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

IN THE MATTER OF THSI BN, LLC, IN
CONFORMANCE WITH THE
REQUIREMENTS OF ARIZONA
REVISED STATUTES, SECTIONS 40-
360, ET SEQ FOR A CERTIFICATE OF
ENVIRONMENTAL COMPATIBILITY
AUTHORIZING THE THREE SISTERS
SOLAR 230 KILOVOLT GEN-TIE
PROJECT LOCATED IN COCHISE
COUNTY, ARIZONA.

DOCKET NO.: L-21220A-23-0019-00215

Case No. 215

**CERTIFICATE OF
ENVIRONMENTAL
COMPATIBILITY**

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A. INTRODUCTION

Pursuant to notice given as provided by law, the Arizona Power Plant and Transmission Line Siting Committee (“Committee”) held public hearings on February 27, 2023, and February 28, 2023, in Cochise County, Arizona, in conformance with the requirements of the Arizona Revised Statutes (“A.R.S.”) § 40-360 et seq. for the purpose of receiving evidence and deliberating on the January 19, 2023 Application of THSI bn, LLC, for a Certificate of Environmental Compatibility (“Application”) in the above-captioned case.

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

Adam Stafford	Chairman, Designee for Arizona Attorney General
	Kris Mayes
Gabby Mercer	Designee of the Chairman, Arizona Corporation Commission (“Commission”)
Leonard Drago	Designee for Director, Arizona Department of Environmental Quality
David French	Designee for Director, Arizona Department of Water Resources

1	Mary Hamway	Appointed Member, representing cities and towns
2	Rick Grinnell	Appointed Member, representing counties
3	James Palmer	Appointed Member, representing agricultural interests
4	Karl Gentles	Appointed Member, representing the general public
5	Margaret Toby Little	Appointed Member, representing the general public

6 The Applicant was represented by Bert Acken of Acken Law. No parties requested
7 intervention pursuant to A.R.S. § 40-360.05.

8 At the conclusion of the hearing, the Committee, after considering the (i)
9 Application, (ii) evidence, testimony, and exhibits presented by the Applicant, and (iii)
10 comments of the public, and being advised of the legal requirements of A.R.S. §§ 40-360
11 through 40-360.13, upon motion duly made and seconded, voted 9 to 0 to grant Applicant,
12 its successors and assigns, this Certificate of Environmental Compatibility (“CEC” or
13 “Certificate”) for construction of the Three Sisters Solar 230 Kilovolt Gen-Tie Project
14 (“Project”) as described below.

15 **B. PROJECT DESCRIPTION**

16 The Project will consist of a 230kV transmission line and associated
17 interconnection facilities to interconnect the Applicant’s planned solar energy generating
18 facility of up to 300 MW (the “Three Sisters Solar Facility”) and a green hydrogen
19 production and liquefaction facility to the regional electrical transmission grid at an
20 existing 230-kV transmission line operated by Arizona Electric Power Cooperative
21 (“AEPCO”).

22 Project facilities covered by the CEC include: (1) the Project substation to step up
23 power from the Three Sisters Solar Facility to transmission voltage; (2) a new switchyard
24 to interconnect the Project with the existing AEPCO transmission line; (3) the
25 approximately one to one and half mile gen-tie to interconnect the Project substation with
26 the new switchyard; (4) the 230 kV transmission line segment from the green hydrogen
27 facility to the Project substation; and (5) the green hydrogen facility’s up to eight
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1 electrolyzer substations, each of which includes a 230 kV to 34.5 kV transformer to step
2 down power from transmission voltage to serve the green hydrogen facility.

3 The gen-tie and new switchyard will be located in the Transmission Corridor
4 shown in **Exhibit A**. The right-of-way width for the gen-tie will be 100 feet. The Project
5 substation, the transmission line between the substation and the green hydro facility's
6 substations, and the hydrogen facility's substations will be located within the Project
7 Substation and Facility Siting Area shown in **Exhibit A**.

8 CONDITIONS

9 This Certificate is granted upon the following conditions:

10 1. This authorization to construct the Project shall expire ten (10) years from
11 the date this Certificate is approved by the Arizona Corporation Commission, with or
12 without modification. Construction of the Project shall be complete, such that the Project
13 is in service within this ten-year timeframe. However, prior to the expiration of the time
14 period, the Applicant may request that the Commission extend the time limitation.

