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11	LOCATED W	ITHIN SANTA CRUZ COUNT	
12	ARIZONA.)
13	At:	Nogales, Arizona	
14	Date:	April 17, 2023	
15	Filed:	April 24, 2023	
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17		REPORTER'S TRANSCRIP	T OF PROCEEDINGS
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1 BE IT REMEMBERED that the above-entitled and 2 numbered matter came on regularly to be heard before the Arizona Power Plant and Transmission Line Siting 3 4 Committee at Quality Inn Americana, 639 North Grand 5 Avenue, Nogales, Arizona, commencing at 1:06 p.m. on April 17, 2023. 6 7 8 BEFORE: ADAM STAFFORD, Chairman 9 GABRIELA S. MERCER, Arizona Corporation Commission LEONARD DRAGO, Department of Environmental Quality 10 DAVID FRENCH, Arizona Department of Water Resources JAMES PALMER, Agriculture Interests 11 MARY HAMWAY, Incorporated Cities and Towns RICK GRINNELL, Counties (recused) 12 (via videoconference) MARGARET "TOBY" LITTLE, PE, General Public 13 14 15 **APPEARANCES:** 16 For the Applicant: 17 Meghan H. Grabel Elias J. Ancharski 18 OSBORN MALEDON 2929 North Central Avenue 21st Floor 19 Phoenix, Arizona 85012 20 and 21 Megan Hill, in-house counsel 22 TUCSON ELECTRIC POWER COMPANY 88 East Broadway, MS HQE910 23 P.O. Box 711 Tucson, Arizona 85702 24 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

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9	For Ernest F. Edwards (Limited Appearance):	
10	Ernest F. Edwards In propria persona	
11		
12	SPANISH INTERPRETER: Ms. Rosario Aragon, to translate any requested translations from the public	
13	commenters, present beginning page 142, via videoconference	
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1 CHMN STAFFORD: Let's go on the record. 2 Now is the time set for the hearing on application L00000F-23-0060-00218, henceforth line siting 3 4 case 218. I'll take the roll. Member French. 5 6 MEMBER FRENCH: Yes, my name is David French. I'm the designee from the Arizona Department of Water 7 8 Resources. 9 CHMN STAFFORD: Member Mercer. 10 MEMBER MERCER: Gabby Mercer, I'm designated by 11 the Chairman of the Arizona Corporation Commission. 12 CHMN STAFFORD: Member Drago. 13 MEMBER DRAGO: Designee for the Arizona 14 Department of Environmental Quality. 15 CHMN STAFFORD: Member Hamway. 16 MEMBER HAMWAY: Mary Hamway, representing cities 17 and towns. 18 CHMN STAFFORD: Member Palmer. 19 MEMBER PALMER: Jim Palmer representing 20 Agriculture. Member Little. 21 CHMN STAFFORD: Tony Little representing the 22 MEMBER LITTLE: 23 public. 24 CHMN STAFFORD: And do we have additional members with us virtually? I see Member Grinnell. 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 MEMBER GRINNELL: Chairman, members of the 2 Committee, because of our association and affiliation with the mining industry and support of the industry, I 3 am going to recuse myself from this hearing to avoid 4 potential conflict of interest. 5 6 CHMN STAFFORD: Thank you, Member Grinnell. Member Gentles. 7 8 MEMBER HAMWAY: He sent an e-mail he wasn't 9 attending today. He might be on tomorrow. 10 CHMN STAFFORD: All right. We have one request 11 to intervene before us, and one request for a -- to make 12 a limited appearance. The request to intervene is from, is it South32 Limited? Mr. Acken, can you please 13 14 identify your client and why they're seeking 15 intervention. MR. ACKEN: 16 Thank you, Mr. Chairman, and good 17 afternoon, and good afternoon to members of the 18 Committee. Bert Acken on behalf of proposed intervenor 19 South32 Hermosa, Inc. With me at the counsel table is Todd Gwillim. 20 21 He is the manager, North American Legal for South32. 22 South32 as you'll hear in a presentation from 23 UNSE, and we will if granted intervention we will put on a witness as well, is developing the Hermosa project at 24 the eastern terminus of this line. And so we have a 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 great interest in seeing this project approved. You'll 2 hear testimony that South32 is paying for the permitting and construction of this project in furtherance of the 3 4 development of the Hermosa project. 5 CHMN STAFFORD: Thank you. Can I get a motion? 6 MEMBER PALMER: I would move to accept their intervention request. 7 8 MEMBER HAMWAY: Second. CHMN STAFFORD: All in favor? 9 10 (Chorus of ayes.) 11 CHMN STAFFORD: Opposed? 12 (No response.) 13 CHMN STAFFORD: Motion passes. 14 Next up, we have Mr. Edwards. I believe you are 15 seeking to make a limited appearance. 16 MR. EDWARDS: Yes, sir. 17 CHMN STAFFORD: And. MR. EDWARDS: I am just a resident at 18 Lake Patagonia and I'm concerned about what's before us 19 20 today. And I'd just like to see the proceedings and then voice my opinion later. 21 22 CHMN STAFFORD: Okay. 23 MR. EDWARDS: Thank you. 24 So for the members, a limited CHMN STAFFORD: 25 appearance, basically he would give an opening statement GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 but not be a party. So basically gives public comment 2 now at the beginning as opposed to 5:30 this evening with 3 the rest of the public comment. MEMBER HAMWAY: I just told him to do whatever 4 5 he was comfortable with. 6 CHMN STAFFORD: Can I get a motion? MEMBER HAMWAY: To what? 7 CHMN STAFFORD: Grant him a limited appearance. 8 9 MEMBER HAMWAY: Okay. Sure. I move that we grant to the gentleman at the end of the table a limited 10 11 appearance. 12 MEMBER LITTLE: Second. 13 CHMN STAFFORD: All in favor? 14 (Chorus of ayes.) 15 CHMN STAFFORD: Opposed? 16 (No response.) 17 CHMN STAFFORD: Hearing none, motion passes. 18 All right. Well, Ms. Grabel, you're up. Can you please begin with your opening? 19 20 MS. GRABEL: Sure. Would you like me to make an 21 appearance for the record? 22 CHMN STAFFORD: Oh, yes, yes. Let's take 23 appearances first. Yes, thank you. 24 MS. GRABEL: Thank you, Mr. Chairman. Members of the Committee. Meghan Grabel on behalf of UNS 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

Electric. With me at counsel table is my colleague Elias 1 2 Ancharski, also with Osborn Maledon. And also at counsel table is in-house counsel for Tucson Electric Power 3 Company and UNS Electric, Megan Hill. 4 CHMN STAFFORD: Mr. Acken? 5 6 MR. ACKEN: Thank you, Mr. Chairman. Bert Acken on behalf of South32 Hermosa, Inc., and again with me at 7 8 counsel table is Todd Gwillim, manager, North American 9 Legal for South32. 10 CHMN STAFFORD: Mr. Edwards. 11 MR. EDWARDS: Nothing right now. 12 CHMN STAFFORD: State your full name, please, 13 again. 14 MR. EDWARDS: Pardon me? 15 State your full name, please. CHMN STAFFORD: 16 MR. EDWARDS: Ernest F. Edwards, Jr. 17 CHMN STAFFORD: Thank you. All right. 18 Ms. Grabel? 19 MS. GRABEL: Thank you, Mr. Chairman, I'll go 20 ahead and give a pretty brief opening. So thank you 21 again, Chairman, Committee members. I want to first 22 thank you for making the haul out here to Nogales. I 23 know it's quite a way for some of us, and I know at least 24 one committee member drove more than five hours last 25 night, so we really appreciate your attendance here in GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 person to deliberate this pretty important matter. 2 As I said before, my name is Meghan Grabel, of the law firm Osborne Maledon and I represent UNS Electric 3 4 or UNSE, the applicant for a Certificate of Environmental Compatibility, or a CEC, to authorize the construction of 5 the Rio Rico to Harshaw 138 kV transmission line project. 6 What we'll just refer to as "the project." 7 8 With me as I mentioned from my firm is my colleague, Elias Ancharski, and Ms. Megan Hill from 9 10 in-house company. 11 So by way of a brief summary, the project 12 consists of the construction of a new single circuit 138 13 kV transmission line that runs approximately 17 to 14 20 miles in length depending on the alternative approved, 15 to connect the existing UNS 138 kV system to the planned 16 Harshaw Substation by means of a planned 138 kV 17 switchyard in Rio Rico, Arizona. So if you drove up I-19 yesterday or today you 18 19 passed right through that area. 20 The line and the switchyard will be owned and 21 constructed by UNSE. Constructing the switchyard in the 22 Rio Rico area will allow the transmission line to 23 interconnect with UNSE's existing 138 kV transmission 24 line that runs south from its interconnection with the 25 Tucson Electric Power Company system.

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1 The planned Hermosa Substation, which will be 2 private owned by the customer, South32, would step the 3 voltage down to provide power to the Hermosa mine. This 4 project is required to serve a request for energy from 5 South32, an existing UNSE customer, and will have some 6 ancillary reliability benefits to other area residents as 7 you'll hear in testimony.

8 So this map which you will see often is 9 identical to the laminated placement in front of you, 10 which has been marked as UNSE Exhibit 2.

As you can see, the solid blue line on this map represents Route 1, so that's the proposed and preferred route, which is common to all alternatives proposed by UNSE.

15 Route 1 begins at the proposed Rio Rico 16 switchyard on the left side of the map and travels 17 through the project area until it reaches the proposed 18 Harshaw Substation.

Now, along this route there are three sections with alternative proposed routes. As we will discuss, UNSE prefers to use Route 1 and sections 1A, 1B and 1C, which are the blue dotted lines, because that route we believe best balances the public comments and the concerns that we have received with the impact to the environment and the surrounding area.

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1 So why do we prefer our route to the 2 alternative? Briefly, Section 1A parallels an existing natural gas pipeline, whereas Section 2, which is the 3 dotted pink line, would create a new utility corridor and 4 create a new disturbance over undisturbed land. 5 Alternative Section 1B is preferred over 6 alternative Section 2B, which is in dotted green, because 7 8 Section 1B follows an existing roadway corridor and thus also avoids creating a new disturbance over right now 9 10 undisturbed land. 11 Section 2C in dotted yellow sites the line in 12 proximity to and through a low-density residential area. So this section in the yellow dotted was what UNSE has 13 14 originally proposed in its application to the United States Forest Service to construct and maintain the line 15 on Coronado National Forest lands. 16 17 However, after several rounds of public comment and stakeholder outreach, UNSE received considerable 18 feedback in opposition to that yellow dotted route, and 19 listens to the residents' desire to explore a route 20 21 through Flux Canyon that avoided the residential area. 22 As a result UNSE did just that and now proposes 23 as its preferred alternative Section 1C, which is the 24 blue dotted line there, which lessens the impact to the public and the landowners, but remains constructible. 25

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1 The primary need under this progression is to 2 meet the increased load requirements of UNSE's existing 3 customer, South32, in support of the Hermosa mine.

The project will also improve service 4 reliability and quality to customers in the area due to 5 the reconfiguration of an existing distribution circuit. 6 Specifically, customers in and around Flux Valley, 7 8 San Rafael Valley, Washington Camp, and Lochiel, will see benefit such as fewer power outages and higher quality 9 power as well as have a secondary source of electricity 10 11 to keep customers in power.

You'll hear the technical reasons supporting these ancillary customer benefits in detail from our witness panel later this afternoon.

15 And as Mr. Acken mentioned, the construction of 16 this project will be funded entirely by South32.

As the Committee is aware South32 has now intervened in this matter in support of the project. South32 is a global metals and mining company with a stated need for future electricity service.

21 Because South32 is participating in this 22 proceeding as an intervenor, I'll let Mr. Acken speak for 23 them. Additionally, Mr. Ernie Edwards, president of the 24 Lake Patagonia Homeowners Association, filed a document 25 intended to serve as a limited appearance in this matter. 26 GLENNIE REPORTING SERVICES, LLC 602.266.6535

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As you will hear, the Lake Patagonia Homeowners
 Association is a residential community located along a
 segment of the project route.

In addition to the extensive public outreach performed by UNSE during the project evaluation and the CEC application process, UNSE organized a meeting in Patagonia with the Lake Patagonia Homeowners Associations area and other area residents, which included Mr. Edwards.

10 In that meeting we explained the proposed 11 project and attempted to address the items raised in the 12 petition that is attached to the limited appearance.

13 Several residents attended that meeting and

14 representatives from the company answered their questions 15 for hours.

As a follow-up to that meeting, UNSE provided a lengthy, almost 1,000-page written response and took interested residents on a tour of the route so that they could better understand the impact to them.

We certainly appreciate their concerns and have 20 21 done our best to address them. We have also offered 22 alternatives to certain segments in an effort to respond 23 to some of their concerns, as you will hear in testimony. 24 The value and importance of this project is further emphasized by the letters of support that we have 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

received from the mayor of Nogales, and the Nogales Santa
 Cruz County Chamber of Commerce, which will also be
 offered as exhibits during the proceedings.

4 So on to some housekeeping items. Each of the 5 Committee members present should have a binder with all 6 of the exhibits and materials that UNSE team intends to 7 use throughout the hearing.

8 At the front of each binder is a list of the 9 exhibits that we will review over the next couple of 10 days. You also have a flash drive that contains all of 11 these various documents, as well as an iPad in front of 12 you from which you also access these materials.

As to the hearing logistics, we intend to present witnesses in two panels. On the first panel you will hear from Mr. Clark Bryner, the principal program manager of the transmission line siting for TEP and UNSE. And Mr. Chris Ortiz y Pino, an environmental and land use planner for TEP and UNSE.

Mr. Bryner and Mr. Ortiz y Pino will provide an
overview of the project and testimony regarding
compliance with statutory notice requirements.

You will also hear a technical and economic analysis that focuses on the need for the project, its reliability and other benefits, and the project's physical infrastructure and facilities.

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1 Finally, Mr. Bryner and Mr. Ortiz y Pino will 2 provide a detailed overview of the stakeholder engagement process that's been undertaken related to the project. 3 Mr. Bryner and Mr. Ortiz y Pino will also 4 participate in our second panel to discuss the planning 5 6 process and the environmental aspects of the project. Joining them on that second panel will be Mr. Brian 7 8 Lindenlaub, the vice president of Environmental Services of WestLand Resources. 9

10 This panel will discuss the project in the 11 context of the factors required for this Committee's 12 consideration under Arizona Revised Statute Section 13 40-360.06.

