will take, I guess is the question? I'll ask
19 that of the counsel.

20 MR. DERSTINE: I guess my optimistic guess is
21 Thursday afternoon, but I know that if we -- if we
22 trail into Thursday, you'll want to defer to Friday
23 morning to do deliberations. So certainly by Friday I
24 would anticipate that we should be able to conclude the
25 presentation of the direct cases, as well as

1 deliberations, and I think it's possible we could be
2 done sooner.

3 CHMN. CHENAL: Ms. DeCorse, Ms. Grabel, both
4 agree with that?

5 MS. GRABEL: I do, Mr. Chairman. Yes.

6 CHMN. CHENAL: All right. We'll see.
7 Lawyers are notoriously inaccurate in how much time
8 they think it will take, but I think Friday is very
9 likely. It does take a little longer than we always
10 think, and I've said it -- you've heard me say it
11 before, I really don't like to start deliberations in
12 the afternoon.

13 We went through two CECs very quickly in the
14 last case last week in the morning, starting in the
15 morning. And I had a number of the Committee Members
16 come up to me afterwards and say, I'm really glad we
17 waited until the morning to do this. If we tried this
18 yesterday in the afternoon, it really would have been a
19 lot -- taken a lot longer and it would not have gone as
20 smoothly. So I think that's a wise decision when we
21 can do that.

22 So we've been at the DoubleTree before a
23 number of times and it's a nice facility. Let's talk
24 about the logistics of the hearing. I think in a
25 previous call we talked about we'd be using the larger

1 room just because of the COVID situation. So let's
2 just talk about that for a minute and what that's going
3 to look like.

4 MR. BECK: Renee, do you want to talk about
5 that one?

6 MS. DARLING: Sure. Yes, Chairman, we will
7 be using the grand ballroom at the DoubleTree, which is
8 9,700 square feet, normally can accommodate 270 people.
9 So we will have -- definitely have social distancing
10 available to us. A small section of the room will be
11 sectioned off for public comment, so it will have its
12 own screen, its own laptop so that they don't actually
13 enter the ballroom. It's just before you enter the
14 ballroom. And everybody will have their own 6-foot
15 table.

16 It will be the same layout as we normally do,
17 the U shape with the two screens at the front of the
18 room. We're actually adding a third screen towards the
19 opposite end of the row of Committee Members so that
20 the ones that are furthest from the screen, because
21 we're so spread out, can have another screen to watch
22 the PowerPoint on if their eyes can't focus that far
23 away.

24 Yeah, all the food is taken care of.
25 Everything will be individually packaged. All drinks,

1 snacks are all individual servings, as are breakfast
2 and lunch and dinner on the first night are all
3 individually either boxed lunches or hot plates that
4 are in like plastic containers.

5 We have air filtration units that will be set
6 up, three separate units that will add extra
7 filtration. And the doors do open to the outside, so
8 we can also open the doors if we want additional
9 airflow. And, you know, a sanitizing station, hand
10 sanitizing, like hand sanitizer station, as well as
11 individual bottles of hand sanitizer.

12 We are asking and we'll say that it's
13 required that masks be worn at all times, even during
14 the hearing, and that a temperature check is required
15 each morning and answering the TEP's five health
16 questions that relate to COVID.

17 CHMN. CHENAL: Very good. Very good.

18 MS. DARLING: I think I covered everything.

19 CHMN. CHENAL: Question: On meals, again,
20 it's breakfast and lunch, correct?

21 MS. DARLING: Breakfast and lunch and two
22 snacks, and then dinner on the first night since the
23 public meeting starts at 5:30.

24 CHMN. CHENAL: Okay. There's probably not
25 going to be that many people that will take it --

1 MS. DARLING: I'm sorry. Tuesday night.

2 CHMN. CHENAL: -- Tuesday night for the
3 evening meal.

4 MS. DARLING: They can take it with them or
5 whatever. At least it's there if they want it.

6 CHMN. CHENAL: All right. Now, what about
7 the computers and how that's going to work for the
8 Members?

9 MS. DARLING: Yes. So it will be -- pretty
10 much for the Committee Members and the people that are
11 in the room, it will be almost the same experience as
12 you would normally have. You'll have your pads with
13 all the documents on them.