15 2. In the event that the Project requires an extension of the term(s) of this CEC
16 prior to completion of construction, the Applicant shall file such time extension request at
17 least one hundred and eighty (180) days prior to the expiration of the Certificate. The
18 Applicant shall use reasonable means to promptly notify the Board of Supervisors of
19 Cochise County and all landowners and residents within a five (5) mile radius of the
20 centerline of the Project, all persons who made public comment at this proceeding who
21 provided a mailing or email address, and all parties to this proceeding. The notification
22 provided will include the request and the date, time, and place of the hearing or open
23 meetings during which the Commission will consider the request for extension.
24 Notification shall be no more than three (3) business days after the Applicant is made
25 aware of the hearing date or the open meeting date.

26 3. During the development, construction, operation, maintenance and
27 reclamation of the Project, the Applicant shall comply with all existing applicable air and
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1 water pollution control standards and regulations, and with all existing applicable statutes,
2 ordinances, master plans and regulations of any governmental entity having jurisdiction,
3 including, but not limited to, the United States of America, the State of Arizona, Cochise
4 County, and their agencies and subdivisions, including but not limited to the following:

- 5 a. All applicable land use regulations;
- 6 b. All applicable zoning stipulations and conditions, including but not
7 limited to landscaping and dust control requirements;
- 8 c. All applicable water use, discharge and/or disposal requirements of
9 the Arizona Department of Water Resources and the Arizona
10 Department of Environmental Quality;
- 11 d. All applicable noise control standards; and
- 12 e. All applicable regulations governing storage and handling of
13 hazardous chemicals and petroleum products.

14 4. The Applicant shall obtain all approvals and permits necessary to construct,
15 operate and maintain the Project required by any governmental entity having jurisdiction
16 including, but not limited to, the United States of America, the State of Arizona, Cochise
17 County, and their agencies and subdivisions.

18 5. The Applicant shall comply with the Arizona Game and Fish Department
19 ("AGFD") guidelines for handling protected animal species, should any be encountered
20 during construction and operation of the Project, and shall continue coordination meetings
21 with AGFD or U.S. Fish and Wildlife Service, on other issues concerning wildlife
22 including the use of bird diverters and ultraviolet lights to minimize the potential for bird
23 strikes to transmission lines and conducting preconstruction surveys prior to beginning
24 Project construction.

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

4 7. The Applicant shall consult the State Historic Preservation Office (“SHPO”)
5 with respect to cultural resources. If any archaeological, paleontological, or historical sites
6 or a significant cultural object is discovered on state, county or municipal land during the
7 construction or operation of the Project, the Applicant or its representative in charge shall
8 promptly report the discovery to the Director of the Arizona State Museum (“ASM”), and
9 in consultation with the Director, shall immediately take all reasonable steps to secure and
10 maintain the preservation of the discovery as required by A.R.S. § 41-844.

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

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

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

6 11. Within one hundred twenty (120) days of the Commission's decision
7 approving this Certificate, the Applicant shall post signs in or near public rights-of-way,
8 to the extent authorized by law, reasonably adjacent to the Project giving notice of the
9 Project. Such signage shall be no smaller than a roadway sign. The signs shall advise:

- 10 a. Future site of the Project;
- 11 b. A phone number and website for public information regarding the
12 Project; and
- 13 c. Refer the Public to the Docket.

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

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

18 12. At least ninety (90) days before construction commences on the Project, the
19 Applicant shall provide the Board of Supervisors for Cochise County and known builders
20 and developers who are building upon or developing land within one (1) mile of the of the
21 centerline of the Project with a written description, including the approximate height and
22 width measurements of all structure types, of the Project. The written description shall
23 identify the location of the Project and contain a pictorial depiction of the facilities being
24 constructed. The Applicant shall also encourage the developers and builders to include
25 this information in their disclosure statements. Upon approval of this Certificate by the
26 Commission, the Applicant may commence construction of the Project.

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1 13. The Applicant shall use non-specular conductor and non-reflective surfaces
2 for the transmission line structures on the Project.

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

8 15. The Applicant shall follow the most current Western Electricity
9 Coordinating Council (“WECC”) and North American Electric Reliability Corporation
10 (“NERC”) planning standards, as approved by the Federal Energy Regulatory
11 Commission (“FERC”), National Electrical Safety Code (“NESC”) standards, and Federal
12 Aviation Administration (“FAA”) regulations.

13 16. The Applicant shall participate in good faith in state and regional
14 transmission study forums to coordinate transmission expansion plans related to the
15 Project and to resolve transmission constraints in a timely manner.