So in conclusion, we believe that at the close of the proceedings you will conclude that the Rio Rico to Harshaw project will help meet Arizona's need for an adequate, economical and reliable supply of power with minimal impacts to the environment and ecology of the state, and merits its approval of the requested CEC.

20 With that I will turn it over to Mr. Acken for a 21 brief opening. We're back to you, Mr. Chairman.

22 CHMN STAFFORD: Yes. Mr. Acken, please give 23 your opening.

24 MR. ACKEN: Thank you, Mr. Chairman. I'm going 25 to give the A/V team a second here to load a different 32 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 slide deck.

2 All right. Thank you very much. So as I mentioned in my opening comments and 3 Ms. Grabel has discussed, South32 is developing the 4 Hermosa project. If you look on the map on the right 5 6 screen, and I understand this map you're going to see frequently during the presentation, and it's also on your 7 8 placemat, the Hermosa project is located in the area of 9 that Harshaw Substation, again, the eastern terminus of the project. The route will commence in Rio Rico and 10 11 follow that path to the mine, through the Hermosa project 12 location.

What I think is really interesting about this project is the minerals that it provides. So we're going to present testimony from one witness, Pat Risner, who's the President of South32 Hermosa, and he's going to talk about what this Hermosa project is.

18 It's the only advanced mine development that 19 produces two federally designated critical minerals, 20 manganese and zinc. And the federal critical mineral 21 designation is important, and you'll see in his testimony 22 it's important to do -- to help with the transmission to 23 our carbon neutral future.

24 This Committee has seen so many gen-ties for 25 renewable projects over the past several years and is 33 GLENNIE REPORTING SERVICES, LLC 602.266.6535 34 www.glennie-reporting.com Phoenix, AZ

1 going to see several more. And this Hermosa project
2 plays an important role in helping those come to
3 fruition.

We need U.S. supply chains for these minerals. They do not exist today in significant enough quantities. And so this project provides an opportunity to source these critical minerals that are then needed for renewable energy, electric vehicles, in a sustainable fashion here in the United States.

10 Mr. Risner is going to introduce South32. He's 11 going to talk about this project. And then he's going to 12 talk about some other things that I think are of interest 13 to the Committee as well.

The legacy of mining in the area, this is not a green field mine. This is an area in the Patagonia Mountains that has rich mining history. And Mr. Risner will discuss that history as well as the efforts that South32 has taken voluntarily to address legacy tailings remediation from prior owners that have the property.

20 And so he will discuss those efforts, talk about 21 other sustainable goals of the company such as dry stack 22 tailing, small service footprint, and South32's net zero 23 greenhouse gas emission goal.

Again, even though South32's project is not jurisdictional, we think it's helpful to this Committee GLENNIE REPORTING SERVICES, LLC 602.266.6535

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to understand the need for the transmission line itself
 and how it interplays and interacts with the Hermosa
 project.

Mr. Risner will also discuss the development timeline. It's important to note that this is -- this project has active operations today. It is as Ms. Grabel noted a current UNSE customer.

8 Mr. Risner will testify that the current 9 infrastructure is insufficient to meet existing needs. 10 And certainly insufficient to meet future needs including 11 very near future needs. So he'll talk about the 12 development timeline for the project and the Hermosa 13 project's needs for power that will be provided by the 14 transmission line project.

15 So I think it's safe to say South32 strongly 16 supports the transmission line project. We urge -- we 17 will urge the Committee to approve it at the conclusion 18 of the testimony.

And we think that the presentation that UNSE will provide on routes will make clear that the proposed preferred alternative is the most environmentally compatible, again for the reasons Ms. Grabel noted.

23 It best follows linear features and balances24 competing resource considerations.

25 We thank you for coming, making the trek to GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 Nogales, and thank you for your consideration of this --2 I hate to use a pun -- this critically important project. 3 CHMN STAFFORD: Thank you. Mr. Edwards. MR. EDWARDS: Yes, thank you. I'm going to pass 4 out a couple -- some copies of my --5 I just want to thank you all for letting me come 6 talk to the Committee today and welcome you all down to 7 8 this beautiful part of the state. My wife and I moved to 9 Lake Patagonia in May of 2021. 10 We were never aware of the proposed line until 11 October of '22 as a result of conversations with 12 neighbors. I've been a customer of UniSource since April of '21 and they knew how to mail me my bill but I never 13 14 got a notice about the line until very late in '22. 15 UniSource stated that they mailed out over 16 14,000 requests for public comment and only received 179 17 responses, some of which were repeats from the same individual. 18 19 After review of the comments it was easy to see 20 that less than a handful were in any way supportive of 21 the proposed route options. Most demanded either a 22 rerouting through -- south through Forest Service land or 23 for burial of the conduits. 24 Over the course of the public outreach meetings the proposed routes were consolidated to fewer and fewer 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

options, until we are now faced with a final route, which
 is the proposed route before the Committee.

3 This route selection was supposedly based on a number of factors, but significantly as per UNS 4 5 statements, the public comments were of prime concern. There's no evidence of public comment analysis 6 in determining any lessening of route options. 7 Rather, 8 it is obvious that the many options were slowly discarded simply to make the public feel as if their input was 9 10 having an impact. 11 This is obviously wrong. As a majority of the 12 public comment were for rerouting through the Coronado

13 National Forest via what was termed the Duquesne route.
14 The route currently proposed is undoubtedly the real
15 choice of UniSource all along with the other options a
16 mere distraction from the real goal.

We feel that the public outreach by UniSource was flawed as evidenced by only 179 responses to a mailing of over 14,000 requests for input.

Had UniSource truly wanted public input, their due diligence would have required them to reevaluate their approach and reconfigure the public outreach to have a meaningful input. They should have been concerned that they received so little input from the public. I contend that the goose was cooked and that

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1 UniSource only had one route in mind and here we are.

2 The Coronado National Forest area supervisor, 3 Kerwin Dewberry, wrote a letter to then Senator John 4 McCain in an attempt to bring political pressure on the 5 route selection, with a goal of avoiding national forest 6 land.

UniSource used this letter as a basis for 7 8 stating that it was impossible to cross national forest 9 land, thereby eliminating the Duquesne route, yet when the Arizona Land and Water Trust as it relates to their 10 11 conservation easement with the Nashes stopped the line 12 from crossing their land, UniSource was able to successfully negotiate with the Forest Service to cross 13 14 Forest Service land, thereby affording this conservation 15 easement.

16 It is questionable that a diligent effort was 17 ever undertaken by UniSource to negotiate with the Forest 18 Service to pursue the Duquesne route and thereby avoid 19 the Highway 82 route and all of its negative impacts on 20 residents, flora and fauna and the safety of all 21 involved.

At this point in time, it is obviously premature to realistically consider constructing this line. South32 has a go, no go, down deadline on the viability of the mine slated for later this year.

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1 Their investors and stockholders are concerned 2 that market conditions as posed by many factors such as 3 competition from the Red Dog mine in Alaska will make the 4 mine unprofitable as they will never successfully compete 5 on the world market with their potential products.

6 If they find they cannot compete and are thereby 7 forced to close operations, then the ratepayers will be 8 forced to pick up the pieces of this failed enterprise 9 and pay the cost of this new infrastructure. Rather like 10 a bridge to nowhere.

Other factors which bear heavily on the prospect of South32 actually being able to operate are both the environmental issues before the Arizona Department of Environmental Quality and/or haul routes through the Forest Service land. Other public and private lands and over highways controlled by the Arizona Department of Transportation.

Any of these issues alone are likely to spell doom for the operation of the South32 mine. UniSource has not been forthcoming in the power needs of South32, claiming this is proprietary information.

However, a review of the South32's budget for energy is about \$12 million for the first year, 22 million for the second year, and levelling off in the third and subsequent years at \$9 million.

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Assuming a negotiated rate of \$0.08 a kilowatt hour, this shows even in the highest demand year a need for only one fifth the capacity of the proposed 138 kV line.

5 I question what is going on here. What are the 6 true goals of UniSource? Why are the public and 7 ratepayers being subjected to this massive and probably 8 grossly overbuilt project?

9 Also, as a UniSource ratepayer, I feel that I'm 10 entitled to see the agreement between UniSource and 11 South32 as it pertains to how South32 is obligated to pay 12 for this new capital improvement.

I suspect that the line siting committee has been inappropriately called in for a project which if its true needs were met would fall below the threshold of their involvement.

I respectfully request that the line siting committee investigate the true needs of South32 mine and demand that if a line of any sort is required, it be located as a result of proper input by the affected ratepayers.

22 Proper negotiation with the public will
23 undoubtedly result in a route selection that will not
24 bring controversy before this Committee and some day
25 before the Arizona Corporation Commission. The proper
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1 route will be self-evident and have the public's tacit 2 approval. Thank you. 3 CHMN STAFFORD: Thank you, Mr. Edwards. Ms. Grabel, call your first panel. 4 5 MS. GRABEL: Yes, thank you, Mr. Chairman 6 Stafford. I call Mr. Clark Bryner and Mr. Chris Ortiz y Pino to the stand. 7 8 CHMN STAFFORD: Gentlemen, would you prefer an oath or affirmation? 9 10 MR. ORTIZ Y PINO: Affirmation. 11 MR. BRYNER: Affirmation works for me. 12 13 CLARK BRYNER and CHRIS ORTIZ Y PINO, 14 called as witnesses as a panel on behalf of the Applicant, having been affirmed by the Chairman to speak 15 16 the truth and nothing but the truth, was examined and 17 testified as follows: 18 19 DIRECT EXAMINATION 20 BY MS. GRABEL: 21 Mr. Bryner, let's start with you. Please state 0. 22 your name and business address for the record. 23 (Mr. Bryner) My name is Clark Bryner. My Α. 24 business address is 88 East Broadway Boulevard, Tucson, 25 Arizona. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 By whom are you employed and in what capacity? Q. 2 Α. (Mr. Bryner) I'm employed by Tucson Electric Power and UNS Electric as the principal program manager 3 4 of transmission line siting. What is your role in this matter? 5 0. (Mr. Bryner) My role on this project has been 6 Α. to oversee all of the transmission line siting and 7 8 planning processes, including oversight of the preparation for our certificate of environmental -- our 9 application for a Certificate of Environmental 10 11 Compatibility, as well as all of the supporting exhibits. 12 Thank you. And you'll give further details in 0. your presentation about your experience and 13 14 qualifications; correct? 15 (Mr. Bryner) I will. Α. 16 You have before you a book of exhibits. Q. Do you 17 see that? 18 Α. Yes. Thank you. Will you please take a look at 19 Q. 20 UNSE-1, which is the CEC application that was submitted in this matter? 21 22 Α. (Mr. Bryner) Okay. 23 Have you seen this document before? 0. 24 (Mr. Bryner) Yes. Α. 25 Was it prepared by you? Q. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 Α. (Mr. Bryner) Yes. 2 Are the statements contained within 0. 3 Exhibit UNSE-1 true and correct to the best of your knowledge? 4 5 Α. (Mr. Bryner) Yes. Thank you. Please turn to Exhibit UNSE-2 which 6 Q. is a map of the project site and the same map that is on 7 8 the laminated placemats that the Committee members have 9 before them. Do you see that? 10 Α. (Mr. Bryner) I'm there. 11 Was this map prepared by your or under your 0. 12 direction or control? 13 Α. (Mr. Bryner) Yes. 14 Are you familiar with the proposed route in this Q. 15 case? 16 (Mr. Bryner) Yes, I am. Α. 17 Does this map accurately depict the proposed Q. route and its alternatives and other items that are 18 19 contained in its legend? 20 Α. (Mr. Bryner) Yes, it does. 21 0. Will you please briefly explain what else is on 22 the placemats before the Committee today? 23 Sure. Yeah, so on your placemat, Α. (Mr. Bryner) they're two-sided. In addition to the map and the legend 24 on the first side, there's also a table that summarizes 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 the preferred alternative route and the alternative 2 sections, as well as a short summary of what distinguishes those, and the associated costs of each of 3 4 those routes. You also have several of the typical structures 5 6 that we're proposing to use for this project. And on the back side there's a sampling of photo simulations that we 7 8 prepared of the project from various key observation 9 points. 10 They show both the existing condition as well as 11 the simulated condition as it would exist after the 12 project is built. Thank you. Now if you would please turn to 13 Q. 14 Exhibit UNSE-3, which is the testimony summary of Clark 15 Bryner. 16 (Mr. Bryner) Okay. Α. 17 Q. Have you seen this document before? 18 Α. (Mr. Bryner) Yes. Was it prepared by you or under your direction 19 Q. and control? 20 21 (Mr. Bryner) Yes. Α. 22 ο. Does this document accurately summarize the 23 testimony that you will present to the Committee today? 24 (Mr. Bryner) Yes. Α. Please turn to Exhibit UNSE-4, which is the 25 Q. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

witness presentation that each witness will use 1 2 throughout the hearing in this matter. 3 Are you there? 4 Α. (Mr. Bryner) Yes. 5 0. Have you seen this document before? Α. (Mr. Bryner) Yes, I have. 6 Was it prepared by you or under your direction 7 ο. 8 and control? 9 Α. (Mr. Bryner) Yes. 10 Q. Is the information contained in the presentation 11 true and correct to the best of your knowledge? 12 Α. (Mr. Bryner) Yes. Thank you. Let's turn to you, Mr. Ortiz y Pino. 13 Q. 14 Will you please state your name and business address for 15 the record? 16 (Mr. Ortiz y Pino) My name is Chris Α. 17 Ortiz y Pino, and my business address is 88 East Broadway 18 Boulevard, Tucson, Arizona. 19 By whom are you employed and in what capacity? Q. 20 Α. (Mr. Ortiz y Pino) I'm employed by Tucson 21 Electric Power and UniSource Energy Services as an 22 environmental and land use planner. 23 What is your role in this matter? 0. 24 (Mr. Ortiz y Pino) My role has been to oversee Α. 25 the public engagement and stakeholder engagement for the GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 project as well as oversee resource studies and 2 permitting. And you'll go through your experience and other 3 0. qualifications as part of the presentation you're going 4 5 to give; true? 6 Α. (Mr. Ortiz y Pino) That is correct. Do you have before you the book of exhibits? 7 ο. 8 Α. (Mr. Ortiz y Pino) I do. 9 0. Will you please turn to Exhibit UNSE-5 which is the testimony summary of Mr. Chris Ortiz y Pino. 10 11 (Mr. Ortiz y Pino) Α. Okay. 12 Have you seen this document before? 0. 13 (Mr. Ortiz y Pino) I have. Α. 14 Was it prepared by you or under your direction 0. and control? 15 16 (Mr. Ortiz y Pino) Α. Yes. 17 Q. Does this document accurately summarize the 18 testimony you will present to the Committee today? 19 (Mr. Ortiz y Pino) Α. It does. 20 0. Great. Thank you. And before we move on to 21 your presentation, if I could ask Mr. Bryner quickly, did 22 you hear the limited appearance statements that were made 23 by Mr. Edwards today? 24 (Mr. Bryner) I did. Α. 25 Do you have any preliminary comments before we Q. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 get into the presentation?

