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Dear Cheryl and Simone,

I am following up with you for the Cascabel Working Group about SB 1547, Line Siting, Interstate Transmission Lines. Pearl Mast talked with you about the issue because TNC's stance on the bill concerned us. I elaborate more on our concerns here, give you additional reasons for that concern, and suggest how you might work to amend the bill so that it is acceptable.

When I read TNC's position memo on the bill, I felt that you were supporting it because you believed that the environmental assessment done for a federal EIS was more rigorous than that done for an Arizona certificate of environmental compatibility (CEC), and you wanted Arizona to use EIS standards. That is, you would like to make NEPA guidelines apply to Arizona CEC applications and thought that this bill would move Arizona in that direction. This is far from what would ever happen here, however, especially with Senator Melvin as the bill's sponsor.

Review of the Bill

At its heart, this bill is SunZia's attempt to circumvent additional Arizona environmental and landowner concerns, and if this bill were passed, it would greatly diminish the public's ability to influence this project at the Arizona Corporation Commission (ACC) level. If a route is selected based on the current NEPA process, the conflict over the project at the ACC level will be intense and heated. This bill eliminates the standard procedure for obtaining public input and allows the ACC just a single public meeting to gather additional information.

Significant additional public input will be required for certain segments of SunZia routes if one of the routes currently being considered is chosen. I document this in the following section. Senator Melvin's bill allows a single public meeting to take public comment when several additional hearings would be needed to fully route this project according to current Arizona ACC standards. Arranging these hearings and summarizing their results is the responsibility of the Line Siting Committee (LSC), not the Commission, and it is crucial that this bill give full discretionary power to the LSC to carry out this function.

Regarding the chances of ultimately getting the state of Arizona to adopt NEPA standards for CEC environmental assessments for within-state transmission lines, this will not happen given Arizona's staunchly conservative political traditions. The Arizona legislature is overtly hostile to federal rules of any kind. To make federal NEPA standards the basis of the CEC process, the

legislature would have to pass a bill revising current statutes and mandating that the Line Siting Committee use these standards. That is, the legislature would have to require that federal rules override state rules. Our legislature is very hostile to this notion and would not approve it. Mr. Melvin is himself an arch-conservative who ousted a moderate Republican, Toni Hellon, to secure his senate seat. He is as staunchly opposed to the federal government as any Arizona legislator and, I am sure, already believes that the NEPA process is excessive and detrimental to the nation's well-being.

To reemphasize the principal point here, a fundamental reason that this bill is being put forward is to allow SunZia to legally bypass additional public concerns and input, and TNC needs to grasp this for the sake of all of us. With this bill in place, the public's ability to influence the outcome of SunZia at the ACC level will be greatly reduced, and this underlies much of the bill's intent. I will explain this more fully below. SunZia knows now that it cannot route these lines with the approval of the Arizona environmental community and landowners, something it had hoped to do, and this bill is an enormous gift to Sunzia at the expense of essential public input.

Need for Additional Input

On the following page are tables that summarize attendance at open houses held by the BLM in Arizona to inform the public about the SunZia Project. I am attaching a map that shows the final routes for SunZia from which the BLM will make its selection. The final routes shown on the map are not exact, and other subroutes may be chosen in certain places. These routes include (1) crossing the Galiuro Mountains at Aravaipa, (2) paralleling the San Pedro River, or (3) passing through the Avra Valley west of Tucson between Saguaro National park and the Ironwood Forest National Monument.

In a letter to Senator Melvin dated February 28, 2011 I mentioned the problems with insufficient public input for the Avra Valley route and how the BLM's initial scoping period missed the routing of SunZia over subdivisions on the giant Willow Springs Ranch southeast of Phoenix and did not inform the ranch of the project so that the ranch could respond. If an Arizona utility such as Tucson Electric Power Company were to build a transmission line over the Avra Valley route and used merely the BLM's public process (summarized in item 3 below) without Line Siting Committee review, Corporation commissioners would not even consider the application because public involvement is so severely deficient. The Line Siting Committee would require public hearings in Benson, Vail, Sahuarita/Green Valley, the Avra Valley (Three Points, Picture Rocks) and Marana before the application could be passed to commissioners. A single meeting in Tucson would scarcely begin the process for public input.

Open Houses Held in Arizona by the BLM for SunZia

1. Original proposal. Routes through Safford, Sulphur Springs Valley and San Pedro Valley, with the principal route crossing the Galiuro Mountains at Aravaipa (red line on map). Although a route was proposed through the San Pedro Valley (see attached map), no meetings were held for valley residents.

Date	Location	Attendees
June 22, 2009	Eloy	16
June 23, 2009	Oracle	39
June 24, 2009	Safford	30
June 29, 2009	Willcox	21

2. Cascabel Project Review. Routes through the San Pedro Valley (principal potential route marked by blue line on map). Having heard of the project and having not been given the opportunity to comment on it, Cascabel residents invited the BLM and SunZia to make a presentation in Cascabel, overseen by the Cascabel Working Group. The meeting was held on January 13, 2010, and more than 100 people attended – more than for any official open house held in New Mexico or Arizona, other than the final open house in Tucson. However, this meeting and public responses were not officially recorded and incorporated into the EIS because the meeting was not an official BLM scoping event.

When the BLM made its Cascabel presentation, several additional routes were added that were not included on scoping maps presented at the open houses summarized above. These routes were apparently added specifically for this meeting and included an alternative route across Pima County’s A-7 Ranch, which Pima County was not formally informed of until the BLM decided to officially expand scoping for the project to include Tucson.

