BEFORE THE ARIZONA POWER PLANT

AND TRANSMISSION LINE SITING COMMITTEE

IN THE MATTER OF THE APPLICATION OF TUCSON ELECTRIC POWER COMPANY FOR A CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY AUTHORIZING THE CONSTRUCTION OF A 500kV TRANSMISSION LINE AND ASSOCIATED FACILITIES FROM THE PLANNED PINAL CENTRAL SUBSTATION IN SECTION 18, TOWNSHIP 6 SOUTH, RANGE 8 EAST TO THE EXISTING TORTOLITA SUBSTATION IN SECTION 23, TOWNSHIP 10 SOUTH, RANGE 10 EAST, IN PINAL COUNTY

ARIZONA.

Docket No. L-00000C-12-0139-00165

Case No. 165

NOTICE OF HEARING

A PUBLIC HEARING WILL BE HELD before the Arizona Power Plant and Transmission Line Siting Committee ("Committee") regarding the application of Tucson Electric Power Company ("TEP") for a Certificate of Environmental Compatibility authorizing the construction of a new single-circuit 500 kV transmission line from the planned Pinal Central Substation to TEP's existing Tortolita Substation in Pinal County, Arizona ("Project").

The hearing will be held at the Holiday Inn at 777 North Pinal Avenue, Casa Grande, Arizona. The hearing is scheduled to begin Wednesday, May 16, 2012, at 9:30 a.m. The hearing will continue as necessary on Thursday, May 17, 2012, at 9:00 a.m. If a tour is taken, the tour will take place starting at 8:00 a.m. on Thursday, May 17, 2012, with the hearing continuing upon the conclusion of the tour. If the hearing is not concluded, it will continue on Friday, May 18, 2012, at 9:00 a.m. The hearing will adjourn at approximately 5:00 p.m. on all days. Additional hearing days, if necessary, will be noticed on the Applicant's and Arizona Corporation Commission ("ACC") websites.

The Applicant's website with Project information is:

https://www.tep.com/Projects/Transmission/Pinal/

The page of the ACC Website at which notice will be given is the Committee's Hearing Calendar page, available at:

http://www.azcc.gov/AZ_Power_Plant/LineSiting-Calendar.asp

Copies of the Application and Transcripts will be available for inspection at the following locations:

Eloy Public Library, 100 East 7th Street, Eloy, Arizona 85131

Casa Grande Public Library, 449 North Dry Lake Street, Casa Grande, Arizona 85122

Geasa – Marana Branch Library, 13370 North Lon Adams Road, Marana, Arizona 85653

PUBLIC COMMENT MAY BE TAKEN AT THE BEGINNING OF EACH HEARING DAY OR AT OTHER TIMES DURING THE HEARING AT THE DISCRETION OF THE CHAIRMAN OF THE COMMITTEE. IN ADDITION, A SEPARATE EVENING PUBLIC COMMENT SESSION WILL BE HELD WEDNESDAY, MAY 16, 2012, AT 6:00 P.M. AT THE HOLIDAY INN AT 777 NORTH PINAL AVENUE, CASA GRANDE, ARIZONA.

The Committee, at its discretion, may conduct a tour of the Project area and the proposed routes. If a tour is conducted, a map and itinerary for the tour will be available at the hearings. Members of the public may follow the Committee in their own private vehicles. During the tour, the Committee may hear brief testimony at stops on the tour from one or more witnesses concerning where the stops are located, what is visible at the stops and the relevance of the location and view to the proposed routes of the transmission line in the Application. No other discussion or deliberation concerning the Application will occur. A court reporter will transcribe any testimony taken on the tour.

Depending on the issues raised and the number of interveners appearing during the hearing, the Committee may deem it appropriate at some point to recess the hearing to a time and place to be announced during the hearing, or to be determined after the recess. The date, time and place at which the hearing will be resumed will be posted on the TEP Project website and the Committee's Hearing Calendar page of the ACC website.

NOTE: NOTICE OF SUCH RESUMED HEARING WILL BE GIVEN; BUT PUBLISHED NOTICE OF SUCH RESUMED HEARING IS NOT REQUIRED.

The Project as proposed consists of a new single-circuit 500 kV transmission line from the planned Pinal Central Substation (which was approved in Decision No. 68093 (August 25, 2005)) in Section 18, Township 6 South, Range 8 East to the existing Tortolita Substation in Section 23, Township 10 South, Range 10 East, in Pinal County, Arizona. The transmission line structures will be mostly monopole structures between 135 to 165 feet high, but that could be as high as 199 feet. The purpose of this project is to provide improved import capability and reliability to the Tucson area.

TEP is proposing a preferred route and two alternative routes for Committee consideration:

Preferred Route.

Beginning at the planned Pinal Central Substation, the Preferred Route proceeds east approximately 4 miles, crossing over the Union Pacific Railroad ("UPRR") tracks, existing land used for agricultural purposes, and a dry wash. It then turns northeast and parallels an agricultural service road for approximately 1 mile. At this point, the route proceeds approximately 7.8 miles east along an existing canal, the Central Arizona Project ("CAP") canal, and undeveloped state land until it reaches the All American Crude Oil Pipeline.

The Preferred Route then turns southeast and parallels the pipeline for approximately 5 miles, before turning south to follow section lines for approximately 17 miles (including approximately 12 miles between Arizona State

Trust land and land by the BLM) until entering Section 36, Township 9 South, Range 10 East.

From this point, the Preferred Route then turns to the southwest for approximately 2.5 miles and crosses over the CAP canal, before intersecting with a transmission line corridor already containing a 500kV and a 115kV transmission line. The Preferred Route continues southwest parallel to the 500kV and 115kV lines in this corridor for approximately 0.9 mile. The route turns south for approximately 0.6 mile and parallels the Saguaro Power Plant property. It then turns to the southeast for approximately 0.6 mile, passing north of the Saguaro Solar Trough facility and terminating at the Tortolita Substation.