A. (Mr. Bryner) I'm just jotting down my notes
from that, and I feel like we will address all of
Mr. Edwards' comments and concerns to the Committee
throughout the course of our presentation here today,
specifically he had concerns with respect to the public
process, the public comment and what we did with that
feedback.

9 Mr. Ortiz y Pino will go into some extensive 10 details of what that entailed. And then further on in my 11 testimony I'll go through the process that we underwent 12 to show how the comments we received from the public 13 actually did influence both the identification of routes 14 to be considered as well as the elimination of routes 15 from consideration.

A couple -- he also mentioned that many of the comments wanted to put the line under ground. We did consider that, and I will present some testimony on what that looked like and our rationale for not considering that as a possible option in our proposed project.

21 And with respect to the need for the project I 22 think we'll make a very clear case why South32 needs a 23 line of this capacity, and why we're proposing what we 24 are proposing, and I'll do that actually from the very 25 go -- from the onset of the presentation of my testimony.

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And I think that that covers most of the big topics. Did
 I miss anything that you've got?

Q. I think, Mr. Bryner, one thing that I know we
will address but is the consideration of the Duquesne
route as well as the Soldier Basin Route which
Mr. Edwards didn't address today, but has been raised
previously.

8 A. (Mr. Bryner) Correct. Yeah. I'll go over in 9 detail both of those routes and why we didn't select 10 those routes or carry those forward as alternatives for 11 the consideration by this Committee.

Q. Great. With that, go ahead and go through your presentation. I probably will interrupt you a couple of times to lay foundation for additional exhibits. But please proceed.

A. (Mr. Bryner) Okay. So as attested to already,
my current role is the principal program manager of
transmission line siting for both TEP and UNSE.

And in this role, I'm responsible for siting and receiving of regulatory approval for all transmission lines. Specific to this project, as already mentioned, I was responsible for the oversight of the planning and siting activities and the preparation of the application and the exhibits that are before you today.

I have a bachelor of arts in geography, and a GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

25

master's of science in bio regional planning, both from
 Utah State University. And I'm a member of the American
 Planning Association and am a certified planner, a
 certification that I've maintained since 2011.

5 I have over 17 years of experience in the 6 utility industry on a variety of different roles with ten 7 years of experience in transition maintenance planning 8 and asset management.

9 And I have an additional six years of experience 10 in environmental planning and permitting roles where I've 11 worked on a number of transmission line siting projects 12 both for UNSE, TEP, and other utilities in the state and 13 in the western United States.

A. (Mr. Ortiz y Pino) All right. As I introduced
myself, my name is Chris Ortiz y Pino, and I'm an
environmental and line use planner for Tucson Electric
Power and UniSource Energy Services.

18 My role with the project has been to oversee 19 public and stakeholder engagement as well as oversight of 20 resource studies and permitting.

21 My education is in -- I have a bachelor of arts 22 in fine arts and a double major in Spanish literature 23 from the University of New Mexico. And I have a master's 24 of planning from the University of Arizona. I too am a 25 member of the American Planners Association.

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1 I've been with the company since 2020 serving in 2 this current role. Prior to that I worked in the private 3 consulting firm, WLB Group from 2018 to 2020. And prior 4 to that I worked as a council aide to the City of Tucson 5 Councilmember Kozachik.

A. (Mr. Bryner) So a little background on the
company. UNS Electric is a branch of UniSource Energy
Sources, under the parent company of UNS Energy, which is
also the parent company of Tucson Electric Power.

10UNS Electric includes a noncontiguous service11territory, which you can see on this screen, in Mohave12County and Santa Cruz County where it serves

13 approximately 100,000 customers in a population in excess 14 of a quarter million.

And for purposes of this application we'll focus on -- oops -- that didn't work. Can you guys advance the right screen? Or maybe I can do it.

18 So we'll focus on Santa Cruz County.

19 So Santa Cruz County is served by a long single 20 -circuit radial 138 kV transmission line which is sourced 21 at Tucson Electric Power's Vail Substation up in the 22 Tucson area. And this transmission line then serves four 23 substations in Santa Cruz County which then in turn feed 24 the local distribution grid.

25 The proposed project consists of the GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ 1 construction and operation a new 17- to 20-mile

transmission line, a switchyard, and a substation. The transmission line would begin at the Rio Rico switchyard which would be located in the Rio Rico area just near I-19 and extend to the proposed Harshaw Substation near the Hermosa project. And in the Patagonia Mountains just south of the town of Patagonia.

8 The Rio Rico switchyard is included in the 9 application but the substation is not, since it doesn't 10 fall under the line siting statute.

11 So to get into a little bit of the purpose and 12 need, the need for the project was identified when 13 South32 Hermosa, Inc., an existing UNSE customer, 14 submitted a request to increase their service up to an 15 anticipated load of 87 megawatts. As a result of this 16 request, both a system impact study as well as a facility 17 study were completed.

These studies identified the need for new 138 kV circuit with a rating of at least 110 MVA along with a new 138 to 13.2 kV transformer to be located at the planned Harshaw Substation.

And as noted earlier, UNSE serves Santa Cruz County through that long radial transmission line which we call the Vail to Valencia 138 kV line. It's a long, high-impedence radial line, and in order to accommodate GLENNIE REPORTING SERVICES, LLC 602.266.6535

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the load, the load increase as a result of this project,
 additional reactive power was needed.

And so that included a 20-MVAR capacitor bank at the Kantor Substation and a 75-MVAR static voltage device that would be located at the planned Harshaw Substation.

So UNSE also studied various alternative
solutions to the 138 kV line, both as a short-term
solution as well as for long-term solutions.

9 So today, the customer South32 is served by a 10 13.2 kV distribution circuit. We looked at rebuilding 11 and reconductoring that existing circuit in order to 12 provide an increased level of service as a intermediate 13 solution to meet a portion of the customer request.

14 That circuit is currently rated for about 15 10 megawatts. And it has a peak load of just under 16 8 megawatts today. And ultimately this solution was 17 determined to be inadequate even as a short-term 18 solution.

So we then looked at the possibility of going 19 with a subtransmission route, or 69 kV as a possible 20 21 solution. However, due to the long radial nature of the 22 transmission line and the distance that that 69 kV would 23 have to travel from the 138 kV line, a single-circuit 24 69 kV line would only provide 33 megawatts of capacity. And a double-circuit 69 kV line would only 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535

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1 provide 50 megawatts of capacity and as you'll recall the 2 mine, the customer, needed 87 megawatts.

3 So beyond this, we also looked at the 4 opportunity to interconnect with adjacent systems. So 5 Tucson Electric Power, today we have a 138 kV line that 6 runs from the Vail Substation instead of -- this is the 7 138 line that serves Santa Cruz County.

8 It serves Fort Huachuca and comes down the east 9 side of the Santa Rita mountains to Fort Huachuca. We 10 looked into tying into that line, but it's about 19 miles 11 away today.

And that line similarly is a long radial transmission line, and it actually had further capacity constraints that would require that we rebuild that line all the way back to the Vail Substation in order to provide enough capacity to serve both Fort Huachuca as well as the mine.

So we looked into interconnecting with other utilities, so Sulfur Springs Valley Electricity Cooperative has a 69 kV line that serves the Sonoita area, but as I stated earlier 69 kV line was not adequate to serve the load for the customer.

And Arizona Electric Power Cooperative, they
 have a 230 line, and a 230 substation that serves the
 Sierra Vista Area. That was looked at. It's located - GLENNIE REPORTING SERVICES, LLC 602.266.6535
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1 the closest point of interconnection is about 30 miles
2 away.

3 So it's a bit further. And from a high-level 4 overview, it doesn't have any fewer land use or 5 environmental constraints associated with it. And also 6 along with that, since it's 230, we would have further 7 transformation that would be required.

8 And I forgot to mention one other line that we looked at as a possibility to tie in for Arizona Electric 9 10 Power Cooperative and it's -- oops, sorry -- this green 11 line, you don't see that here, it's a 115 kV line and it 12 actually parallels the TEP 138 kV line in this area. So it would be located the same distance as the TEP 13 14 solution, but again, it's 115 kV so it would require additional transformation. 15

So in the end, we determined that really the only reasonable solution was to construct a new 138 kV line tapping into the existing Vail to Valencia 138 kV line through Santa Cruz County today.

And that is the project that was identified and placed in UNSE's ten-year plan which has been filed with the Corporation Commission and has been filed since 2021 under that project name and actually since 2019 as a conceptual project.

Q. Mr. Bryner, if I could interrupt you for a GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 moment. While you're on the subject of ten-year plans, 2 can you take a look at Exhibit UNSE 6A through 6C. 3 Α. (Mr. Bryner) Okay. Please describe these documents for the record? 4 Q. 5 Α. (Mr. Bryner) These are the UNSE 10-year plans filed in 2021 -- or '20, '21 or '22 -- or sorry -- '21, 6 '22 and '23. 7 8 Thank you. And did UNSE file these plans as 0. 9 required by ARS 40-360.02(a)? 10 Α. (Mr. Bryner) Yes. 11 Were UNSE Exhibits 6A through C compiled by you 0. 12 or under your direction and control? 13 Α. (Mr. Bryner) Yes. 14 Thank you. Please continue. 0. 15 (Mr. Bryner) So as established, the purpose and Α.

16 need for the proposed project is to meet the request for 17 the increased service from the existing UNSE customer 18 South32 of 87 megawatts.

19 The increased electricity needs are for their 20 Hermosa project. UNSE currently serves this area through 21 the 13.2 kV radial distribution circuit that is normally 22 served out of the Valencia Substation. And you can see 23 that on the left-hand screen conceptually.

The circuit serves about 2,600 customers today and has a average load of 3.28 MVA, a peak load of 7.7

MVA, and a circuit rating of 10.1 MVA. The existing
 electrical demand combined with the customer's projected
 need is greater than the current distribution line can
 support.

5 And therefore a higher capacity line is required 6 to be constructed to meet the service request. The 7 project as we've described it, together with the addition 8 of the capacitor banks and the static VAR device 9 mentioned, will provide UNSE an increase in load-serving 10 capacity to Santa Cruz County.

11 The increased capacity will be sufficient to 12 meet the projected needs of the Hermosa project along 13 with the needs of the existing customers today.

14 The transmission line will also improve 15 reliability for electric distribution customers in the 16 area of the planned Harshaw Substation, including those 17 in Flux Canyon, San Rafael Valley, Washington Camp and 18 Lochiel areas.

19 The current distribution circuit serving these 20 areas sourced at the Valencia Substation is a very long 21 distribution circuit and consistently performs poorly.

22 So following the construction of the planned 138 23 kV line and the Harshaw Substation, UNSE will reconfigure 24 the existing distribution circuit by adding a line switch 25 that would be conceptually located near Highway 82.

That's illustrated just below the name Patagonia on that
 left slide.

And that would split the line resulting in two separate circuits. One circuit would be sourced from the Valencia Substation in Nogales as it is today and the second circuit, a new circuit would be sourced from the planned Harshaw Substation.

8 This reconfiguration would provide a number of 9 benefits to approximately 159 existing distribution 10 customers in that Flux Canyon, San Rafael, Washington 11 Camp and Lochiel areas as well as a primary meter that 12 serves as a back-up source for a number of CFE customers 13 in Mexico.

14 Specific benefits would include two much shorter 15 circuits, which due to their length would have less 16 exposure to potential service interruptions. In other 17 words, they would experience fewer power outages and 18 customers would receive higher quality power such as 19 fewer flickering lights.

20 Oops. I think I advanced that one too far. 21 So it's the same diagram as the last one, but 22 slightly different -- difference in colors right here. 23 But one other benefit of that would be we could close 24 that new switch that I discussed up near Highway 82 so 25 that we could serve or provide a back-up source to the

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customers that are currently served out of Nogales today
 by serving them out of Harshaw or vice versa.

3 We could close that in and serve the customers 4 that would be served out of the Harshaw Substation out of 5 Nogales in the same way it is today.

6 So it would provide a secondary source to all 7 those customers. So a much larger percentage of those 8 2,600 customers served off that circuit today would 9 receive the same reliability benefits.

10 The proposed transmission line is a 11 single-circuit line that would be operated at 138 kV. 12 The line would be supported by tubular self-weathering steel monopole structures that would typically be between 13 14 60 and 120 feet in height, with the taller structures required in a few locations in order to maintain National 15 16 Electrical Safety Code or NESC clearance criteria, such 17 as when we cross over an existing distribution line, a 18 raised roadway, or some terrain. Our typical structure types are illustrated on this second screen. 19

Typical spans would be around 700 feet in length with longer or shorter spans in areas that would be generally based on terrain. UNSE proposes to use 954 ACSS rail conductor, which is our standard or our typical 138 kV conductor with a non-specular finish.

25 And in some areas with very long spans, we would GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 use a 954 ACSR cardinal conductor. That cardinal

2 conductor would be used in very long spans because it has 3 a higher-rated breaking strength.

Both would be the same diameter, roughly one
inch, and would appear identical.

6 While UNSE is seeking a siting corridor 7 generally 500 feet in width, ultimately we would seek 8 rights-of-way up to 100 feet in width. And all of our 9 route alternatives would cross private lands, Santa Cruz 10 County and ADOT road rights-of-way as well as federal 11 land under the jurisdiction of the United States Forest 12 Service.

Q. While you have a pause, before you go into the various alternatives, you know, we do have the limited appearance by the Lake Patagonia Homeowners Association President and several residents.

17 So in the coming discussion when you're going to 18 talk about the transmission line routes, I think it would 19 be helpful to show where their area is in relation to the 20 various routes and the proposed alternatives.

21 A. (Mr. Bryner) Sure. I will do that.

22 So on the screen I have the -- a map of the 23 preferred route on the right screen. Our preferred route 24 is Route 1 on your placemats and as well as on this 25 screen, plus alternative sections 1A, 1B, and 1C.

Route 1 is common to all the alternatives. 1 So 2 it originates at the switchyard in Rio Rico. It follows a parcel upslope and then across the Santa Cruz River 3 near Pendleton Drive. It then follows Pendleton Drive 4 approximately three miles south to the Santa Cruz 5 County-owned Calabasas Park, at which point it continues 6 to the east across private land. This is all private 7 8 land so far, essentially splitting parcels on the north 9 side and the south side until it hits an existing Kinder 10 Morgan natural gas pipeline.