14 And then we'll have cameras set up in the
15 room, and the screens and an overview of the room are
16 what's going to be projected as a single feed into the
17 Zoom meeting, as opposed to -- I think in your last
18 meeting you had, everybody had their own laptop and
19 everyone was their individual feed. We're not doing it
20 that way. We're having a single feed to Zoom from the
21 ballroom, and that's to better control the audio, as
22 well as the WiFi connection and, you know, hopefully
23 have less potential for issues.

24 And then there's another feed that's a moving
25 camera that can pick up someone in the room when

1 they're speaking. So like if you're speaking, it can
2 pick up your face and add it to the Zoom meeting. And
3 then anyone that is calling into the Zoom meeting will
4 have their own feed; and as they speak, they will also
5 come in and out of the screen. But the view that you
6 see will be similar to what you saw in the Hashknife
7 hearing from the Zoom meeting, where you see the
8 presentation and then you see a person speaking.

9 CHMN. CHENAL: All right. My only question
10 is this: In the Hashknife, and I didn't really pay too
11 much attention to the camera view that took in the
12 room, but, I mean, that camera was pretty far away from
13 people in the Hashknife hearing. And when I did look
14 at that picture -- at that window, I mean, the people
15 looked like little specks against the wall.

16 MS. DARLING: Yeah.

17 CHMN. CHENAL: So how are we going to avoid
18 that from happening?

19 MS. DARLING: Well, we won't avoid that, but
20 we will have the other cameras available to pull in the
21 person in the room that's speaking. So as I said, you
22 would replace that overview camera view if you're
23 speaking or if one of the lawyers is speaking or the
24 witness is speaking, and that's the responsibility of
25 the AV technicians. We have an actual cameraman.

1 CHMN. CHENAL: Okay. That will be
2 interesting. We'll see how that works.

3 MS. DARLING: Yeah. Fingers crossed.

4 CHMN. CHENAL: Well, I'm sure it will be
5 good. I'm sure it will be good.

6 We're not going to have a physical tour, so
7 we'll have the Google flyover. And I think I've asked
8 in the past to make sure that it be a much more robust
9 or involved flyover. So what's that going to look
10 like, if I may ask at this point?

11 MR. BECK: Well, Mr. Chairman, we tried to
12 put a more -- a better representation into the flyover,
13 and we're going to fly in both directions. So we'll go
14 south to north and then north to south so that you can
15 see it from both angles. And then we will have the
16 capability to stop it, pause it at any time, and also
17 have, on the second screen, a map that will be able to
18 track kind of where we're at. So if there's questions
19 that come up, we can try and address them directly.

20 CHMN. CHENAL: Good, good, good. About how
21 long is the flyover time-wise?

22 MR. BECK: Theresa, do you know how long it
23 ended up?

24 MS. KNOBLOCK: It was about 15 to 20 minutes.
25 I can look it up while we're sitting here and then I

1 can tell you exactly.

2 CHMN. CHENAL: 15, 20 minutes is good. It's
3 not an F-22 Raptor going over the length of the line;
4 that can be accomplished in about three or four
5 minutes.

6 Okay. We'll break every 90 minutes, as
7 usual. I assume we'll have the same WiFi system, a
8 good robust WiFi system? Ms. Darling is shaking her
9 head yes.

10 Sign-in forms or a way to collect contact
11 information from people that wish to make public
12 comment?

13 MS. DARLING: Yes, we will have those.

14 CHMN. CHENAL: And I just want to confirm
15 that people can make public comment either live or by
16 joining the video of the Zoom meeting?

17 MS. DARLING: That is correct. If we -- if
18 they join via Zoom, we'll ask them to cite their name
19 on the Zoom meeting and then we'll just write it into
20 the sign-in sheet. Do you want us to ask them their
21 address as well?

22 CHMN. CHENAL: Well, at least some contact
23 information, phone or e-mail address, something, some
24 way to notify the people.

25 Let's see. I see -- anything else we need to

1 discuss about the hearing itself, the logistics or
2 anything of that sort?