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

- 18 a. Ensure grounding and cathodic protection studies are performed to
19 show that the Project's location parallel to and within one hundred
20 (100) feet of such pipeline results in no material adverse impacts to
21 the pipeline or to public safety when both the pipeline and the Project
22 are in operation. The Applicant shall take appropriate steps to ensure
23 that any material adverse impacts are mitigated. The Applicant shall
24 provide to Staff of the Commission, and file with Docket Control, a
25 copy of the studies performed and additional mitigation, if any, that
26 was implemented as part of its annual compliance-certification letter;
27 and
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1 b. Ensure that studies are performed simulating an outage of the Project
2 that may be caused by the collocation of the Project parallel to and
3 within one hundred (100) feet of the existing natural gas or hazardous
4 liquid pipeline. The studies should either: (a) show that such
5 simulated outage does not result in customer outages; or (b) include
6 operating plans to minimize any resulting customer outages. The
7 Applicant shall provide a copy of the study results to Staff of the
8 Commission and file them with Docket Control as part of the
9 Applicant's annual compliance certification letter.

10 18. The Applicant shall submit a compliance certification letter annually,
11 identifying progress made with respect to each condition contained in this Certificate,
12 including which conditions have been met. The letter shall be submitted to Commission's
13 Docket Control commencing on May 1, 2024. Attached to each certification letter shall be
14 documentation explaining how compliance with each condition was achieved. Copies of
15 each letter, along with the corresponding documentation, shall be submitted to the Arizona
16 Attorney General's Office. With respect to the Project, the requirement for the compliance
17 letter shall expire on the date the Project is placed into operation. Notification of such
18 filing with Docket Control shall be made to the Board of Supervisors for Cochise County,
19 all parties to this Docket, and all parties who made a limited appearance in this Docket.

20 19. The Applicant shall provide a copy of this Certificate to the Board of
21 Supervisors for Cochise County.

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

26 21. In the event the Applicant, its assignee, or successor, seeks to modify the
27 Certificate's terms at the Commission, it shall provide copies of such request to the Board
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1 of Supervisors for Cochise County, all parties to this Docket, and all parties who made a
2 limited appearance in this Docket.

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

12 23. If the Project interconnects with a hydrogen facility, to the extent the
13 Applicant has a power sale contact with a hydrogen facility, the contract shall require the
14 hydrogen facility operator to submit annual filings to docket control by March 31
15 documenting the hydrogen facility's annual water use in this docket for the first five years
16 of the hydrogen facility's operation.

17 24. The Project shall be designed to avoid impacting sites AZ BB:16:48(ASM)
18 (El Paso Natural Gas Pipeline) and AZ CC:13:16(ASM). While the gas pipeline must be
19 crossed to reach the future AEPCO switchyard, avoidance of ground disturbing impacts to
20 the gas pipeline is required by law and good engineering practice. If AZ CC:13:16(ASM)
21 cannot be avoided, a testing and data recovery plan will be prepared and implemented
22 prior to ground disturbance.

23 **FINDINGS OF FACT AND CONCLUSIONS OF LAW**

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

26 1. The expanded Project Substation and Facility Siting Area, along with the
27 additional interconnection facilities associated with the potential hydrogen facility to be
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1 located therein, as described in the hearing testimony, do not constitute a substantial
2 deviation from the public notice given pursuant to R14-3-208(A).

3 2. The Project aids the state and the southwest region of the United States in
4 meeting the need for an adequate, economical, and reliable supply of renewable electric
5 power.

6 3. The Project aids the state, preserving a safe and reliable electric
7 transmission system.

8 4. During the course of the hearing, the Committee considered evidence on the
9 environmental compatibility of the Project as required by A.R.S. § 40-360 *et seq.*

10 5. The Project and the conditions placed on the Project in this Certificate
11 effectively minimize the impact of the Project on the environment and ecology of the
12 state.

13 6. The conditions placed on the Project in this Certificate resolve matters
14 concerning balancing the need for the Project with its impact on the environment and
15 ecology of the state arising during the course of the proceedings, and, as such, serve as
16 findings and conclusions on such matters.

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

21 DATED this 7th day of March, 2023.

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THE ARIZONA POWER PLANT AND
TRANSMISSION LINE SITING COMMITTEE

By: 
Adam Stafford, Chairman

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CERTIFICATE OF MAILING

Pursuant to A.A.C. R14-3-204, the **ORIGINAL** of the foregoing and 25 copies were filed this 7th day of March, 2023 with:

Utilities Division – Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

COPIES of the above emailed/mailed this 7th day of March, 2023:

Robin Mitchell, General Counsel
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007
rmitchell@azcc.gov
Counsel for Legal Division Staff