11 This is also where we have an alternative 12 section. Our preferred section follows that gas pipeline 13 north and northeast until it again joins up to a common 14 route or Route 1, and then goes through a side canyon up 15 to Highway 82.

From that point, the route continues to parallel Highway 82 north. It's in this area just to the west where the Lake Patagonia Ranch subdivision is located.

19 The preferred route continues until it again 20 meets up with that existing natural gas pipeline and 21 follows that gas pipeline across the Coronado National 22 Forest, until reaching the Flux Canyon area. Where again 23 we have another alternative section.

24Our preferred alternative section goes through25what we call Flux Canyon proper, not to be confused with

1 Flux Canyon Road. This is the geographic Flux Canyon, 2 crosses through that, and then roughly parallels Flux Canyon road down to the Harshaw Substation site. 3 MEMBER HAMWAY: Mr. Chairman, I have a quick 4 5 question. 6 CHMN STAFFORD: Yes, Member Hamway. MEMBER HAMWAY: The natural gas pipeline, is it 7 8 above ground or below ground? MR. BRYNER: Thank you, Member Hamway. The 9 natural gas pipeline is below ground. And you'll be able 10 11 to see that when we -- we'll do a virtual tour in a 12 little bit with an aerial basin, you'll see that gas 13 pipeline. 14 So in this area, UNSE is requesting a 15 500-foot-wide siting corridor for the length of this 16 preferred route, with one exception, and that would be 17 for section 1C located near the Flux Canyon area, where 18 we're requesting a 1500-foot-wide siting corridor. 19 The reason for that is to give us some added flexibility as we work with the Forest Service in 20 21 securing those rights-of-way for that special use permit 22 to construct the line. 23 But as I mentioned earlier, ultimately we would 24 be seeking a 100-foot-wide right-of-way to construct the line within that corridor. 25

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The reason we chose Route 1 in sections 1A, 1B 1 2 and 1C as our preferred route is because they best balance the public comments and concerns that we've 3 received as well as the preservation of all resources. 4 We have three sections of the preferred route 5 6 that have alternative alignments. So I'll begin with Section 2A. 7 So Section 2A, this yellow line on the map, that 8 is that gas pipeline that we talked about, and this --9 this was our preferred route. So Section 2A instead of 10 11 following the gas pipeline, it proceeds east, again, 12 along property boundary lines until it gets to Cumero Canyon and a side canyon to Cumero Canyon which is a 13 14 little bit lower lying. 15 And it goes north along that side canyon until 16 joining with the preferred alignment. 17 Again, in this -- for this alternative section 18 if this were selected, we'd be seeking that same 500-foot-wide siting corridor with an ultimate 100-foot 19 20 right-of-way that we would secure. This alternative 1A was selected over 21 22 alternative 1B in this area -- or sorry, 2A. Excuse me. 23 In this area, because alternative 1A parallels the 24 natural gas pipeline, so it's an existing linear corridor, existing utility corridor, where Section 2A 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

would create a new utility corridor and create the
 associated new disturbance or impact on currently
 undisturbed land.

However, we included this alternative section in our application because it would place the line further away from the residential areas, which I didn't point out, but the Lake Patagonia Ranch residential areas are located just off the screen to the north of that area right there.

With the preferred alignment, the residential areas are about a half a mile away. With this alternative alignment, it would push the line to about one and a half miles from those residential areas. MEMBER HAMWAY: So just for clarity, Mr. Chairman, so the closest resident to your Option 2A is a half mile?

MR. BRYNER: So Option 2A is our alternative.
18 So it's further. Now --

MEMBER HAMWAY: Okay. I meant the one you want from the section --

21 MR. BRYNER: 1A is approximately one-half mile, 22 correct.

23 MEMBER HAMWAY: One-half mile to the closest
24 resident.

25 MR. BRYNER: Correct.

1	MEMBER HAMWAY: Okay.
2	MR. BRYNER: So going on to our alternative
3	Section 2B and before we get started let me just point
4	out a couple of residential there are a couple of
5	homes closer in proximity to this.
6	So they're located here. The bulk of
7	Lake Patagonia Ranch is located in this area and north of
8	it. So just just for some spatial reference.
9	So Highway 82 runs right here and our preferred
10	alignment runs parallel to that. The alternative
11	section, Section 2B from Highway 82, cuts directly to the
12	east along private parcel boundaries to the boundary with
13	the Coronado National Forest and then follows the
14	Coronado National Forest boundary north back to
15	Highway 82 to where we intersect with our preferred route
16	again, and this is located just south of Lake Patagonia
17	Road.
18	So if selected over the preferred section 1B,
19	UNSE again would request that same 500-foot-wide siting
20	corridor and we would seek the ultimate right-of-way
21	width of 100 feet.
22	Alternative Section 1B was selected over
23	alternative Section 2B in this area because alternative
24	Section 1B parallels the highway. So it's that linear
25	infrastructure that already exists, whereas Section 2B
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1 would create new disturbance in a new corridor.

2 But we included Section 2B because similarly it 3 would pull the line further away from the residential areas. So whereas these homes, the closest home here is 4 600 feet from the preferred route or two football fields. 5 6 This would pull it to about a mile away. MEMBER HAMWAY: So Mr. Chairman, Mr. Bryner, did 7 8 you bring in when you created this loop 2A, did that bring in new people that were against this line? Did you 9 get any comments when you -- about the 2A line? 10 11 You know, you're talking about you're going 12 across all these properties and property boundaries, so I was just wondering, did they bring out people who don't 13 14 want that? 15 MR. BRYNER: Well, with any alternative route

16 you certainly have people that don't want one route over 17 another. But I would say we didn't get any new opponents 18 as result of 2B being proposed as opposed to 2A.

MEMBER HAMWAY: I'm sorry, I keep messing up the 20 routes.

21 MR. BRYNER: No, you're -- please ask your 22 questions. One thing I will point out is the private 23 property owner that 2A crosses is the same private 24 property owner that 2B crosses in this area. So the 25 directly affected landowner is the same.

1 MEMBER HAMWAY: So the closest resident to 2A is 2 600 feet. 3 MR. BRYNER: Correct. MEMBER HAMWAY: Okay. Is it just a single 4 residence? Is it a community? 5 MR. BRYNER: You have one brown -- if you can 6 see that brown square in the middle, that's a resident. 7 8 And there's one residential -- these others are outbuildings, so, yeah, you've got one home, one home, 9 10 and then these are outbuildings. 11 CHMN STAFFORD: And this is between 1B and 2B; 12 right? 13 MR. BRYNER: This is between 2A and 2B. 14 CHMN STAFFORD: 2A and 2B. Okay. 15 MR. BRYNER: Correct. No, let me correct 16 myself. 1B and 2B. 17 CHMN STAFFORD: Okay. 18 MR. BRYNER: We should have created a more 19 confusing way of naming this. 20 CHMN STAFFORD: Yeah, because the letter denotes 21 the section of it, and it's 1 or 2, which is the --22 MR. BRYNER: Our preference. 23 CHMN STAFFORD: -- alternate routes. Okay. So 24 again, we're talking about 1B and 2B in this, I heard the A coming around a few times and I was --25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 MEMBER HAMWAY: That was my mistake. 2 CHMN STAFFORD: Okay. MR. BRYNER: It could have been mine as well, so 3 thank you for clarifying. 4 CHMN STAFFORD: All right. Just make sure we're 5 all talking about the same segment. 6 MR. BRYNER: Segment B. So now we're moving to 7 segment C. So we have alternative 1C and 2C. 8 9 So to describe alternative Section 2C in this area, again, on the map, the yellow line denotes the 10 11 existing natural gas pipeline. So here our alternative 12 route follows that gas pipeline north and then follows 13 the Coronado National Forest boundary line to the east. 14 There is a home in here. These are 15 outbuildings. And then follows a canyon north to Flux 16 Canyon Road, along Flux Canyon road, along Acorn Drive, 17 and then this is where our existing distribution line actually intersects the line and then we will parallel 18 that distribution line more or less, and Flux Canyon Road 19 south until we intersect again with our preferred route, 20 21 Route 1, after entering the Forest Service once again. So in this area we don't have -- the Lake 22 23 Patagonia Ranch is not anywhere in this vicinity, but we 24 do have a different community, this is the Flux Canyon community in this area. It's a fairly low density 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 residential area.

2	So in here, again, if this alternative section
3	were selected over our preferred section, we would
4	request that same 500-foot-wide siting corridor and an
5	ultimate right-of-way width of 100 feet.
6	Alternative Section 1C was selected over
7	alternative Section 2C because Section 2C sites the line
8	in proximity to and through this low-density residential
9	area.
10	Section 2C is the proposed alignment that we
11	included originally in our application to the Forest
12	Service for a special use permit to construct and
13	maintain the line.
14	However, following several rounds of public
15	comment and stakeholder outreach, UNSE received
16	considerable feedback in opposition to this route, and a
17	desire to explore an alternative route through the Flux
18	Canyon that remained on the Coronado National Forest.
19	So by moving the line to Section 1C, it took the
20	line from the backyards of some homes here to more than a
21	quarter mile away. And as a result it was decided to
22	pursue Section 1C as an alternative alignment that would
23	lessen the impact to the public and the landowners,
24	minimize the impact to the environment and still remain
25	constructible.
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1 However. 2C was still included as an 2 alternative because it maximized the use of existing utility corridors, being the gas pipeline and the 3 4 distribution line. MEMBER HAMWAY: Mr. Chairman. 5 6 CHMN STAFFORD: Yes, Member Hamway. MEMBER HAMWAY: Did you get comments, I'm sure 7 8 it's in the binder somewhere, from the Flux Canyon 9 community? 10 MR. BRYNER: We did. Thank you for your 11 question. We did receive many comments from the Flux 12 Canyon community. Generally positive with respect to our alternative 1C, once that was proposed. 13 14 MEMBER HAMWAY: Thank you. 15 MR. BRYNER: A/V team, can you pull up Slide 30 16 on the right screen? 17 MEMBER LITTLE: Mr. Chairman? 18 CHMN STAFFORD: Yes, Member Little. 19 MEMBER LITTLE: Mr. Bryner, did you receive many 20 comments from people about 1C going through more pristine 21 area as far as environmental impacts are concerned? 22 MR. BRYNER: So, I might defer that to my 23 colleague, Mr. Ortiz y Pino. 24 MEMBER LITTLE: Okay. MR. BRYNER: I know we received comments on 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535

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1 that. I don't know if we received any written comments. 2 MEMBER LITTLE: Okay. MR. ORTIZ Y PINO: Member Little, we did receive 3 comments, but they were more general in nature to the 4 environment and the special species in the area, not 5 specific to the route itself or the section itself but to 6 the habitat in the area more generally. 7 MEMBER LITTLE: Okay. Thank you. 8 MR. BRYNER: Looks like we have technical 9 difficulties with the slide I wanted to show over there. 10 11 I'll go ahead and describe it, and in your binders if you 12 wanted to refer to Slide 30 under UNSE 4, I believe it's 13 just with respect to our switchyard. 14 So our planned Rio Rico switchyard would be located on a vacant parcel of land of -- it's private 15 16 land located just east of I-19 and west of the Santa Cruz 17 River. The site is fairly hilly in nature and it will 18 require grading with some cut and fill in order to create 19 a building site, so the switchyard itself will occupy a 20 21 site about three acres in size, but will be acquiring a 22 site larger than that to accommodate the cut and fill 23 required to create that buildable pad.

And as designed, this is where Slide 30 if you have that in front of you, you'll be able to see how it's

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1 designed. It's designed as a ring bus with the major 2 equipment that would be installed being four gas circuit breakers, two capacitor banks, several switches and a 3 control house. 4 The switchyard itself would be secured behind a 5 12-foot-tall block wall topped with ultra barrier, which 6 are basically spikes, for security. 7 8 The Rio Rico switchyard is estimated to cost approximately 12 and a half million dollars, and the 9 preferred transmission line route is estimated to cost 10 11 approximately 46 and a half million dollars. 12 However, if the CEC is granted for one or more 13 of the alternative sections, the estimated cost of the 14 transmission line could reach a maximum cost of 15 approximately \$51 million. 16 Construction of the project will be funded 17 entirely by South32 Hermosa, Inc., assisting UNSE in 18 meeting its obligation to provide reliable, affordable electrical service to our customers without passing those 19 attendant costs along to our existing UNSE customers. 20 21 CHMN STAFFORD: Mr. Bryner, quickly on that 22 issue, I believe Mr. Edwards mentioned something about 23 this line becoming a potential bridge to nowhere that the 24 ratepayers could get stuck with the tab for. 25 You just said that the customer, South32, will GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 pay for the entirety of this line so it will not go into 2 rate base and customers will not have to pay for this? 3 MR. BRYNER: Chairperson Stafford, yes, that is correct. They will pay for all the costs to construct 4 and permit the line. We will not build it until they've 5 6 provided the funds. CHMN STAFFORD: And then I guess the follow-up 7 8 question is what if the mine doesn't pan out after the 9 line has been constructed? Then what happens? 10 MR. BRYNER: That's a good question. Can I 11 defer that to South32? As to the viability of the

12 project?

13 CHMN STAFFORD: Right. But for the line, the 14 line would exist and UniSource will take control and own 15 and operate the line even though it's financed and paid 16 for by the customer; correct?

MR. BRYNER: So I would say we would keep the line. It has additional benefits beyond just the mine itself, as I mentioned earlier it provides reliability benefits to additional customers in other parts of Santa Cruz County.

22 CHMN STAFFORD: Okay. Thank you. I will follow 23 up with South32 when they have their witnesses on the 24 stand.

25 MS. GRABEL: May I ask one follow-up question, GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 too, Chairman Stafford?

2 CHMN STAFFORD: Certainly, Ms. Grabel. 3 BY MS. GRABEL:

Q. Mr. Bryner, if I understand your testimony,
South32 will have paid more than \$59 million; is that
correct? In pursuit of this line?

7 A. (Mr. Bryner) That's just the construction 8 costs.

9 Q. Correct. Just the construction costs. Is it --10 do you believe it's likely that the mine would pay such a 11 sum of money were it to believe its project wasn't 12 viable?

A. (Mr. Bryner) I believe they're a business like
any other and they're going to make sound and prudent
investments. So I don't think they would spend that kind
of money if they didn't think it was going to happen.
Q. And I'm sure they'll elaborate, but go ahead.
Please continue.