3 MS. KNOBLOCK: Mr. Chairman, to confirm, the
4 flyover is 17 minutes long.

5 CHMN. CHENAL: Okay, very good. Perfect.

6 MR. DERSTINE: Well, Theresa, that's just
7 letting it run, correct?

8 MS. KNOBLOCK: Yes. We can pause it at any
9 time, and we have built-in pauses at key points as well
10 that slow down and circle the -- like Tumamoc Hill.
11 But yes, the full run time is 17, and we can pause it.

12 MR. DERSTINE: Right. So with Ed narrating
13 and answering questions as we fly down and back, it's
14 probably closer to 25 minutes.

15 CHMN. CHENAL: Perfect. That will be good.
16 I'm looking forward to that part of it.

17 All right. The procedural order, I see that
18 there's been an exchange of testimony, at least we
19 received copies of it. There's no intervenors, so you
20 don't have any exhibits to exchange.

21 MR. DERSTINE: The one thing you don't
22 have -- and I'm jumping in ahead so that before you
23 impose sanctions that you direct them to me. So you
24 don't have, and I think what your procedural order
25 asked for, is a draft of the -- what would be the CEC.

1 We don't have a CEC in this case. I have a working
2 draft, but I haven't circulated it to the team or
3 co-counsel yet, and so I wanted to in concept talk to
4 you a bit about it.

5 In looking at some other cases in which the
6 Line Siting Committee has sat as an evidentiary --
7 taking evidence for the Committee, essentially acting
8 as an ALJ for the Commission, I should say, what I have
9 seen and what I think may be the right way, in terms of
10 crafting the piece of paper that you folks vote upon at
11 the end of the case, is a notice of filing a
12 recommended opinion and order. And that recommended
13 opinion and order is the piece of paper that the
14 Commission would sign, but it will incorporate the
15 procedural history, the hearing, and the process before
16 the Line Siting Committee, the Committee's vote, and
17 the Committee's findings of fact and conclusions, and
18 essentially its recommendation to the Commission with
19 regard to whether or not CEC 173 should be amended.

20 So I know those are a lot of words in trying
21 to describe the document, but in concept I think that's
22 what I am -- we're working on and what we had talked
23 through as what you folks would consider and vote upon.
24 And I'll have a draft circulated here this afternoon to
25 the folks, you know, the applicants and their counsel

1 and the members of the team, get some input, and then
2 get that to you. And if we want to have -- or, if it's
3 possible to have another procedural conference before
4 the hearing to talk about that and whether or not you
5 think that's the right fit or whether you want to see
6 something else in terms of the form of document that
7 the Siting Committee will issue, we can do that.

8 CHMN. CHENAL: Yeah. As soon as we can get
9 that, the better. But that will have recommended
10 conditions, or something along those lines, correct?

11 MR. DERSTINE: Yes.

12 CHMN. CHENAL: Okay. I wanted to -- I don't
13 remember what was in -- was it Commissioner Dunn's --
14 was it an order that was issued by the Corporation
15 Commission regarding sending this matter back to the
16 Committee? And I'm trying to remember. I can't pull
17 it up right now; I'm not even going to try at this
18 point; I think I have to get on the docket to do it.
19 But something reminds me that there is some language in
20 that document that -- as to what we were supposed to do
21 as a Committee, and I apologize I didn't look at that
22 before this hearing. I could be remembering
23 incorrectly.

24 MR. DERSTINE: Well, there's an actual -- the
25 decision that came out of the Open Meeting on the

1 application to amend essentially adopted Staff's
2 recommended opinion and order. And Staff's recommended
3 opinion and order and the decision from the Commission
4 essentially said that this matter should come back to
5 the Line Siting Committee to take evidence and
6 essentially create an evidentiary record on all the
7 matters or issues raised by the application to amend.

8 And so that's how we framed what the Line
9 Siting Committee is doing in this case. Although, I'll
10 tell you that the case that we're going to present to
11 the Line Siting Committee and what's presented in the
12 supplement to the application to amend is very much CEC
13 application, CEC hearing. And so the documents, the
14 testimony will be very similar to, if not identical to,
15 what the Committee would hear in a normal CEC
16 application case; but in this case, the decision that
17 you're rendering is not granting a CEC.

