

Cascabel Working Group  
6590 N. Cascabel Road  
Benson, AZ 85602

***Sent via Certified U.S. Mail and Electronic Mail July 24, 2012***

Mr. Ken Salazar, Secretary  
Department of the Interior  
1849 C Street NW  
Washington, DC 20240

Dr. Steven Chu, Secretary  
Department of Energy  
1000 Independence Ave., SW  
Washington, DC 20585

Ms. Nancy Sutley, Chair  
Council on Environmental Quality  
755 Jackson Place, NW  
Washington, DC 20506

Ms. Lisa Jackson, Administrator  
Environmental Protection Agency  
Ariel Rios Building, Mail Code 1101A  
1200 Pennsylvania Avenue, NW  
Washington, DC 20460

Ms. Heather Zichal, Deputy Assistant to the President on  
Energy and Climate Change  
The White House, 1<sup>st</sup> Floor, West Wing  
1600 Pennsylvania Avenue, NW  
Washington, DC 20500

Dear Secretary Salazar, Secretary Chu, Ms. Sutley, Administrator Jackson, and Ms. Zichal:

Subject: Environmental conflicts between the SunZia Southwest Transmission Project and the San Pedro River Valley, Arizona

As co-chairs of the Cascabel Working Group, we are writing to express our organization's concern and dismay over the preferred alternative chosen for the SunZia Southwest Transmission Project in Arizona. This alternative follows the San Pedro River Valley for more than 40 miles. The mission of the Cascabel Working Group is to educate others about the Middle San Pedro River Valley and to advocate for the protection of the valley's environment, culture and traditional land uses. We work closely with the Natural Resource Conservation Districts in the valley and other concerned valley residents. You can learn more about our organization at <http://cascabelworkinggroup.org/CWGabout.html>.

A stated purpose of the SunZia Project is to facilitate development of renewable energy resources in the Southwest. However, should this project be sited within the San Pedro Valley watershed, it would overturn three decades of conservation investments that federal, state, county and non-governmental agencies have made in the valley (see the attached summary)<sup>1</sup>. The selected route would open an entirely new utility corridor for a minimum of 30 miles parallel to the San Pedro River, the last free-flowing river and richest wildlife corridor in the Desert Southwest.<sup>2</sup>

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<sup>1</sup> Government agencies and NGOs holding conservation fee lands or easements in the San Pedro Valley include Archaeology Southwest, Arizona Game and Fish Department, Bellota Preservation Corporation, Bureau of Land Management, Bureau of Reclamation, the Nature Conservancy, Pima County, Saguaro-Juniper Corporation, and the Salt River Project.

<sup>2</sup> See the Cascabel Working Group's *Draft Environmental Impact Statement Contributions for the Proposed SunZia Transmission Line Routes Traversing the San Pedro River Valley* and *Draft Environmental Impact Statement Contributions for the Proposed SunZia Transmission Line Route Traversing the Aravaipa Watershed and Lower San Pedro River Valley*, both available at <http://cascabelworkinggroup.org/SZprimer.html>.

This decision to route the SunZia Project down the San Pedro River Valley overrides overwhelming public opposition as well as the objections of Congresswoman Gabrielle Giffords, Congressman Raul Grijalva, Pima County Administrator Chuck Huckelberry, Cochise County Supervisor Richard Searle, the U.S. Fish and Wildlife Service, all major Arizona environmental organizations, and local Natural Resource Conservation Districts. Public scoping comments received for the project are dominated by opposition to routes through the San Pedro River Valley. The BLM received more negative comments about using the valley for SunZia than for any other section of the proposed route.

What is equally dismaying is the conflict between a San Pedro River Valley route for Sunzia and the Obama Administration's own initiatives to protect the valley. The U.S. Fish and Wildlife Service is actively proposing a National Wildlife Refuge and Collaborative Conservation Initiative for the Lower San Pedro River Valley. The SunZia preferred alternative, routed on the west side of the San Pedro River, parallels the refuge acquisition boundary for more than 40 miles (see the attached summary and map). This initiative cannot begin to offset the enormity of the environmental impacts of SunZia in the San Pedro River Valley.