A. (Mr. Ortiz y Pino) Thank you. I'd like now to
discuss the legal notice that was performed for the
project and the CEC hearing.

In accordance with the statutory requirements, UNSE posted the public notice of the CEC hearing in the Nogales International, the newspaper of general circulation. Through discussions with several community

1 members, we learned that the Patagonia Regional Times was 2 also a widely-read publication by the affected residents, and it was posted there as well in the April online 3 edition of that monthly publication. 4 The public notice ran in the Nogales 5 International on March 10th and March 14th of 2023. 6 The public notice was also sent to the affected 7 8 jurisdictions and to potential intervenors. 9 On March 8 of 2023, hard copies of the CEC application were delivered to the Rio Rico public 10 11 library, the Nogales public library and the Patagonia 12 public library. This map here describes the notification sign 13 14 locations that were approved by Chairman Stafford during 15 the prefiling conference held on February 23, 2023. The 16 locations were picked based on their proximity to the 17 proposed transmission line corridor and the primary collector roads used by affected community members. 18 19 The photos shown here are the notice of public hearing signs that were installed in accordance with the 20 21 location approved by the Chairman. 22 Sign 2 is located at the proposed Rio Rico 23 switchyard, and sign 9 is at the mailbox bank at the 24 entrance of the Lake Patagonia Estates community. These signs are 36 inches wide by 48 inches long and where 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 possible signs were installed at mailbox banks with the 2 intent to grab attention of as many people as possible 3 from the community. 4 Mr. Ortiz y Pino, what you're doing is going Q. 5 through compliance obligations that are required both by 6 statute and by the Chairman's procedural order; correct? (Mr. Ortiz y Pino) That is correct. 7 Α. 8 Because of that I think I need to do some boring 0. 9 foundational legal things if you don't mind. 10 And if you could turn to Exhibit UNSE-7. UNSE-7 11 has subparts A through I. Do you see that? 12 (Mr. Ortiz y Pino) I do. Α. 13 Q. Have you seen the documents in UNSE-7A through I 14 before? 15 (Mr. Ortiz y Pino) I have. Α. 16 Let's briefly walk through each of these. Q. What 17 is Exhibit UNSE-7A? 18 Α. (Mr. Ortiz y Pino) UNSE-7A is the notice of 19 hearing. 20 0. And you testified that you provided this to two 21 different newspapers, the Nogales International and the 22 Patagonia Times. Is that correct? 23 (Mr. Ortiz y Pino) That is correct. Α. 24 And the Nogales Times is a newspaper of general 0. circulation; is that correct? 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 Α. (Mr. Ortiz y Pino) Correct. 2 0. Was this notice published in the Nogales International within the time frame required by both 3 statute and regulation, which is ten days after the 4 application is filed? 5 6 Α. (Mr. Ortiz y Pino) It was. Thank you. So for the record the application 7 ο. 8 was filed on March 3 and publication was on March 10 and 9 14. Is that correct? 10 (Mr. Ortiz y Pino) That is correct. Α. 11 0. Did you also publish in the Patagonia Times? 12 (Mr. Ortiz y Pino) We did. Α. 13 And you did so as a courtesy; correct? Q. 14 (Mr. Ortiz y Pino) That is correct. Α. 15 So please turn to Exhibit 7B. Q. 16 (Mr. Ortiz y Pino) Okay. Α. 17 Is this the proof that the notice of hearing was Q. 18 published in the Nogales International? (Mr. Ortiz y Pino) It is. It is the affidavit 19 Α. 20 of publication. 21 0. Thank you. And if you'll turn to Exhibit 7C, is 22 this the proof that the notice of hearing was published 23 in Patagonia Times? 24 (Mr. Ortiz y Pino) It is. Α. Thank you. Did UNSE also direct a certified 25 Q. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

mailing of the notice of hearing to the affected 1 2 jurisdiction, Santa Cruz County? (Mr. Ortiz y Pino) It did. 3 Α. Okay. If you could please take a look at 4 Q. Exhibit 7H. This is a pleading filed by UNSE confirming 5 that it had done so; correct? 6 (Mr. Ortiz y Pino) That is correct. 7 Α. 8 Did you also direct an e-mail of the copy of the 0. notice of hearing to the Santa Cruz County manager? 9 10 (Mr. Ortiz y Pino) Yes. Α. 11 Why did you do that? 0. 12 (Mr. Ortiz y Pino) Because we could not confirm Α. receipts of the certified letter from the county manager, 13 14 so we followed up with an e-mail. 15 And if you'll please turn to sub part I. Q. 16 (Mr. Ortiz y Pino) Okay. Α. 17 Q. What is this document? 18 Α. (Mr. Ortiz y Pino) This is a e-mail response confirming receipt of the e-mail. 19 20 Q. Thank you. So we complied with both the spirit 21 and the letter of the statute; is that correct? 22 Α. (Mr. Ortiz y Pino) Correct. 23 So let's go back to Exhibit 7D if you would. 0. 24 (Mr. Ortiz y Pino) Okay. Α. Please describe Exhibit 7-D. 25 Q. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 Α. (Mr. Ortiz y Pino) Exhibit 7-D is the 2 transmittal from when I dropped off the CEC applications 3 at the public libraries. 4 Thank you. And is this proof that UNSE Q. delivered copies of the CEC application to the locations 5 6 required by the Chairman's March 7 procedural order? (Mr. Ortiz y Pino) 7 Α. Yes. 8 0. Thank you. And if you'll look at Exhibit 7E, 9 UNSE-7E? 10 (Mr. Ortiz y Pino) Okay. Α. 11 And this document describes the locations where 0. 12 you would post the notice of hearing signs; is that 13 correct? 14 (Mr. Ortiz y Pino) That is correct. Α. 15 And if you turn to 7F, please. Please describe Q. what is contained in Exhibit 7F. 16 17 Α. (Mr. Ortiz y Pino) Exhibit 7F is a photo log of 18 all of the signs when posted. Thank you. So you had two as examples but we 19 Q. 20 really posted more than that; correct? 21 Α. (Mr. Ortiz y Pino) Correct. We posted 11. Thank you. Did you take these pictures, or 22 ο. 11. 23 were they taken at your direction? 24 (Mr. Ortiz y Pino) They were taken by my Α. direction. 25 GLENNIE REPORTING SERVICES, LLC

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1 ο. Thank you. And if you'll please look at 2 Exhibit 7-G, is this a true and correct depiction of the verbiage that was contained on the sign? 3 (Mr. Ortiz y Pino) Yes, it is. 4 Α. 5 0. Were the signs posted at least 20 days before the hearing in this matter as required by Chairman 6 Stafford's procedural order? 7 8 (Mr. Ortiz y Pino) Yes. Α. 9 0. Thank you. Was Exhibit UNSE-7, including subparts A and I, compiled by you or under your direction 10 11 and control? 12 (Mr. Ortiz y Pino) Α. Yes. Are the contents of Exhibit UNSE-7, subparts A 13 Q. 14 and I, true and correct to the best of your knowledge? 15 (Mr. Ortiz y Pino) Α. They are. 16 And pursuant to the procedural order, did UNSE Q. 17 provide a copy of the procedural order to all potential intervenors in this matter? 18 19 (Mr. Ortiz y Pino) We did. Α. 20 Q. To whom did we provide notice? 21 (Mr. Ortiz y Pino) We provided them to South32, Α. 22 Hermosa, Inc., the Lake Patagonia Estates HOA president, 23 as well as Marshall Magruder. 24 Thank you. And as long as we're doing boring 0. compliance things, I am going to get through these a 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

couple more times. So let's turn to UNSE-8. That is the 1 2 receipt of the filing fee in this matter? (Mr. Ortiz y Pino) Yes, it is. 3 Α. Have you seen this document before? 4 Q. (Mr. Ortiz y Pino) 5 Α. I have. Was this receipt received from the Arizona 6 Q. Corporation Commission to confirm payment by UNSE of the 7 8 application filing fee? 9 It was. Α. (Mr. Ortiz y Pino) Are the contents of that exhibit true and 10 Q. 11 correct to the best of your knowledge? 12 (Mr. Ortiz y Pino) Α. Yes. Did you also direct communication with the 13 Q. 14 Commission's business office confirming that UNSE would 15 cover all the expenses of this hearing? 16 Α. (Mr. Ortiz y Pino) Yes. 17 Q. Thank you. And finally, if you would please 18 turn to Exhibit UNSE-12, which is the summary of public 19 outreach. 20 Α. (Mr. Ortiz y Pino) Okay. 21 Have you seen this document before? 0. 22 Α. (Mr. Ortiz y Pino) I have. 23 Was it prepared by you or under your direction 0. 24 and control? 25 Α. (Mr. Ortiz y Pino) Yes. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 ο. And was this document prepared in response to 2 the Chairman's procedural order? (Mr. Ortiz y Pino) 3 Α. Yes. Thank you. Does the summary accurately convey 4 Q. the public outreach performed by UNSE in this matter? 5 6 Α. (Mr. Ortiz y Pino) It does. And you'll get into greater detail than that in 7 ο. 8 the next few slides; correct? 9 Α. (Mr. Ortiz y Pino) I will. 10 Q. Have you received any comments since filing the 11 CEC that are not included in that summary? 12 (Mr. Ortiz y Pino) We have received one comment Α. to date from the Arizona Game and Fish Department. 13 It 14 was a letter -- it was a letter format, PDF format sent 15 via e-mail, and it was regarding the environmental review 16 tool that they use for their -- it was -- it was a report 17 of the environmental review tool for the project and 18 study area. 19 MS. GRABEL: Thank you. I'm done with my boring Our next item is to turn to the virtual tour. 20 things. 21 So I don't know if you would like to take a break before 22 doing so. It's pretty lengthy. 23 CHMN STAFFORD: Yes, I think this is a good time 24 for a break. We'll take a recess for ten minutes. (Recess from 2:28 p.m. to 2:53 p.m.) 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 CHMN STAFFORD: Let's go back on the record. 2 Ms. Grabel, please proceed. I believe you're about to walk us through your virtual tour. 3 MS. GRABEL: Thank you, Chairman Stafford. 4 Actually, before we begin the virtual tour, we kind of 5 talked a little bit more about the line to nowhere, and I 6 have a couple of follow-up questions from Mr. Bryner, if 7 8 that's all right with you. 9 CHMN STAFFORD: Yes. By all means. Thank you. 10 MS. GRABEL: Thank you. 11 BY MS. GRABEL: 12 SO, Mr. Bryner, back, you know, referring to 0. what happens with if we build the line at South32's 13 14 expense and then South32's load doesn't materialize, could the line be put to different beneficial uses? 15 (Mr. Bryner) Definitely. So the line could be 16 Α. 17 used for any number of other reasons such as renewable 18 generation. Both TEP and UNS Electric have fairly aggressive renewable goals, and we're always looking for 19 20 different places to site that. 21 As we've gone through the public outreach 22 effort, we've heard from various interested individuals 23 in the I'll call it the central part of Santa Cruz County 24 that they'd be interested in developing things like that. We've also heard from other interested -- or individuals 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 in that area stating that the way that Santa Cruz County 2 is set up you've got the City of Nogales, that we're in 3 right now, you've got Rio Rico, kind of your I-19 4 corridor going north, but you're bounded by federal lands 5 on the west. You can see it on the screen.

Here you're bounded by federal lands. Maybe it 6 doesn't work with my highlighter. There with we go. 7 8 Federal lands. Forest Service on the west. Forest Service on the east. And so your opportunities for 9 growth in this region come in this area. And so there 10 11 would be certainly opportunities for that line to be used 12 for other -- other future development if -- if the mine 13 were not to come to fruition.

Q. And, second, South 32 will elaborate on this, I believe, in its testimony, but is it your understanding that the mine's demand for load already exceeds the current capacity of the existing distribution line that serves that customer?

19 A. (Mr. Bryner) That is my understanding. As I 20 testified, the capacity of that distribution line is 21 about 10 megawatts. It has a peak load today of around 22 8 megawatts. So it doesn't have a lot of extra capacity 23 today.

And, as I understand it, the mine is
 supplementing what UNSE is providing today through
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1 self-generation. So I think it could be assumed that 2 that line -- the distribution line -- the capacity of 3 that if you added on the supplemental load is being 4 exceeded today. And so there is a need for some type of 5 additional capacity today already out there, regardless 6 of any future development.

Q. And if the distribution line needs to be
upgraded, would you upgrade it potentially to a substance
transmission level line?

10 A. (Mr. Bryner) So that's a possibility. So our 11 system voltages for UNS Electric are the 13.2 kV for the 12 distribution level, a 69 kV for the subtransmission 13 level, and then the 138 kV at the transmission level.

And so as I spoke earlier, the 69 kV option, we could get 33 megawatts of capacity. One thing that I -so that could be an option if the load never got all the way up to the expected 87 megawatts.

But one thing I will mention is a 69 kV is built to the same standard as a 138 kV. So visually, the line would look the same. As far as the land -- an impact on the land, it would remain the same. So there wouldn't be any substantial difference between a 69 kV and a 138 kV line except for what flowed through the conductor.