18 It's, one, deciding whether or not CEC 173
19 should be amended to allow TEP to construct, own, and
20 operate this 64-mile piece of the WAPA-owned upgrade
21 section; and if you think it's appropriate to amend it
22 to allow TEP to build it and to own it and to operate
23 it, then under what conditions does the Committee find
24 are appropriate in doing that. And that's how we'll
25 frame it.

1 CHMN. CHENAL: And what about -- what about
2 the findings of fact and conclusions of law?

3 MR. DERSTINE: So in concept -- and, you
4 know, I have other better lawyers on the call here who
5 are going to look at what I've drafted, and so it may
6 change. But what I have are the Siting Committee will
7 make your findings and conclusions, which will serve as
8 the recommendation and the foundation for the
9 Commission to render its decision on what it ultimately
10 will do on the application to amend.

11 CHMN. CHENAL: So it will have the look and
12 feel of a CEC in terms of conditions and findings of
13 fact and conclusions of law, but it will be more in the
14 nature of recommendations to the Corporation Commission
15 with respect to an amendment to the existing CEC 173?

16 MR. DERSTINE: I think that's right.

17 CHMN. CHENAL: Okay. I think I'm good with
18 that. This is a little different. But at the end of
19 the day, I think you would want a CEC for this portion
20 of the line that would have the conditions and,
21 importantly, the findings of fact and conclusions of
22 law.

23 MR. DERSTINE: Yeah. And we do want a CEC
24 or --

25 CHMN. CHENAL: Or an amendment to the CEC.

1 MR. DERSTINE: Yeah. More particularly, we
2 want an amendment to 173 that gives us essentially a
3 CEC for the 64-mile segment of the upgrade section and
4 allows TEP to build it and allows the Commission to
5 impose whatever conditions it thinks are appropriate.

6 And I'm not going to steal anything away from
7 the excitement of the case by saying that I think the
8 applicant's view of what the Committee and the
9 Commission -- or, is appropriate in terms of conditions
10 would be to simply adopt the conditions that are in 173
11 and apply those to this Vail to Tortolita segment, the
12 circuit, we've called it a number of different things.

13 But essentially, this piece of the Southline
14 transmission project that was not before the Committee
15 in 173, the amendment will bring it before the -- or,
16 this case brings it before the Committee, gives you an
17 opportunity to hear all the evidence that you would
18 normally hear in a siting case and on a CEC
19 application, and allows you to make a decision on
20 whether or not to amend 173 to allow TEP to own it and
21 to build it and to impose what you think are the
22 appropriate conditions. And we're telling you that we
23 think that it is acceptable and appropriate and in the
24 best interest if the Committee and the Commission wish
25 to simply adopt the original conditions in 173 and

1 apply those to the construction of this segment of the
2 line.

3 MS. GRABEL: If I could interrupt for a
4 moment. I agree with the concept of having a proposed
5 recommended opinion and order, because I think that's
6 important; it's what the Committee will send to the
7 Commission. But in terms of just consistency with the
8 feel of prior CEC applications, why wouldn't the
9 Committee perhaps want to walk through CEC 173 as a
10 Word document as we propose to amend it and put any
11 potential conditions within CEC 173 without having the
12 additional step of the Commission having to make those
13 decisions?

14 MR. DERSTINE: Well, it's going to have to go
15 to the Commission one way or another. The question is:
16 What's the piece of paper say?

17 MS. GRABEL: Right.

18 MR. DERSTINE: Yeah. And so if the decision
19 is to adopt all of the 173 conditions, then you don't
20 have to have 33 conditions in this opinion. If you
21 want to pick and choose, we can do the menu approach.
22 So we will work out, you know, among the team in terms
23 of what we think the piece of paper should look like
24 and then send it to you, Chairman, and then we can
25 discuss whether or not you think that's -- that piece

1 of paper, that document at the end of the case is the
2 right way to go or if you want to do something
3 different.

4 But I think ultimately the posture of the
5 case and what the Committee was asked to do was to
6 essentially take evidence, and then the question is
7 what do you do with that evidence. You're going to
8 issue the Siting Committee's opinion and order as a
9 stand-alone, and then the Commission and Staff have to
10 craft a decision, or you can jump a step and include
11 your findings and conclusions in the history in a form
12 of decision that the Commission can consider and sign.
13 I think those are the two ways to go about it.