In addition, America's Great Outdoors Program, which includes the Federal Interagency Council on Outdoor Recreation (FICOR), composed of seven federal agencies, has chosen the Lower San Pedro River as one of its three principal focal areas in the Desert Southwest for 2012. In 2009 the Forest Service selected the lower San Pedro River as its top priority for its Forest Legacy Program. The purchase of conservation easements with funds from this program is currently being completed. The valley is also the focus of long-standing conservation efforts by a host of governmental and private entities, the Bureau of Land Management being one of them (see the attached list, with valley attributes)<sup>3</sup>. This decision is schizophrenic on the part of the Department of the Interior.

The Obama Administration has ardently supported and pushed this project because of SunZia's claims to facilitate renewable energy development largely in New Mexico<sup>4</sup>. SunZia would purportedly export this New Mexico energy to Arizona and presumably on to California, but both California's and Arizona's solar potential dwarfs New Mexico's renewable energy potential. Both states will easily meet their Renewable Portfolio Standards requirements without New Mexico energy, and they are very unlikely to purchase any of it (see attached email from Michael Picker and articles)<sup>5,6,7,8,9</sup>. This fact alone undermines the principal justification for this

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<sup>3</sup> See footnote 1.

<sup>4</sup> See numerous presentations by the SunZia Southwest Transmission Project at [http://sunzia.mtninet.com/resources\\_presentations.php](http://sunzia.mtninet.com/resources_presentations.php). Note that the first two years of presentations have now been removed from this website. Some of these older presentations are available through the WestConnect website at <http://www.westconnect.com/filestorage/>.

<sup>5</sup> Email message from Michael Picker, Senior Adviser to Governor Brown of California for Renewable Energy Facilities, to Norman Meader dated June 14, 2012.

<sup>6</sup> Letter from Michael Picker, Senior Adviser to Governor Brown of California for Renewable Energy Facilities, to Mr. Brad Nickell, Director, Transmission Expansion Planning, Western Electricity Coordinating Council, dated August 3, 2011. Subject line "Reflecting current California trends and policies in regional transmission planning," available from <http://www.wecc.biz/committees/BOD/TEPPC/20110809/Lists/Minutes/1/Letter%20to%20TEPPC%20from%20California.pdf>. Accessed July 1, 2012.

<sup>7</sup> Bill Opalka, "PG&E says it will meet California's renewable energy goals," *Renewablesbiz*, May 31, 2012, <http://www.renewablesbiz.com/article/12/05/pg-e-says-it-will-meet-california-s-renewable-energy-goals>. Accessed July 1, 2012.

project. Even if California were to purchase New Mexico power, SunZia could not deliver it without exhausting transmission capacity vital to meeting Arizona's own in-state needs (see attached letter to the Arizona Corporation Commission from the Cascabel Working Group.)

In addition, the project has essentially no investors except the MMR Group, the parent company of the Southwestern Power Group (SWPG), which initially proposed SunZia to provide transmission capacity for its yet-to-be-built Bowie, Arizona, power station. The Salt River Project is the only major entity that SWPG was able to convince to join the project and has just a 13% interest in it. Tucson Electric Power and Tri-State Generation and Electric have only token 1% interests each and are not genuine partners. Shell Wind Energy at 5% also is not a significant investor. Of the ten or more major utilities in the New Mexico to California region, only the Salt River Project is willing to support SunZia. Energy Capital Partners (ECP), which was to provide 40% of the project's investment capital, withdrew in the fall of 2010, forcing the MMR Group to assume this additional interest, bringing its share of the project to 80%. SWPG has yet to find investors to replace ECP, placing an enormous financial risk on a single company.

This project needs to be seriously reconsidered. It is not economic to build no matter how appealing it has appeared to the Obama Administration. The Southline Project, which is currently being permitted, will cover two-thirds the distance of SunZia, beginning near Las Cruces and ending at nearly the same point as SunZia, and is a far better project to support. Its environmental impacts in southeastern Arizona are negligible, and it will strengthen the east-west grid in the region in the same way as SunZia. It will reduce congestion, increase grid reliability, and provide many more interconnections for renewable energy facilities across this area. Building both of these projects would be redundant and economically foolhardy. It would be far wiser to combine the eastern part of SunZia with Southline to make a single composite project rather than to build both.

We urge each of you to rethink what you are doing with this project. You, as President Obama's top energy and environmental policy advisers, have vigorously pushed this project without apparent regard for its environmental impacts or economic difficulties. We strongly urge you to review your actions and goals. The environmental damage that this project inflicts upon southeastern Arizona and the San Pedro River Valley cannot be justified in light of the little, if any, renewable energy it is likely to deliver to Arizona and California.