Q. So from an environmental impact perspective
there's really no difference between the 138 kV proposed

1 transmission line and the upgraded subtransmission line 2 that we know they likely would need anyway from their existing operations today; is that correct? 3 (Mr. Bryner) That is correct. 4 Α. 5 MS. GRABEL: Thank you. Do you guys have any 6 further questions? CHMN STAFFORD: Not from me. 7 Members? 8 9 (No response.) 10 CHMN STAFFORD: Please proceed. 11 MS. GRABEL: With that, I think we're going to 12 go into our virtual tour. This is an incredibly comprehensive virtual tour. It takes about 30 minutes. 13 And I'd appreciate it if we could have some direction as 14 15 to whether a physical tour is needed after this because 16 we need to make arrangements with our van company. 17 BY MS. GRABEL: 18 0. So, Mr. Bryner, if you would please turn to 19 UNSE-10. 20 Α. (Mr. Bryner) Okay. UNSE-10 will be the virtual tour in this matter. 21 0. 22 It's also contained on thumb drives there were provided 23 to the Committee and is also available on the project 24 website as identified on Exhibit UNSE-19; is that 25 correct?
1 Α. (Mr. Bryner) Yes. 2 Q. Do you have any corrections to make to UNSE-10? (Mr. Bryner) Yes. We did make a couple of 3 Α. corrections since we -- we filed. The content of the 4 tour remains the same as what we -- what we filed, but 5 6 speed and camera angles were adjusted slightly to apply a better viewing experience, and some of the referenced 7 8 line work that we've added in postprocessing was removed 9 because we determined it was more of a distraction than an aide in providing more context. 10 11 So, Mr. Bryner, the modifications that were made 0. 12 to the virtue tour in UNSE-10 are immaterial; correct? 13 Α. (Mr. Bryner) Correct. 14 And is the new visual tour contained in UNSE-16? 0. 15 Α. (Mr. Bryner) Yes. 16 And was that revised tour uploaded to the Q. 17 project website on Friday the day Exhibit 16 was filed? 18 Α. (Mr. Bryner) Yes. Thank you. Was the virtual tour prepared by you 19 Q. or under your direction and control? 20 21 Α. (Mr. Bryner) Yes. How was the tour prepared? 22 ο. 23 (Mr. Bryner) So the virtual tour was prepared Α. 24 beginning with a 3D model of the preliminary engineering for the line developed in PLS-CADD software. That 3D 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1	model was then imported into Google Earth Pro which
2	utilizes a commercially available aerial imagery as a
3	base map, and we created a route of the tour and recorded
4	that in Google Earth Pro. Exported that out and brought
5	it into postprocessing software where we were able to add
6	in various labels and other line work that would add
7	further referencing context to the virtual tour.
8	MEMBER HAMWAY: Mr. Bryner, one quick question.
9	CHMN STAFFORD: Yes, Ms. Hamway.
10	MEMBER HAMWAY: Do you know the date of your
11	Google your base map?
12	MR. BRYNER: That is a good question. Can I
13	please research that and get back to you? Okay.
14	BY MS. GRABEL:
15	Q. But to that point, Member Hamway, Mr. Bryner,
16	are you familiar with the topography of the route? Have
17	you physically toured the route?
18	A. (Mr. Bryner) I have.
19	Q. And have you reviewed the virtual tour we're
20	about to present?
21	A. (Mr. Bryner) I have.
22	Q. Do you believe that it presents a realistic view
23	of the landscape surrounding the proposed route?
24	A. (Mr. Bryner) I do.
25	MS. GRABEL: Thank you.
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1 But we'll still get you the year.

2 MEMBER HAMWAY: Okay.

3 MR. BRYNER: If we could roll the -- yeah. So 4 the project is located in southeastern Arizona fully 5 within Santa Cruz County. The project extends between 6 Rio Rico just north of the City of Nogales in the 7 Patagonia Mountains just south of the town of Patagonia.

8 For purposes of the application for a CEC, UNSE 9 analyzed environmental resources and land uses within a 10 study area extending one mile to either side of the 11 alternative transmission line routes in the application. 12 The study area is represented on the screen by that 13 purple line.

Now that we're oriented geographically to the project location I'd like to begin the virtual tour with a high-level overview of the project area. As we go through the tour, you'll note a key map in the upper right-hand corner of the screen, which will show the general location of the virtual tour in relation to the overall project.

21 And following the high-level overflight we'll go 22 through a detailed tour of the preferred route and each 23 of the alternative sections.

24 The project begins in the unincorporated Rio 25 Rico area just east of the I-19 and just south of the 32 GLENNIE REPORTING SERVICES, LLC 602.266.6535 35 www.glennie-reporting.com Phoenix, AZ

international wastewater treatment plant. The Santa Cruz
 River extends down the center of the study area for the
 first few miles of the project.

The Calabazas Mission is a unit of the 4 Tumacacori National Historic Park and is located just 5 6 north of the preferred route. The project alternatives cross through three main residential areas. The first 7 8 we're passing through is Rio Rico, and it's comprised of low density residential subdivisions. 9 The preferred route with the 500-foot-wide siting corridor is 10 11 illustrated in blue and is common to all alternatives in 12 this section and generally parallels the Santa Cruz River to the west up Pendleton Drive. 13

14 Another unit of the Tumacacori National Historic 15 Park is the Guevavi Mission. And, like I mentioned 16 before, the Santa Cruz County's Calabasas Park the route 17 turns to the east and goes across vacant Ranch land which 18 is generally rolling grass hills. And our siting corridor is centered on property boundaries in this area 19 20 largely shared by just a few landowners, all private 21 ranches.

22 The natural gas pipeline operated by Kinder
23 Morgan is highlighted in yellow. And the Nogales
24 International Airport is in the upper left of the screen.
25 You've also got Cumero Canyon, a large
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geographic feature. And here's our first alternative 1 2 section, Section A, where you've got the alternative 3 section illustrated in that pinkish color. CHMN STAFFORD: Now, what residential areas are 4 to the north of the preferred route, 1A. 5 MR. BRYNER: In this area? 6 CHMN STAFFORD: 7 Yeah. MR. BRYNER: This is going to be the edge of the 8 9 Patagonia Lake or Lake Patagonia Ranch subdivision. 10 CHMN STAFFORD: Okay. 11 MR. BRYNER: The black line on the screen 12 represents State Route 82. And the boundary of the Coronado National Forest is illustrated in that dark 13 green color. And outside of the forest all other lands 14 15 crossed by the project are private. 16 So maybe we could just pause here for just a 17 second because, as Chairman Stafford already pointed out, 18 you know, this area right in here is going to be your Lake Patagonia Ranch Estates subdivision extending north 19 from here. 20 21 The closest residence or homes in this area you 22 can see depicted -- you can see the cursor on the screen, 23 this is probably the closest home, and, as I mentioned 24 before, that's about 600 feet away or two football fields. And then you've got another home right here 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

located roughly the same distance, a little bit further
 away than that other home. The bulk of the division is
 located more than a mile away from either the preferred
 route or any of the alternative sections.

But, you know, many of these residents in this 5 6 area, they participated actively in the project and provided a lot of really good comments on the project, 7 8 comments that helped to really influence and shape the route alternatives that were included in our application, 9 including these various alternative sections and even 10 11 adjustments that we made to the alternative or the 12 preferred route itself.

Let's continue the video. So in this area we also have our second alternative section, which is illustrated with the green color. And, like I said, that moves the line to about a mile from the closest home.

And throughout the residential area, the preferred route deviates from the natural gas pipeline based on feedback we received, and just past the Lake Patagonia area the preferred route again follows that same utility corridor as the gas pipeline, and you can see that with the yellow line going through the middle of the blue corridor.

In this area you'll note -- you'll note a jog
where the preferred line -- preferred route deviates from
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the gas pipeline that was intentional and done in an
 effort to respect the conditions of a conservation
 easement that are on the Circle Z Ranch in that area.

And at the northernmost point of the study area 4 is the third major residential area near the mouth of 5 Flux Canyon. In this area we have our third alternative 6 section with the alternate section illustrated in 7 8 green -- in orange, not green. This neighborhood has 9 been very engaged in the project as well and helped to develop alternative routes. The preferred section that 10 11 was developed in here was a direct result of their 12 comments.

So here you'll note that the preferred route,
the corridor, is 1500 foot wide, and, as I mentioned,
that will provide the flexibility we need as we work with
the Forest Service to site structures to minimize
impacts.

And after the preferred route, again, joins up with Flux Canyon Road, which is illustrated with that black line, the corridor skinnies down to 500 feet in width. And the route generally follows Flux Canyon Road all the way to the southeast until it gets to the Harshaw Substation, and you can see the existing Hermosa project in the background.

25 So we'll now move into a more detailed virtual GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

tour of the preferred route. We'll begin at the planned 1 2 Rio Rico switchyard, and we'll move east along the entire route. One thing I want to point out to you that you'll 3 notice when we get to the tour itself is you'll see down 4 in the lower left-hand corner a mile marker. That could 5 6 be helpful if you have a comment or a question that comes I mean, feel free to stop us and ask your question, 7 up. 8 but if you want to hold it until after, you can write down that mile marker and say, Hey, I noticed this at 9 this mile and then ask your question then. It might just 10 11 be handy for future reference.

12 Okay. Let's begin.

13 So beginning at the Rio Rico switchyard site 14 you'll see the Nogales International Wastewater Treatment 15 Plant off to the left. These trees in this area, this is 16 Potrero Creek. And you'll see structures -- proposed 17 structures and the conductors. Those are based off of that PLS-CADD model I talked about. And that's 18 preliminary engineering, so those locations, they're 19 20 subject to change.

21 The siting corridor is also represented by this 22 blue line. There's our first key observation point, 23 which is located at the Calabazas Mission, and it's about 24 a half a mile away from the project or from the transmission line. You can see one structure. So as 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

designed, the transmission line would completely span the
 Santa Cruz River with structures located in upland areas
 outside of the active floodway.

This key observation point is located on a bluff on west side of the Santa Cruz River overlooking the river itself. And one thing you'll notice in all of these we show existing condition and the simulated condition, and then we'll point out structures that are kind of difficult to see with those black arrows.

10 So from the Rio Rico switchyard location all the 11 way through to this area and even further south to Ruby 12 Road all the land is private, and it's owned by a single 13 land owner. And here while the siting corridor abuts 14 residential areas on the east. The intention is to 15 locate the line on the west side of Pendleton Road and in 16 between the Santa Cruz River as we're depicting here.

17 Now, near Ruby Road, the line passes in between 18 residential areas on the east and the Rio Rico Fire 19 School District building on the west. And, again, 20 throughout this area even though the siting corridor 21 extends to the east of Pendleton Drive the intention is 22 really to place the line on the west side of Pendleton 23 furthest from any of the residents in the area.

Now, at this key observation point, we could construct the line either immediately adjacent to the GLENNIE REPORTING SERVICES, LLC 602.266.6535

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roadway or we could set it back a little bit further and 1 2 leave some of those trees as a vegetative screen between the roadway and the line. That's one thing nice thing 3 4 about the corridor is it gives us some flexibility so that we can site the line and work with the community to 5 6 ultimately get right-of-way where it's most appropriate. Here, we'll be on the outside Calabasas Park. 7 8 We couldn't have any impact on any of the existing 9 facilities in that area. 10 This key observation point is from the Guevavi 11 Mission, and the line is more than a mile away, and so 12 the structures are fairly hard to see. 13 So here at the park we turn to the east. This 14 is where we -- our corridor splits parcel lines with Sonoita Creek Ranch subdivision on the north side, and on 15 16 the south side is the Lol Alameda Ranch. As you can see 17 this is all vacant land, Ranch land. This large canyon we're coming up on is Guevavi 18 19 It's about a three-mile stretch where we cross Canyon. this Ranch land. 20 21 I just got a note that the Google Earth image mix of 2016 and 2019. But I can attest that I've been 22 23 out on the ground in all of these areas, and it is an 24 accurate picture of what exists out there today. I'm not saying there hasn't been a few extra homes, but there are 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 no new homes that are closer.

2	MEMBER HAMWAY: Okay. Thank you.
3	MR. BRYNER: This canyon right there is Burro
4	Canyon that we just crossed through. And right here the
5	land ownership actually changes. It's still private, but
6	now on the south side you have the Santa Fe Ranch, and on
7	the north side you have a different large landowner.
8	You can see the gas line in the yellow.
9	CHMN STAFFORD: And does the this corridor,
10	does it straddle both properties?
11	MR. BRYNER: It does. Yes. And then that's
12	intentional to give us some flexibility when we're
13	working with landowners to secure right-of-way.
14	CHMN STAFFORD: All right. Thank you.
15	MR. BRYNER: So here where the line intersects
16	the existing natural gas pipeline the preferred route
17	veers to the north and generally follows the gas line.
18	This observation pointed is located along State Route 82
19	overlooking Cumero Canyon. It opens up here a little bit
20	providing more expansive views.
21	So we continue in that same corridor with the
22	gas line. But we're coming up on an area where we
23	actually deviate from the gas line, and that was done
24	directly as a result of public comment. The residents of
25	the in the Lake Patagonia area, which is going to be
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1 up in there, they brought to the table a route away from 2 this that provided little bit more distance between the residential area and the line, and also utilized some 3 topography of a side canyon to help to screen the 4 transmission line from those residential areas as well as 5 from 82. 6 CHMN STAFFORD: How far is the line away from 7 8 the residential areas again? 9 In this area? MR. BRYNER: CHMN STAFFORD: 10 Yeah. 11 MR. BRYNER: The bulk of the residential area, 12 more than a mile. But at the end of this line -- or, sorry, the end of this -- right before we intersect State 13 14 Route 82 there are those two homes that are 6- and 800 15 feet away. 16 MR. EDWARDS: Mr. Chairman. 17 CHMN STAFFORD: Yes. MR. EDWARDS: Can I differentiate between 18 19 residential areas and residences? 20 What we have is we have a number of undeveloped 21 lots right now where the owners of the lots are concerned 22 that their plans are never going to come to pass now 23 because of this, and it's -- like I said, it's 24 undeveloped that are right next to where the line's going 25 to go. So even though you so don't see a house, somebody GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 had dreamed of one.

2	MS. GRABEL: Chairman Stafford, if I may object.
3	I don't like to object obviously to residents, but under
4	a limited appearance under ARS 360.05 the gentleman is
5	not allowed to offer evidence into the record nor
6	cross-examine any of the parties.
7	And so if someone wants to make public comment
8	later, I, obviously, want to object to it. You've
9	already heard what he has to say. I just want to say for
10	the record that's not allowed to be evidence.
11	CHMN STAFFORD: Yes. Your objection is
12	sustained. Please proceed with the tour.
13	MR. BRYNER: So you can see that home that just
14	left the screen right there. That was one of those
15	closest homes. And here we cross Highway 82 at somehow
16	of an angle, and this is the only crossing we have of
17	Highway 82, and that's depicted in this photo simulation
18	right here.
19	Now, real quick if you can see off the screen
20	right there, that is the closest house to our preferred
21	route. So that's the one that's 600 feet away.
22	MEMBER HAMWAY: Is that still part of Patagonia
23	Lake or Patagonia?
24	MR. BRYNER: It's not part of that subdivision
25	proper.
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1 MEMBER HAMWAY: Okay. 2 MR. BRYNER: But I would say they identify with 3 that area. MEMBER HAMWAY: 4 Okay. 5 MR. BRYNER: So here our preferred route roughly 6 parallels Highway 82. We've tried to offset the line by several hundred feet in order to mitigate any concerns 7 8 with motorists passing by and any individual concerns 9 associated with that. 10 This key observation point is located at the 11 edge of the Lake Patagonia Ranch subdivision, and the 12 poles are visible in the distance. This is another photo simulation from a 13 prominent point on Lake Patagonia Road that overlooks the 14 line in the distance. And we'll see these simulations in 15 16 more detail later on in the presentation, so you'll have 17 more time to observe. 18 CHMN STAFFORD: That structure that was in that last shot, that was -- that's a distribution line that 19 20 exists currently? 21 MR. BRYNER: Correct. 22 CHMN STAFFORD: Okay. 23 MR. BRYNER: So right here near the intersection 24 with State Route 82 and Lake Patagonia Road we transition from private land to federal land on the Coronado 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

National Forest, and now we're on national forest lands,
 again, paralleling the highway.