14 CHMN. CHENAL: I think it would be easier if
15 we had the conditions -- the language of the conditions
16 in the document. Because as we're going through this,
17 if we simply have a document that says, we adopt the 36
18 conditions, however many conditions from Case 173,
19 we're still going to have to go through all those and
20 see what those are.

21 MR. DERSTINE: Okay. Sure.

22 CHMN. CHENAL: And that's going to be very
23 laborious and difficult. It would be easier to see it
24 in front of us than -- what else am I going to do? I'm
25 going to then have to pull up the old CEC, we're going

1 to be working back and forth going through each
2 condition, changing it anyway. I think it's going to
3 be easier if we just do it in one document. And that
4 may very well be how it ends up. But since we're going
5 to be probably reviewing each individual condition --

6 And some won't apply, right? I mean, if I
7 remember -- well, I think in the original CEC I think
8 the Committee -- the Commission added some conditions
9 that won't be applicable, because they were related to
10 the ranch and were peculiar to the ranch.

11 MR. DERSTINE: Yeah. There was one
12 additional condition, 34, that the Commission added
13 which related only to Mountain View Ranch. Yeah. But
14 I hear you. I think the process that the Committee is
15 comfortable with and used to doing is to vote on
16 condition to condition to condition. All those
17 conditions are in 173. If the best process is to
18 revisit it and walk through them all again and decide
19 if you want them all again or if you just want some of
20 them again, I think we're fine with that.

21 CHMN. CHENAL: Yeah, I think that will be
22 easier. I'm just trying to think ahead. I think it
23 will be easier. And I understand it will be in the
24 form of a recommendation to the Commission, as opposed
25 to the typical CEC. I think that's fine.

1 MR. DERSTINE: Yeah.

2 MR. BECK: Mr. Chairman, from TEP's
3 perspective, we anticipate -- or, at least my
4 anticipation is that we would go through all the
5 conditions and have the Committee relook at them and
6 make sure they're still applicable or whatever. But in
7 the end, as an amended CEC, the CEC still covers the
8 whole project from Afton to Saguaro. And a subset of
9 that project, the CEC, would be the Vail to Tortolita
10 project, but it's all contained in one CEC.

11 So I think all of the conditions will be
12 applicable to the whole project, unless you change the
13 language accordingly in each condition. I guess at
14 this point, I didn't anticipate that that would be
15 happening. For the most part, you'll say the
16 conditions that are there, they're acceptable as is or
17 you'll modify them slightly and they'll apply equally
18 to the whole Southline project, as well as the Vail to
19 Tortolita portion of the project.

20 So I anticipate going through every
21 condition. I think a majority of the conditions will
22 apply to the whole Southline project. Probably, in the
23 end, I would suspect all of them will, and so they'll
24 be equally applicable to the Vail to Tortolita segment.

25 MR. DERSTINE: Well, and I think in

1 particular we haven't asked to change any of the
2 conditions that apply to any portion of the project
3 other than this 64-mile segment of the line, and so
4 that can't be done and won't be done in the process.
5 So it's what's the piece of paper and what does it look
6 like that keeps all of the 173 conditions intact, in
7 place, unmodified, but at the same time allows for the
8 modification of certain conditions with respect to the
9 64-mile segment of the line. And that's -- that's the
10 complicated factor. But in terms of the process, I
11 think you're right, you want to go through the
12 conditions and see if they all apply.

13 But I think the document, the piece of paper,
14 if it's just going to be a stand-alone recommended
15 opinion and order of the Siting Committee that restates
16 all those conditions, we could do it that way, or you
17 can simply go through the process of analyzing and
18 looking at the conditions and picking which ones apply
19 and by reference, you know, incorporate those and
20 indicate that they all apply. Or if one or two are to
21 be amended, which obviously Condition 31 will have to
22 be amended to allow TEP to own it, because 31 currently
23 prohibits TEP from owning it, and then if there are
24 other conditions that need to be modified to some
25 extent, only with respect to the 64-mile segment of the

1 line, that can and should be done.