Elijah Abinah, Director
Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

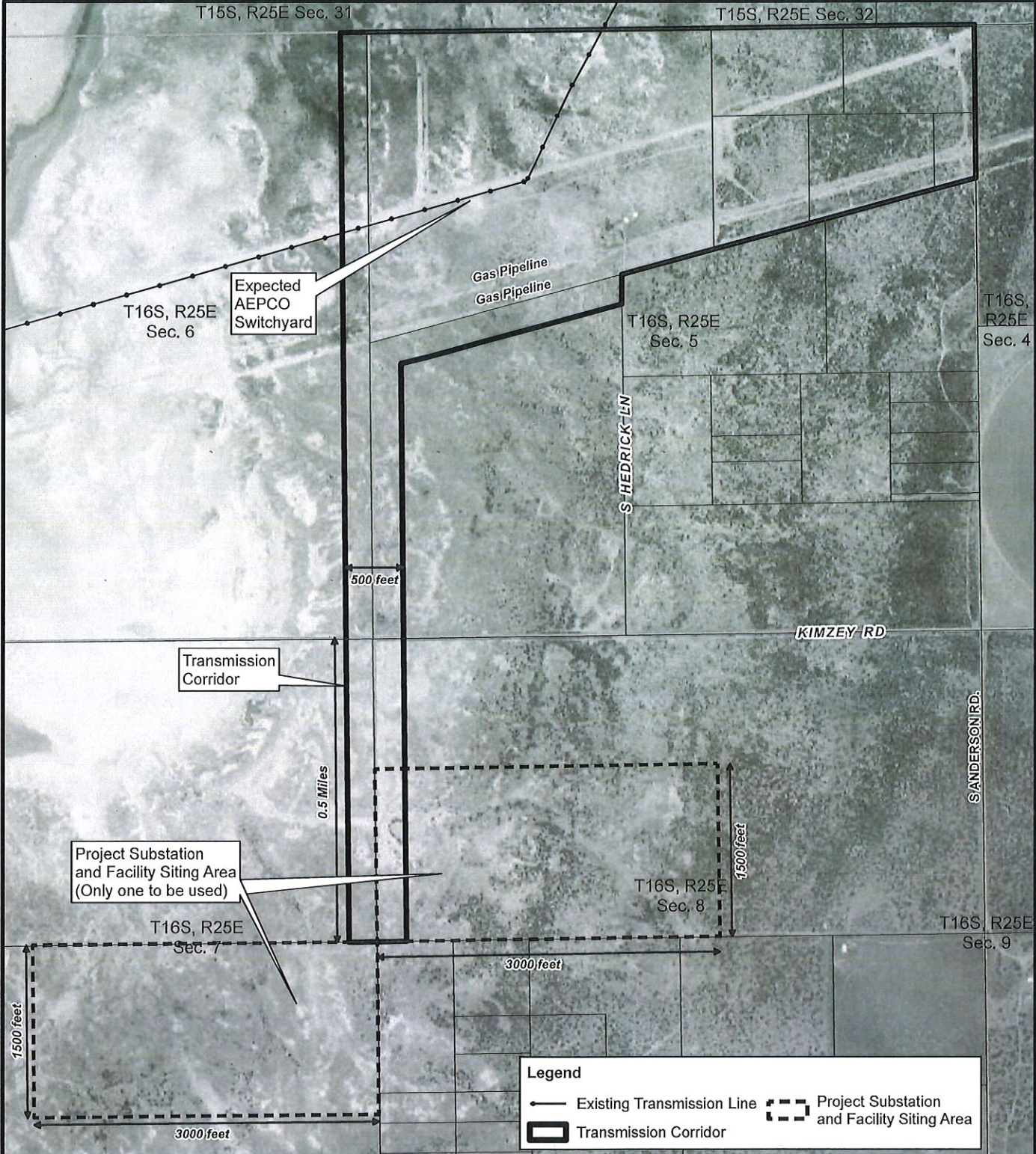
Lisa L. Glennie
Glennie Reporting Services, LLC
1555 East Orangewood
Phoenix, Arizona 85020
admin@glennie-reporting.com
Court Reporter

Albert H. Acken
Acken Law
111 E. Dunlap Ave, Suite 1-172
Phoenix, AZ 85020
Attorney for THSI bn, LLC

By 

EXHIBIT A

EXHIBIT A



Transmission corridor within:
 T16S, R25E, Portions of Sections 5-8,
 Cochise County, Arizona,
 Image Source: Maxar 9/17/2021 and 3/19/2022

THSI bn, LLC
Three Sisters Solar Project
Certificate of Environmental Compatibility

TRANSMISSION CORRIDOR AND PROJECT
 SUBSTATION AND FACILITY SITING AREA
 Exhibit A