3. Expansion of the project. Routes added through Tucson and the Avra Valley (final potential route shown by green line on the map).

Date	Location	Attendees
April 29, 2010	Tucson (Holiday Inn at I-10 and Palo Verde)	115

Note that this Tucson scoping effort compares to 17 public hearings held by the Line Siting Committee (LSC) for the Salt River Project’s new Pinal West-to-Southeast Valley/Browning project. This is a double-circuit 500-kV/230-kV line 70-75 miles in length passing through predominantly agricultural land south of Phoenix. These hearings featured 18 different intervenors (four from the LSC) that gave testimony for 58 specific entities.

This demonstrates the principal problem with the BLM’s scoping process and public involvement. Note that BLM open houses are not public hearings and that their format precluded public discussion of the project as would take place at a public Line Siting Committee hearing. They presented information in poster-board format. Arizonans will want a far greater say in this process once a final route is selected, and multiple additional hearings will be required to achieve this. A single public meeting held by the ACC will not meet this need.

The public’s motivation to become involved with a project will presumably be greater once the public knows that a specific route is firm and that the lines will be built there – more so than when a route is merely hypothetical. In addition, the maps presented at the BLM’s open houses are of such a small scale (note the attached map of initial routes for the project) that people cannot determine exactly where the lines will go. Once the final route is selected, the public

needs to see more refined maps for their area so that they can more fully evaluate the project's impact.

Combining the EIS and CEC Processes

Much of the EIS study is directly relevant to a CEC application, and it makes sense not to replicate those aspects of an EIS study that can be incorporated directly into the CEC application. Earlier in the scoping period for SunZia I spoke with Mickey Siegel of the Environmental Planning Group, which is doing the EIS for the BLM and SunZia, about how an EIS and a CEC relate to one another. He said that most of the EIS environmental assessment applies directly to the CEC application and little more needs to be done. Some differences do exist between the environmental requirements for the two, but these are relatively minor, and the additional work required for a CEC is done along with the EIS and incorporated into it so that it can be used directly for a CEC application. That is, this work is not replicated for a CEC and does not represent an additional burden on the applicant.

The real issue between an EIS a CEC application appears to be the level of public input required for the application. It is important to use the public input from the EIS to guide the Line Siting Committee in determining what more may be necessary, and it is understandable that SunZia does not see a need to replicate that specific input, something that the LSC should consider. The great difficulty with the EIS scoping effort, however, is that in several areas public input is seriously insufficient, and additional input is needed so that Arizonans have a full voice in siting the project. One cannot entirely exempt a company from Line Siting Committee requirements without compromising this need. This is the principal weakness of SB 1547, one that should be unacceptable to even the most conservative of individuals.

Proposed Amendment to the Bill Regarding Need

A particular concern with this bill is an attached amendment that stipulates that the federal determination of need for an interstate transmission project shall meet the state's requirement for determination of need and shall replace and override the state's assessment. This violates the state's sovereignty and Arizona's strong tradition of resisting federal determination of its own policies. The principal determination of need for an interstate project by the BLM will clearly address a much broader area than Arizona alone, and a project may not meet a true Arizona need. The Corporation Commission may find that the cost to Arizona of meeting these extra-state needs exceeds the benefit to Arizona and that the project cannot be justified for the state.

This is what happened with the Devers 2 interstate transmission line that was to be built from the Palo Verde generating station to Palm Springs, California. The BLM completed the EIS for the project, affirming the need for it and approving it, but the Corporation Commission overrode the BLM and refused to issue a permit because the project did not benefit Arizona. The power to make a determination of need for a project within Arizona should thus be left with the state, and this amendment should be struck from the bill. This bill must be written in a sufficiently broad way to apply to all interstate requests.

Constraints on Commissioners

Commissioners do not have the time or resources to evaluate an EIS for completeness and to determine where its weaknesses lie. The Commission needs the assistance of the Line Siting Committee to do so. It is thus important that the LSC be the party to review the EIS and to undertake any additional actions needed to fulfill the CEC application requirements for the state. The Commissioners are not equipped to perform this function and must rely upon the LSC's assessment and recommendations to reach their decision. That is to say, the Commission itself is not structured to make the assessments that the LSC makes, and assuming that it does will result in flawed decisions.

Approaches to Amending the Bill

If the goal of SB 1547 is to genuinely eliminate redundancy between an EIS and a CEC application, proponents of the bill should work carefully with the LSC to determine where the true redundancies lie and how the Arizona CEC application process can be accelerated for interstate transmission projects. This streamlining should not be done at the expense of additional needed public input. When the BLM decides upon a final route and issues its Record of Decision, the LSC should more fully engage the public along that route so that any additional problems and conflicts are uncovered or resolved.

Evaluation of an EIS for a CEC is rightfully done by the LSC. One cannot expect Corporation Commission members themselves to make this determination: The commissioners lack the broader knowledge and time required to ensure that all is in order and that public input is sufficient. Any bill proposed to streamline the CEC process for interstate lines must take this into consideration and leave much of the evaluation process to the Line Siting Committee. The LSC can best determine redundancies in the process and eliminate them without compromising the integrity of public evaluation and input and weakening Arizona's oversight of the project. Most of this project will be on Arizona state land, not federal land, and it is prudent and conservative to retain and ensure Arizona's control over the siting process.

Sincerely,



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