2 But again, I think to Ed's point, and
3 certainly from Southline's perspective, 173 should not
4 and is not being modified. What we're talking about is
5 only with respect to the 64-mile segment of the line.
6 What are we going to do with it? Are you going to
7 allow us to modify 31 to allow TEP to own it, and what
8 conditions in 173 apply to it? All of them -- all of
9 them except for the modifying 31, or are you going to
10 modify some others?

11 CHMN. CHENAL: I see. Yeah, I can see that
12 now. The lightbulb just went off. At the end of the
13 day, there's going to be a CEC, and we can't -- I don't
14 think it would be appropriate or legally correct,
15 because for one thing, it wasn't noticed out as such,
16 to modify any of the conditions as it relates to the
17 CEC that was already issued, the non-WAPA line, the one
18 that was originally issued. This is not an appropriate
19 forum to make changes to that. We can only address the
20 Vail to Tortolita, which will have its own map as an
21 attachment.

22 MR. DERSTINE: Yes.

23 CHMN. CHENAL: Which, let's assume it's going
24 to have the same conditions as exist on the first part
25 of the line. Are we -- is this like an amended and

1 restated agreement in the sense that we are restating
2 -- although leaving unchanged the original CEC, but
3 amending -- adding to it and amending it?

4 I guess it goes back to my old conceptual
5 problem from the beginning. Is this an appropriate
6 amendment or should this be a separate CEC? I mean,
7 we're not going to go back to that. But we can't
8 change the original CEC in terms of what we've already
9 decided, so the amendment is only adding to it.

10 So I guess at the end of the day, what will
11 the CEC look like once it goes and is approved by the
12 Corporation Commission? Will it be an amended CEC that
13 will basically restate the conditions as it relates to
14 the initial CEC with the Exhibit A attached -- or, the
15 exhibits attached to reflect the route, and then the
16 amendment to that will then have some additional
17 language -- will then include the subject of this
18 application, or the motion to amend, which will include
19 additional language that will clarify that TEP is now
20 going to own and operate the Vail to Tortolita line as
21 depicted on Exhibit B, or something along those lines,
22 and -- but the condition will still apply -- the
23 original conditions will still apply -- that apply to
24 the original CEC will apply to the amended -- to this
25 additional route, plus any additional CEC conditions

1 that are particular to the Vail to Tortolita route.

2 I don't know. I'm trying to -- I see now the
3 struggle with what this document is going to look like,
4 both the document that the Committee comes up with and
5 what ultimately the Commission is asked to create.

6 MR. DERSTINE: Right. And one approach is to
7 do one and the same and have the Siting Committee vote
8 on what the Commission decision is and vote on that as
9 a form, essentially a ROO, a recommended opinion and
10 order, what you would see coming out of an ALJ through
11 that ALJ process, what's typical in other matters, or
12 it can be a separate stand-alone opinion and order of
13 the Siting Committee that then someone, Staff or
14 someone, will have to use to craft a proposed decision
15 of the Commission when it gets before them.

16 But I think the way you've described it, at
17 the end of the day, CEC 173 will be unchanged,
18 unmodified, except for what is in the decision from the
19 Commission on the application to amend. And our hope
20 and the reason for going through this process is that
21 what will be changed and the only things that will be
22 changed will be to allow TEP to own and construct and
23 operate the 64-mile segment that was not included in
24 CEC 173, to include that piece, that one circuit of
25 that segment, it's one circuit of a double-circuit

1 230 kV line, and then to incorporate or adopt any new
2 conditions that would apply only to that new 64-mile
3 segment that will be described and will be shown on an
4 attached map.

5 And so it will be an amendment to 173. 173
6 doesn't change, except for what's in the amendment.
7 And it's up to us to try to craft something in the
8 amendment that you and the Members of the Committee can
9 look at and vote on at the conclusion of our case.

10 CHMN. CHENAL: Well, I think we should -- at
11 least the document we start with next week should
12 include the conditions, because I think it will be
13 easier for the Committee to go through that --

14 MR. DERSTINE: Sure.

15 CHMN. CHENAL: -- with an appropriate
16 attachment or map. I don't know; I throw this out.
17 Does it make sense -- and I understand, Mr. Derstine,
18 the two options you've laid out as to what should the
19 Committee present to the Commission. And I wonder if
20 it makes sense to contact Staff to see if they -- now
21 to see if they have a recommendation or a preference.
22 Because under your first option, they're the ones that
23 are going to have to do some homework to take that
24 document and create it into something that the
25 Commission will pass.