And this simulation is right near the
intersection of State Route 82 and Lake Patagonia Road.

5 The one thing I want to point out right here is 6 the road underneath the line in this area. We tried to 7 utilize existing access to the extent possible so that we 8 could minimize our impact. So, again, coming up on the 9 existing national gas pipeline here, we deviate from 10 Highway 82, and we begin to follow the gas pipeline to 11 the east.

Again, this helps us to minimize our footprint because we can utilize that existing access road for our inspections, our maintenance as well as construction.

15 Right up here I do want to point out the 16 existing gas line and that scar. So during public 17 comment, and, as Mr. Edwards has mentioned, a lot of 18 folks wanted the line to go underground. So this line was built many years ago. And our line if it were to be 19 built underground would cause similar if not even a 20 21 larger scar. This is a five-inch -- four-inch pipeline, 22 so it's not a large gas pipeline.

And this canyon and the associated washes iscalled Three-R Canyon.

25

So we're coming up in that area that we saw in GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 the overflight where we deviate from the natural gas 2 pipeline, and, again, that was in order to accommodate an 3 existing conservation easement on the Circle Z Ranch. CHMN STAFFORD: So does the gas pipeline run 4 5 through the conservation easement? MR. BRYNER: It does. I believe it predated the 6 conservation easement that doesn't allow utilities. 7 8 So we're coming up on the Flux Canyon area, and 9 the continued preferred route continues to the east whereas our alternative and the gas pipeline goes to the 10 11 north in this area. This photo simulation is from a 12 prominent overlook within that residential area. And this photo simulation from a prominent overlook within 13 14 that residential area. 15 CHMN STAFFORD: And this is key observation 16 point 23? 17 MR. BRYNER: That's a good question. 18 CHMN STAFFORD: Can you go back to that real quick? Okay. I had a question about that. 19 20 MR. BRYNER: Okay. 21 CHMN STAFFORD: Because I was looking at the 22 application, and it has observation 23 looking to the 23 west. And it's the diagram likewise the cone of vision 24 is going right over the alternative route, but then I look at the -- look at the existing condition, and then I 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 go down to alternative 1C, which I'm still -- I see poles 2 in that picture, but I don't see how I could possibly see 3 poles on the 1C route seeing how it's significantly further south from where I'm looking. 4 5 MR. BRYNER: I would say that the arrow in this virtual tour is not perfectly indicative of the cone of 6 vision for that simulation. You're looking at the actual 7 8 simulation itself? 9 CHMN STAFFORD: Yeah. At the -- it was filed 10 with the application. 11 MR. BRYNER: Can I take a look -- a close look 12 at that and address that when I get to that in my testimony later on? 13 14 CHMN STAFFORD: Okay. 15 MR. BRYNER: We'll go through each of those 16 simulations. 17 CHMN STAFFORD: Okay. Okay. Yeah, it's not 18 part of the --19 MR. BRYNER: Yeah. 20 CHMN STAFFORD: It's on the next layer of the virtual tour, I guess? 21 22 MR. BRYNER: It's not -- yeah, we don't quite go 23 one layer deeper, but we will get into those -- into 24 those simulations fairly close. 25 CHMN STAFFORD: Okay. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 MR. BRYNER: We feel it's prudent to help you 2 understand the area very well, and also everybody wants 3 to know what this looks like, and we want to make sure 4 that we provide a pretty good representation of what that 5 is.

6 So I'll take a close look at that and make sure 7 I'm prepared to bring that to your attention.

8 CHMN STAFFORD: Okay. Thank you.

9 MS. GRABEL: Mr. Chairman, we do that maybe the 10 last 30 slides of the presentation. So that should be 11 tomorrow probably.

12 CHMN STAFFORD: All right. Please proceed. 13 MR. BRYNER: Okay. So here you'll notice the 14 siting corridor widens out. This is our 1500-foot-wide 15 siting corridor. And, again, that was so that we could 16 have some added flexibility as we worked through the 17 process with the Forest Service to get our special use 18 permit and so that we can move the poles if we need to to 19 adjust for any unforeseen impacts.

20 So this is Flux Canyon. As you'll note, it's 21 very steep, but with an overhead transmission line you 22 can utilize terrain to your advantage both to minimize 23 the number of structures needed as well as to screen the 24 line from view for aesthetic purposes. So this span 25 we're coming up on right here is just about one half mile 32 GLENNIE REPORTING SERVICES, LLC 602.266.6535

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1 in length.

2	MEMBER FRENCH: Mr. Chairman.
3	CHMN STAFFORD: Yes, Member French.
4	MEMBER FRENCH: How do intend to place these
5	poles in this rugged terrain?
6	MR. BRYNER: Can you pause, please.
7	So we intend to use micropiles so that can
8	we'll build an access road to the pole on the lower side
9	of the canyon. We'll build an access road to the pole on
10	the upper side of the canyon, but it won't have to be a
11	large a large road.
12	And then we'll install these micropiles using
13	essentially a skid steer tractor so a small tractor, and
14	then we'll bring the poles in and set those by
15	helicopter.
16	MEMBER FRENCH: Thank you.
17	CHMN STAFFORD: What was the last word you said?
18	MR. BRYNER: Helicopter.
19	CHMN STAFFORD: Okay. All right. Thank you.
20	That's what I thought you said, but I wasn't sure.
21	MR. BRYNER: Time for some water.
22	So here we get back to Flux Canyon Road, and we
23	cross the road. And this key observation point is
24	located right near that that crossing of Flux Canyon
25	Road on the Coronado National Forest.
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1 So continuing to the southeast, again, we have 2 that distribution line that we're now paralleling more or 3 less in this area along with Flux Canyon Road itself. MEMBER LITTLE: Mr. Bryner? 4 MR. BRYNER: 5 Yeah. 6 MEMBER LITTLE: This question might be better be addressed to the mining company, but is that road going 7 8 to have to be improved, widened in order to accommodate 9 the truck traffic in and out of the mine? 10 MR. BRYNER: Yes. I'll defer that question to 11 the mine. 12 Okay. MEMBER LITTLE: Thank you. MR. BRYNER: For our construction and 13 14 maintenance purposes, minimal improvements would be 15 needed. 16 MEMBER LITTLE: Thank you. 17 MR. BRYNER: So up here you can see a fork in 18 the road, so Flux Canyon actually veers to the left, and Forest Route 215 goes to the right. And our corridor 19 20 more or less splits between those. It goes over the 21 hills. And, again, that's generally the route of our 22 distribution circuit today and then joins back up with 23 Flux Canyon. 24 And the common route proceeds along Flux Canyon until it terminates at the Harshaw Substation, which is 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535

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1 indicated in that blackish rectangle. And you can see 2 the Hermosa project site in the background. MEMBER LITTLE: Mr. Bryner, I have a question. 3 MR. BRYNER: Yes. 4 MEMBER LITTLE: At slightly before mile 3 and 5 slightly after mile 3 -- sorry -- it looked like there 6 are a whole bunch of residences that are right off of 7 8 Pendleton Drive. 9 How close are those residences to where the transmission line will go? 10 11 MR. BRYNER: Thank you, Member Little. 12 Yes. There are -- the most residences that we're closest to are in that area along Pendleton Drive 13 14 and the Rio Rico area, and they're located about 200 feet 15 away from our proposed line. 16 MEMBER LITTLE: I don't know if you're the 17 person to ask or Mr. Ortiz y Pino, but did you receive 18 comments from any of those residents? MR. BRYNER: I'll let Mr. Ortiz y Pino answer 19 20 that. MR. ORTIZ Y PINO: We did not receive comments 21 specific to this aspect of the line. In prior open house 22 23 meetings, residents from this neighborhood did show up 24 and voice their comments on links that were eliminated further to the south, and this was when we were proposing 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

a second switchyard location. This was closer to Ruby 1 2 Road. But since that line -- that link was eliminated we have not received further comment from this community. 3 MEMBER LITTLE: So they actually preferred this 4 alternative to the one that was further away? 5 MR. ORTIZ Y Pino: I don't know if I could tell 6 you if they preferred it or not, but they have not made 7 8 comment since. 9 MEMBER LITTLE: Okay. Thank you. 10 MR. BRYNER: One thing I might mention in that 11 area is there Pendleton Drive today is paralleled by a 12 distribution line, and so they do have existing utility infrastructure there. I don't know if that played into 13 14 the comments, but --15 So moving into Section A, we'll provide a Okay. detailed review of each of the three alternative 16 17 sections. 18 We can go ahead and play it. So the gas line you don't see, but it goes to the north, and that's, 19 20 again, our preferred section in this area. But our 21 alternative section continues to the east along property boundary lines. This continues to be private Ranch land, 22 23 vacant Ranch land, generally rolling grassland hills. 24 We're coming up on Cumero Canyon, which was that large geographic feature that we saw more prominently in 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 the overflight.

2	This is going to be that same key observation
3	point we saw in the preferred route, but on State
4	Route 82. But now we're going to see the alternative
5	section. And you only see one pole here. That's because
6	of the line being situated down lower in Cumero Canyon
7	and then subsequently in this side canyon, which is a
8	very flat-bottomed, low-lying side canyon.
9	This is located on Oro Blanco Ranch. So it
10	would utilize this dirt access, follow this canyon. Keep
11	the line a little bit lower, again, a little more screen
12	from you from the Patagonia Lake area, which is back in
13	the background up there and State Route 82, which is off
14	to the east.
15	We would continue up this canyon until we,
16	again, intersect with our preferred route, which then
17	heads off to the east and State Route 82.
18	Moving to alternative Section B, it's located
19	just to the east of State Route 82. And here rather than
20	paralleling State Route 82, which goes up that way, we'll
21	head directly east along the property boundary lines
22	again, this is open vacant Ranch land today until we
23	get to the intersection with the Coronado National
24	Forest, which is depicted in that dark green color is the
25	forest boundary.

GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ 1 So this photo simulation, again, we were at this 2 location before. This is now of our alternative section. 3 So the poles are even a little bit more distant. So 4 they're about one mile -- one mile away from the line at 5 that point.

6 And our alternative section would continue 7 roughly until the intersection with State Route 82 where 8 it would join up with our preferred route right near the 9 intersection with State Route 82 and Lake Patagonia Road.

10 And lastly we'll move onto alternative 11 Section C. Now, this is located near the Flux Canyon 12 residential area. And this alternative really maximizes 13 the use of existing utility corridors.

14 So this alternative section continues to follow 15 along the gas pipeline north until the boundary with the 16 Coronado National Forest, remains on the forest, veers to 17 the east, and here we're that right there is a home, so 18 we're immediately adjacent to that home. These are outbuildings. And this key observation point you'll see. 19 20 So that is the same outbuilding right there that we saw 21 in the Google Earth. You can see the poles off in the 22 distance in relation to those outbuildings, so that pole 23 that's in closer proximity.

And then we follow -- we leave the federal lands and go on to private lands and follow this side canyon GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 north to Flux Canyon Road. Flux Canyon Road, we veer to 2 the east. And at this point where we make this turn we 3 begin to parallel our existing distribution line in this 4 area, so it's an existing utility corridor.

5 And our alternative section roughly follows that 6 existing distribution line and the Flux Canyon Road, 7 south and east leaving private land and entering back on 8 to the forest really continuing to parallel Flux Canyon 9 Road until it intersects with our preferred route, which 10 would come in just right over that ridge right there and 11 join up with that structure.

12 And that concludes the virtual tour.

MS. GRABEL: If there are no further questions, should we move on to the discussion of the physical tour? CHMN STAFFORD: You said at some point at later on you're going to go through the individual observation points.

18 MR. BRYNER: I will.

MS. GRABEL: If you would like, Chairman
Stafford, we could skip to that right now.

21 CHMN STAFFORD: Well, that's okay. I just had a 22 quick question. I noticed that in the Attachment E to 23 the application under the visual impact assessment 24 scoring it scored 2A and 2B as having less visual impact 25 than 1A and 1B.

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1 Yet 1A and 1B are preferred route. What is the 2 factor that made you choose 1A and 1B? No. Yeah, 1A and 3 1B as opposed to 2A and 2B even though they have a lesser 4 visual impact.

5 MR. BRYNER: Thank you, Chairman Stafford. 6 Yeah, as I mentioned in kind of my first review of the 7 alternative routes, the biggest reason -- as you know 8 there's a number of factors that we look at in siting a 9 transmission line in accessing their compatibility as 10 well as if one route is preferred over the other.

So in that area the biggest factor that brought 12 1A and 1B to become the preferred as opposed to 2A and 2B 13 was the fact that 1A and 1B utilized existing utility 14 corridors, or in the case of 1B the existing highway or 15 linear infrastructure.

So one of the criteria that we always try to do is collocate to the extent we can so that we don't have corridors running all over the place. You can't always do that, and there are other factors to be considered, and we try to weigh those, and that's what we did in this case.

And despite the -- the added or the lessened visual impacts of the alternative sections, we felt that the benefits of the other routes outweighed that, and we felt like the visual impacts were not that severe to GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 begin with.

CHMN STAFFORD: All right. Thank you.
All right. Members, do we have an interest in a
physical tour?
MEMBER PALMER: Mr. Chairman.
CHMN STAFFORD: Yes, Member Palmer.

7 MEMBER PALMER: If I might, and I want to start 8 by thanking the Applicant for this virtual tour. It was 9 extremely well done.

10 But I also want to add, you know what, with the 11 proliferation of gen-tie lines that were relatively 12 insignificant and short, we've pretty much done away with doing most tours, but I think that going back to 13 pre-COVID days and pre-gen-tie line days, I always felt 14 15 like where there were things to be seen there was no 16 substitute for putting eyes on it and getting out and 17 really seeing what's around the area that we're talking about and what it looks like in living color. 18

And for that reason, I think that one has enough interest and things to be weighed that there is value in a tour, and I am supportive of doing a tour.

22 CHMN STAFFORD: Member Hamway.

23 MEMBER HAMWAY: You know, I always like a tour. 24 I hate making land use decisions without seeing the land. 25 So I've said that for eight years now, haven't I?