Sincerely,

*Norm "Mick" Meader Pearl Mast*

Norm "Mick" Meader, Co-Chair  
Cascabel Working Group  
(520) 323-0092  
[nmeader@cox.net](mailto:nmeader@cox.net)

Pearl Mast, Co-Chair  
Cascabel Working Group  
(541) 929-4969  
[pearl@cascabelworkinggroup.org](mailto:pearl@cascabelworkinggroup.org)

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<sup>8</sup> Cherly Kaften, "California on track to exceed 2020 RE goals, but issues still exist," *PV Magazine – Photovoltaic Markets and Technology*, March 9, 2012, <http://www.pv-magazine.com/news/details/beitrag/california-on-track-to-exceed-2020-re-goals--but-issues-still-exist-100006045/#ixzz1ySkTA1cC>. Accessed July 1, 2012.

<sup>9</sup> Susan Whittington, "Arizona Solar: Victim of Success," *Energy Prospects West*, December 6, 2011, <http://www.energyprospects.com/archives/230-print.html> (must have account). Accessed July 1, 2012.

Enclosures (4)

cc: Mr. David Hayes, Deputy Secretary, Department of the Interior  
Ms. Lauren Azar, Esq., Senior Advisor to the Secretary of Energy  
Mr. Bob Perciasepe, Deputy Administrator, Environmental Protection Agency  
Mr. Gary Guzy, Deputy Director, Council on Environmental Quality  
Mr. Dan Ashe, Director, U.S. Fish and Wildlife Service  
Dr. Benjamin Tuggle, Southwest Regional Director, U.S. Fish and Wildlife Service  
Mr. Mike Pool, Acting Director, Bureau of Land Management  
Mr. Jesse Juen, Acting Director, New Mexico Bureau of Land Management  
Mr. Adrian Garcia, BLM Project Manager, SunZia Southwest Transmission Project

## **Lower San Pedro Valley Conservation Investments and Environmental Values**

### **Current and Recent Conservation Initiatives**

- U.S. Fish and Wildlife Service Lower San Pedro River Wildlife Refuge and Collaborative Conservation Initiative
- America's Great Outdoors Lower San Pedro River conservation initiative
- NRCS/USFWS joint Working Lands for Wildlife Habitat initiative
- Resolution Copper Mine Land Exchange (7B Ranch)
- USDA Forest Service Forest Legacy Program's #1 preservation objective in 2009

### **Other Agencies/Organizations with Conservation Lands and Easements**

- Archaeology Southwest– Bingham Cienega, Redington Ball Court (fee lands) and easements
- Arizona Game and Fish Department – newly acquired fee lands from ASARCO and John Smith near Aravaipa; holder of Forest Legacy conservation easements near Cascabel; other easements near ASARCO properties.
- Bellota Preservation Corporation – lower Buehman Canyon (multiple fee parcels)
- Bureau of Land Management – Cascabel conservation area (fee and easement)
- Bureau of Reclamation – San Pedro Preserve at Dudleyville, Cook's Lake, Spirit Hollow, Three Links Farm (fee and easement mitigation lands)
- Nature Conservancy – San Pedro Preserve at Dudleyville, H&E Farm, lower Hot Springs Wash, Three Links Farm (fee and easement lands)
- Pima County – A-7 Ranch, Buehman Canyon, Bingham Cienega, Six Bar Ranch (fee lands)
- Saguaro Juniper Corporation – lower Hot Springs Canyon (fee lands)
- Salt River Project – Adobe Preserve North, Black's Farm, Spirit Hollow (fee mitigation lands)

### **Summary of Lower San Pedro River Valley Environmental Values**

- One of the Nature Conservancy's "Last Great Places"
- Last free-flowing river in the Desert Southwest
- Part of the largest unfragmented landscape in Arizona outside the Grand Canyon region
- One of the three principal desert life corridors in the Southwest (along with Colorado and Rio Grande Rivers)
- Exceeds the Rio Grande River Valley in biological richness
- Hosts the largest mammal species diversity in North America
- Recognized as a Globally Important Bird Area by the American Bird Conservancy
- Principal north-south migration corridor for Central American birds
- Habitat for numerous threatened and endangered species
- Hosts one of the largest remaining intact mesquite forests in the world
- Rich archaeological history dating from earliest North American human occupation (Clovis)

*July 3, 2012*