The Project will have a 500-foot corridor for the majority of the Preferred Route, except for the 12-mile portion of the route that follows section lines between ASLD and BLM-managed land. For that portion, TEP is requesting a 2,000-foot corridor, so that there is flexibility to work with the applicable agencies to negotiate an appropriate right-of-way (ROW) for the entirety of the Project. This route is approximately 40.3 miles long.

Preferred Route (with Route Segment 1A).

The route is the same as the Preferred Route, except from the point where the Project enters Section 36, Township 9 South, Range 10 East. The route then continues heading south for approximately 1.7 miles until it intersects with the transmission line corridor containing a 500kV and a 115kV transmission line (this is the portion of the route known as Route Segment 1A). The segment turns to the southwest and parallels the 500kV and 115kV transmission lines for approximately 1.3 miles before entering a common alignment with the Preferred Route continuing to the Tortolita Substation. Route Segment 1A is approximately 5.2 miles long (and the entire route is approximately 40.8 miles long).

The Project will have a 500-foot corridor for the majority of the Preferred Route with Route Segment 1A, except for the 12-mile portion of the route that follows section lines between ASLD and BLM-managed land. For that portion, the Project will have 2,000-foot corridor, so that there is flexibility to work with the applicable agencies to negotiate an appropriate right-of-way (ROW) for the entirety of the Project.

Alternative Route (Route 2)

Beginning at the planned Pinal Central Substation, this route proceeds east approximately 3.0 miles, crossing over the Union Pacific Railroad (UPRR) tracks; after which, turns south, and parallels the tracks for approximately 3.5 miles to Hanna Road. The route then proceeds east, paralleling a 115kV transmission line along the Hanna Road alignment for approximately 2.7 miles. The route turns to the southeast for approximately 0.1 mile and then heads east for approximately 1.7 miles. It then turns southeast for approximately 1.0 mile and crosses over a portion of the CAP Canal. The route then turns to the south, crosses undeveloped Arizona State Trust land, and spans a lateral canal while continuing to parallel Brady Pump Road and the 115kV transmission line for approximately 3.2 miles.

After crossing the lateral canal, the Alternative Route continues south along an unnamed service road and parallels an existing 115kV transmission line for approximately 3.0 miles. The route traverses around the Picacho Mountains (on the northeast side of I-10) and turns to the southwest for approximately 0.8 mile while continuing to parallel the 115kV transmission line and service road. The route then turns to the southeast (continuing to parallel the 115kV transmission line and an unnamed service road located between the CAP canal and the UPRR) for approximately 3.1 miles.

The route then proceeds east approximately 3.8 miles to Pecan Road, while crossing the McClellan Wash and CAP canal. After reaching Pecan Road the route turns south and parallels Pecan Road for approximately 4.7 miles until reaching the CAP canal. The route then turns to the east and parallels the CAP canal for approximately 2.0 miles, and turns south for approximately 1.9 miles before entering a common alignment with the Preferred Route continuing to the Tortolita Substation.

For the entirety of the Alternative Route, TEP is proposing a 500-foot corridor. This route is approximately 37.9 miles long.

More complete maps, along with more detailed textual descriptions of the proposed routes (including the Preferred Route and four alternative routes) are available in the Application and on the Applicant's website. The Application (which includes detailed maps of the proposed Project) is on file with the Docket Control of the Arizona Corporation Commission, 1200 West Washington Street, Suite 108, Phoenix Arizona, 85007, and 400 West Congress Street, Suite 221, Tucson, Arizona 85701 in addition to the Libraries listed above. The Application is also available through the ACC's e-Docket function (www.edocket.azcc.gov).

Each county and municipal government and state agency interested in the proposed Project and desiring to become a party in the proceeding must file with the Arizona Corporation Commission, 1200 West Washington Street, Phoenix, Arizona 85007, a notice of its intent to be a party. That notice must be filed not less than ten (10) days before the date set for hearing.

Any domestic, non-profit corporation or association, formed in whole or in part to promote conservation or natural beauty, to protect the environment, personal health or other biological values, to preserve historical sites, to promote customer interests, to represent commercial and industrial groups, or to promote the orderly development of the area in which the Project is to be located and desiring to become a party to the certification proceedings must file with the Arizona Corporation Commission, 1200 West Washington Street, Phoenix, Arizona 85007, notice of its intent to be a party. That notice must be filed not less than ten (10) days before the date set for hearing.

The Committee or its Chairman, at any time deemed appropriate, may make other persons parties to the proceeding.

Any person may make a limited appearance at a hearing by filing a statement in writing with the Arizona Corporation Commission, 1200 West Washington Street, Phoenix, Arizona 85007, and the Chairman of the Committee at 1275 West Washington Street, Phoenix, Arizona 85007, not less than five (5) days before a date set for hearing. A person making a limited appearance shall not be a party or have the right to present testimony or cross-examine witnesses.

This proceeding is governed by Arizona Revised Statutes (A.R.S.) §§ 40-360 through 40-360.13 and Arizona Administrative Code R14-3-201 through R14-3-219. No substantive communication, not in the public record, may be made to any member of the Committee. The written decision of the Committee will be submitted to the Arizona Corporation Commission pursuant to A.R.S. § 40-360.07. Any person intending to be a party before the Arizona Corporation Commission must be a party to the certification proceedings before the Committee.

ORDERED this 12th day of April, 2012.

John Foreman, Chairman

ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE

Assistant Attorney General