1 MR. DERSTINE: It's a good suggestion, and I
2 did do that. I contacted Mr. Emedi and kind of raised
3 with him what we've talked about here on the call,
4 what's the document, the piece of paper that the Siting
5 Committee votes upon and issues and sends back to the
6 Commission to render its decision on the application to
7 amend.

8 Mr. Emedi didn't have a strong feeling either
9 way. We talked through the two options, a stand-alone
10 opinion and order of the Siting Committee or voting on
11 a form of decision for the Commission that incorporates
12 the findings, the record, and the vote of the Siting
13 Committee, and the Siting Committee's findings and
14 conclusions, that then would then be used to support
15 the findings of fact and conclusions of law of the
16 Commission in rendering its decision. He didn't have a
17 strong feeling about it, and so he left it to us, and
18 so here we are.

19 CHMN. CHENAL: Okay. Well, put your minds to
20 work. And I think -- as I said, I think as long as the
21 Committee is working with a document that has the
22 conditions laid out, I think that would be easier to
23 kind of go through. Even knowing that they would only
24 apply to the Vail to Tortolita section, I think just to
25 have them restated and then see if there's any changes,

1 additions or changes that would need to be specific to
2 that section, to the Vail to Tortolita, I think would
3 be an easier process.

4 MR. DERSTINE: Yep, got it.

5 CHMN. CHENAL: Okay. Well, I was going to
6 ask, any other legal issues to discuss? I think we've
7 discussed that, and smart lawyers and people on this
8 call will figure out, you know, something that makes
9 sense.

10 Standard question: TEP has made financial
11 arrangements with the Corporation Commission to cover
12 the cost of the hearing and the hotels and such,
13 Mr. Beck?

14 MR. BECK: Yes, we have.

15 CHMN. CHENAL: All right. ACC Staff is not
16 part of this call. I take it they're not intending to
17 intervene in this case? I think we would have heard
18 something by now.

19 MR. DERSTINE: It's my understanding they're
20 not.

21 CHMN. CHENAL: I was going to ask some
22 questions about the proposed CEC. I think we just
23 talked about that.

24 Are there any other permits necessary for
25 this project?

1 MR. BECK: There's the typical construction
2 permits. We have to get an agreement in place with
3 Western, between TEP and Western specifically, which
4 we're working on. And that's about it.

5 There are some requirements under the EIS for
6 the project as a whole that we're also working towards
7 through the programmatic agreement that is part of the
8 process.

9 CHMN. CHENAL: And this portion of the line
10 was not covered by, or was it, by the EIS and --

11 MR. BECK: Yes.

12 CHMN. CHENAL: It was?

13 MR. BECK: Yes, Mr. Chairman, it was covered
14 by the EIS, the whole project, on behalf of Western.

15 CHMN. CHENAL: That's right. They did go
16 through that. Yeah.

17 All right. Anything else we need to talk
18 about?

19 MR. DERSTINE: That's it.

20 MS. DeCORSE: Not from me.

21 CHMN. CHENAL: Yeah. I think the interesting
22 issue is what we talked about, what's the document
23 going to look like that goes up from the Committee to
24 the Commission.

25 MR. BECK: Well, I hope, Mr. Chairman,

1 through the hearing process that we'll be able to
2 convince yourself, as well as your whole Committee,
3 that all of the conditions that are already in Case 173
4 cover the issues that would need to be covered with our
5 project, and that modification of the one condition
6 that now states Western has a hundred percent ownership
7 would be the only change required. So if we're
8 successful and that happens, I think it makes it much
9 easier.

10 CHMN. CHENAL: Yep. I'm operating under the
11 assumption that that's the case. When we had these
12 discussions some time ago, we didn't know what level of
13 opposition or who the intervenors might be, and I think
14 we had to allow that there might be some changes that
15 would occur that we couldn't anticipate at the time.
16 But given that there hasn't been that opposition or
17 controversy, at least I haven't seen any yet, that may
18 very well be the case. So I think that makes that much
19 more probable.

20 So I don't think -- it really is -- I mean,
21 this is one of those where it may be more form over
22 substance at the end of the day, but the form needs to
23 be right too. So I see the issues better. I think
24 it's very helpful to make this -- much more complicated
25 than I had thought of it before we started the call.

1 So thank you for that, but I'm sure you'll come up with
2 a good solution, and we'll go through this pretty
3 smoothly and finish certainly by Friday.

4 MR. DERSTINE: Thank you.

5 CHMN. CHENAL: So is there anything else?
6 That's the only thing I have.

7 (No response.)

8 CHMN. CHENAL: If not, I guess I look forward
9 to seeing everyone Tuesday. Who is going to be there
10 Tuesday? There's no restrictions on number of people
11 in the room, such as we were presented with in
12 Flagstaff where there was a restriction on the number?
13 Ms. Darling, is there any Tucson ordinance that
14 restricts the number of people?

15 MS. DARLING: It's actually 50. But TEP,
16 based on the protocol that we established for the
17 hearing, set the number at 17.

18 CHMN. CHENAL: Okay. Including the AV
19 people?

20 MS. DARLING: Uh-huh. So it should be fine.
21 We shouldn't exceed that number.

22 MR. BECK: And Mr. Chairman, as long as you
23 don't run the hearing after 10:00 p.m., we'll be okay,
24 because there's now a curfew starting at 10:00 p.m.

25 CHMN. CHENAL: Well, that first night, you

1 don't know, you know.

2 And Ms. Grabel, you're going to be there?

3 MS. GRABEL: I'm going to be there, yes, sir.

4 CHMN. CHENAL: All right, good. So we'll
5 have a full complement, so good.

6 If something comes up, let me know. I wish
7 everyone a happy Thanksgiving. I'm comfortable this
8 will go off technically well and we'll finish it next
9 week. If something comes up, I'll be available. Well,
10 if you need to get ahold of me, I'm here tomorrow. I
11 can be available Friday if you need me for anything and
12 certainly Monday. And I'll see you all Tuesday
13 afternoon, late morning, and I'm looking forward to
14 this one.

15 MS. COBB: Mr. Chairman, I just have one
16 thing that I wanted to remind the applicant about.
17 Member Haenichen is color blind, so nothing that is in
18 the red colors. So make sure you have a laser pointer
19 that is not red. And anything that you want to bring
20 to the attention of the Committee, please don't put it
21 in red.

22 MR. BECK: I will just make one point. We
23 have a couple maps that may have some red tinges on the
24 periphery of the map, not key to the discussion points,
25 but those we didn't have the time to change. They're

1 actually Pima County documents. So we did recognize
2 the issue with color and we tried to be very careful on
3 all of our line work and so on, so I appreciate that.

4 CHMN. CHENAL: Lastly, when you do come up
5 with the document that you're going to come up with,
6 would you e-mail it to Marie and Tod in Word format so
7 we can start looking at it on our end? As soon as you
8 have something, that would be helpful.

9 MR. DERSTINE: Sure will.

10 CHMN. CHENAL: I don't think -- I'm not
11 anticipating many changes at our end. But as soon as
12 you have that available, it would be good for us to
13 have it.

14 Anything else?

15 (No response.)

16 CHMN. CHENAL: If not, we'll adjourn or we'll
17 stop the hearing and I'll see everyone Tuesday in
18 Tucson. Have a nice Thanksgiving.

19 (The prehearing conference concluded at
20 2:54 p.m.)

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1 STATE OF ARIZONA)

2 COUNTY OF MARICOPA)

3

4 BE IT KNOWN that the foregoing proceedings
5 were taken before me; that the foregoing pages are a
6 full, true, and accurate record of the proceedings all
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14 ethical obligations set forth in ACJA 7-206(F)(3) and
15 ACJA 7-206 J(1)(g)(1) and (2). Dated at Phoenix,
16 Arizona, this 25th day of November, 2020.

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KATHRYN A. BLACKWELDER
Certified Reporter
Certificate No. 50666

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