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1 But, yeah, is there a way to just kind of see --2 maybe not do the whole -- I don't know even know where we 3 would drive through most of the tour. So is there a way to see Lake Patagonia homes, and what was that other one? 4 5 MS. GRABEL: Yes, Pend- --6 MEMBER LITTLE: Pendleton Drive. Do you see that. 7 8 MEMBER HAMWAY: Yeah. Yeah. That one. 9 MS. GRABEL: Yes. 10 MEMBER HAMWAY: Is there way to do that? 11 MS. GRABEL: Yes. Thank you, Chairman Stafford, 12 Member Hamway. If you want to take a look at Exhibit UNSE-11, 13 that's actually the proposed tour itinerary and map that 14 we have, and there are several stops that our magnificent 15 16 A/V team have now put on the screen where we could go see 17 Stop 4 and, perhaps, Stop 5, which I think are the areas 18 that are of the most interest to you. MEMBER HAMWAY: If we can do that and focus on 19 20 the residents and the impact, I would like to do a tour, 21 so, yes. 22 MEMBER PALMER: Question, Mr. Chairman. 23 Yes, Member Palmer. CHMN STAFFORD: 24 Is there access -- I mean, I MEMBER PALMER: realize the mine is not part of our discussion, but it's 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

part of the big picture. Is there a way to see that area 1 2 that is going to be impacted as this line enters that 3 property? MS. GRABEL: Mr. Bryner, I need to defer that to 4 5 you. MR. BRYNER: There is. It would add substantial 6 time to the tour. If we followed the -- I don't believe 7 8 that our vans are adequate to go down Flux Canyon Road to 9 go in the back way. 10 So we could go in through Patagonia and down 11 Harshaw Road to get to the mine site itself, but that 12 would add -- if I could defer to -- you don't have the mine's witness here? I'm going to make a guess here. 13 It 14 would probably add 30 minutes each way. So an hour total 15 to the tour length. MS. GRABEL: Let's let the mine's counsel answer 16 17 that. 18 CHMN STAFFORD: Mr. Acken. 19 Thank you, Mr. Chairman. We're MR. ACKEN: brainstorming over here. On behalf of the project I 20 21 think it's -- yeah, I think that's actually -- it will add even more than that. If you can't go to Flux Canyon 22 23 Road with the vans and you don't want to do that and you 24 have to go around, I think you're looking at an 25 additional hour one way easy, maybe more. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 And, as Mr. Palmer noted, it is 2 non-jurisdictional. And so the primary focus that you'll hear from public commenters tonight we anticipate is 3 concern about residential views. You know, I would 4 support that abbreviated tour to focus on the residential 5 6 viewers. That's fine. Thank you for 7 MEMBER PALMER: 8 answering that question. 9 MEMBER LITTLE: Mr. Chairman, I move that we do 10 a tour tomorrow. 11 MEMBER PALMER: I'll second. 12 CHMN STAFFORD: All in favor? 13 (A chorus of "ayes.") 14 CHMN STAFFORD: Opposed? 15 (No response.) 16 CHMN STAFFORD: Hearing none, we will schedule a 17 tour. 18 Members, the tour route that the Applicant has proposed, do you wish to deviate from this or just take 19 20 this tour as -- do you think it's going to take us 21 through all the places where the residents will be seeing 22 the line? 23 MEMBER HAMWAY: Think the Applicant knows best 24 what we're interested in, so I couldn't say pick this one over this one. I can't do that. 25

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1 CHMN STAFFORD: All right. Well, I think we can 2 do the tour Wednesday morning. 3 MEMBER HAMWAY: No. Tuesday morning. CHMN STAFFORD: Tuesday morning? 4 5 MEMBER PALMER: Normally that's when it's done. 6 Whatever you --I'd like to do it Wednesday 7 CHMN STAFFORD: 8 morning, not Tuesday morning, because they still have 9 quite a bit of a case to put on. And we'll have the public comment this evening. Who knows how late that'll 10 11 qo. 12 MEMBER PALMER: Yeah, I wasn't thinking we'd be through. Normally, we've just done it on the second day 13 14 and then come back and finish the case, but you're the 15 Chairman. 16 MEMBER HAMWAY: Yeah, it's your call. 17 CHMN STAFFORD: How much more do you have to put 18 up -- of a case do you have to put on, Ms. Grabel? MS. GRABEL: Well, we have about another hundred 19 20 slides, but when you get to ninety something it goes 21 pretty quickly. 22 And then we have the mine's witness to put on. 23 We have scheduled the vans for Wednesday morning due to 24 our conversation at the prehearing conferencing. We could try to call them to book them back to Tuesday 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 morning. So, I mean, I rather like the idea of doing it 2 on Tuesday, if possible, because then you can do CEC deliberations on Wednesday and we leave after that. I 3 4 doubt you'd want to start CEC deliberations before doing 5 the tour. So if we get done early, we're just kind of 6 sitting around. But that's, obviously, we'd defer to the Committee on that. 7 8 CHMN STAFFORD: All right. Members, do you 9 prefer Tuesday to Wednesday? 10 MEMBER PALMER: Timing isn't that important to 11 me, but whatever works to make the case flow. 12 MEMBER MERCER: I agree with Tuesday would be 13 better. 14 CHMN STAFFORD: All right. Fine. Let's do 15 Tuesday then. 16 MS. GRABEL: Can I call the van company? 17 MR. BRYNER: Can we do that based on if we can 18 get the vans changed? CHMN STAFFORD: Yeah. It's contingent that, 19 20 yes, otherwise we'll do it on Wednesday. 21 MEMBER PALMER: Yep. 22 CHMN STAFFORD: Please proceed. Thank you. 23 MS. GRABEL: Thank you. 24 MR. BRYNER: Could I ask that maybe we take maybe a five-minute recess so that we can call the van 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 company?

2 CHMN STAFFORD: That'll be acceptable. We stand 3 in recess. Thank you. (Recess from 3:49 p.m. to 4:03 p.m.) 4 5 CHMN STAFFORD: Let's go back on the record. 6 Mr. Bryner, I believe you have some good news for us. MR. BRYNER: Yes, Mr. Chairman. 7 8 Mr. Ortiz y Pino was able to work his magic and get the 9 vans switched over to tomorrow. So we will be ready for 10 a tour on Tuesday morning. 11 CHMN STAFFORD: Excellent. Nine o'clock; 12 correct? MR. BRYNER: Nine o'clock. We'll have the vans 13 14 here at 8:30, and we can be ready to leave at nine o'clock. 15 16 MS. GRABEL: And, based on conversations with 17 various Committee members, what I think we want to do is 18 we'll drive through stops 1, 2, 3, but we won't actually 19 stop so that you can see the various areas that are 20 impacted. 21 Our court reporter has agreed to allow 22 Mr. Bryner to give you a little bit of a heads-up as to 23 what to look for along these stops before we actually 24 drive there, and then we'll go out and we'll stop at 25 route stops 4 and 5. GLENNIE REPORTING SERVICES, LLC 602.266.6535

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1 CHMN STAFFORD: All right. That works. 2 All right. Please proceed. MS. GRABEL: Mr. Bryner, please proceed with the 3 4 presentation. MR. BRYNER: Actually, I think Mr. Ortiz y Pino 5 6 is going to take it right now. MR. ORTIZ Y Pino: Thank you. 7 All right. So now I'd like to go over the 8 9 public outreach and participation program that we employed for the project. 10 11 The public participation tools listed here were 12 designed to offer interested parties an opportunity to learn more about the project and provide input. 13 14 Newsletters were mailed to all property owners, 15 residents, business owners within a three-mile buffer of 16 the project study area. Newsletters were written to 17 inform the public of upcoming open house meetings, 18 provide information on the project's purpose and need, updated information on route links, required approvals, 19 and project timelines. Each newsletter always concluded 20 21 with the available options to comments on the project. 22 The project web page was designed to be a 23 clearinghouse for all information past and present for 24 the project. The web page includes a brief project description, hyperlinks to interactive maps, comment 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 forms, the latest newsletter and report from comment -2 from public comments received to date.

Additional information was also provided on the web page for common questions regarding electromagnetic waves and the effects of transmission lines on property values. This website and all the information located on it was also made available in Spanish.

The MetroQuest interactive survey was a new tool 8 9 that we used to -- we employed in response to the 10 COVID-19 pandemic and the limitations faced for public 11 outreach. The MetroQuest survey tool helped us get 12 comments specific to the prioritization of evaluation criteria as well as gave people the ability to comment on 13 14 specific links and environmental resources that would 15 otherwise be very difficult to identify in a virtual 16 setting.

17 The survey had relevant project information so 18 that the people were able to take their time and digest 19 the information provided and make comments on their own 20 time. Surveys were open for several weeks after each 21 open house meeting.

Other public engagement tools such as project specific e-mail address and the telephone number to a voicemail box was provided for public to make comments and ask questions.

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1 The online comment form was also used to gather 2 commentary and specific information regarding who 3 provided the comment, how they heard about the project, if they were residents or businessowners within the study 4 area, and important issues that they wanted us to 5 consider when evaluating the project. There was also a 6 section to request additional information about the 7 8 project.

9 Additionally, social media and newspaper 10 advisements were used to notify the public of open houses 11 in the weeks leading up to the meetings. Facebook and 12 Instagram social media posts were provided basic 13 information on the project and a link that would refer 14 back to the project website.

Newspaper ads were a four-inch by four-inch black and white ad buy with a map, the date, time and location of each public meeting.

To ensure we reached as many residents as possible that could be affected by the construction of the project, a three-mile buffer was used to query addresses from the Santa Cruz County Assessor parcel database.

I want to take a moment here to address the comment from Mr. Edwards earlier regarding having access to UNSE customer addresses for billing purposes. To say GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ
1 that that information is strictly confidential, and even 2 within the company we do not have access to that. So 3 that is why we used Pima County Assessor parcel data --4 Santa Cruz County. Apologies. And so this was used to 5 gather information on the addresses.

The initial notification area buffer, which I 6 think I need someone to show in orange, was the dashed 7 8 orange line work comprised of roughly 11,000 that were to 9 be notified. After the first open house meeting in 2020 the study area was revised to include areas south along 10 11 the I-19 corridor, and this area is represented by the 12 solid orange line work as, again, a 3-mile buffer and include approximately 14,000 residents and property 13 14 owners.

15 Although there are no tribal lands within the 16 project's preferred route and alternative sections, the 17 tribal nations listed here have expressed historical 18 connection with the land within the study area. These 19 tribal nations received newsletters informing them of the 20 project, and to date no comments have been received from 21 any tribe.

22 The public engagement effort was designed to 23 offer interested parties an opportunity to learn about 24 the project and provide input throughout the planning 25 process. The first open house meeting was presented 33 GLENNIE REPORTING SERVICES, LLC 602.266.6535 35 www.glennie-reporting.com 94 Phoenix, AZ

1 virtually over zoom and was designed to introduce the 2 project to the public. Presenters gave an overview of the project's purpose and need, potential benefits to the 3 public and described the process to obtain the 4 Certificate of Environmental Compatibility from the 5 Arizona Corporation Commission as well as the special use 6 permits processed for the portion of the line that would 7 8 cross U.S. Forest Service land.

9 During this meeting, presenters specifically 10 sought out input on and comment regarding the project 11 study area, opportunities and constraints, and any 12 concerns the public may have seen.

13 The second virtual public open house meeting was 14 held in May of 2021. This presentation provided a brief 15 overview of the project's purpose and need, potential 16 benefits to the public, and described the state and 17 federal permitting processes that were required to 18 construct the line.

19 The focus of this meeting, however, was on the 20 57 preliminary links that had been developed since the 21 last open house. It was explained that these prelim 22 links could be combined in various ways to form potential 23 routes and which routes would be carried forward into the 24 next phase of the line siting process.

25 We specifically sought input on which routes the GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 public had concerns with or thought were a good idea.

2 The MetroQuest survey was introduced at this 3 meeting as an interactive way to provide focus input on 4 those 57 links.

5 The third public open house was held more than a 6 year later in August of 2022 and was held both virtually 7 and in person right here in this room at the Hotel 8 Americana.

9 This meeting was focused on reintroducing the project as there had been a long time since the last open 10 11 house. We explained that the reason for this was that we 12 learned through an FAA obstruction evaluation and airport airspace analysis that the preliminary links previously 13 14 presented were no longer feasible. There were conflicts 15 with the landing and takeoff procedures at the Nogales 16 International Airport.

17 So at this meeting we introduced 50 new links, 18 all to the north of the airport. These links we believed 19 would not have any conflict with that takeoff and landing 20 procedure.

21 MEMBER HAMWAY: Where is the airport? 22 MR. ORTIZ Y Pino: The airport, let's see, is 23 right here, so you can see kind of that section there. 24 MEMBER HAMWAY: All right. Thank you. 25 MR. ORTIZ Y Pino: You're welcome.

1 The hybrid nature of that meeting require two 2 UNSE teams, one person to grab attendees through 3 materials and answer questions and another online that 4 presented the material over zoom.

5 The fourth public open house was again held in 6 this room. During this meeting, our team discussed 7 preliminary links that were eliminated based on comments 8 that were received since the previous meeting. The focus 9 on that meeting was to further discuss concerns related 10 to preliminary links that we decided to carry forward.

We also sought feedback regarding the potential for a new link through the Coronado National Forest that would avoid to Flux Canyon area residents and instead go up through the Flux Canyon proper that is 1C today.

This new link option was the direct result of conversations between our team and the affected residents in an attempt to reduce the impact on them.

18 The last public open house was held in January of this year and focused on the presentation of the 19 preferred routes and the route alternatives that we had 20 21 identified and would be proposing in the CEC application. In order to analyze the comments received, each 22 23 comment -- skipped it both ways. At the time of 24 preparation of the application, a total of 172 comments were received regarding the project and using the methods 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

I discussed previously. This pie chart describes how 1 2 many comments were received from each outreach method. 3 The online comment form and the paper version of this form that was handed out at public outreach meetings 4 constituted the majority of all comments received. 5 6 All public comments received were entered into a database where areas of interest, concerns, or route 7 8 preferences were tracked for later analysis. This 9 information was used to better understand the concerns of the community regarding the project and incorporate their 10 11 concerns into the plans where possible.

12 It should be noted that the MetroQuest survey 13 counted individual comments from users, thus a single 14 user tracked by their IP address was able to take -- make 15 several comments, and these comments were counted 16 individually for -- in this pie chart. The average 17 number of users per survey round was about 14.

18 In order to analyze the comments received, each 19 comment was classified by a topic. The topics are summarized in this pie chart. The number of comments in 20 21 each topic area are influenced -- influence the weight 22 that was eventually used in the suitability analysis. 23 For example, based on the number of comments received on 24 location what you can read into as proximity to residential areas, the suitability analysis would 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535

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penalize links that were closer to these residential
 areas.

Many of the comments received covered several 3 4 topic areas. For example, one comment received stated that their concern for the, quote, loss of livestock 5 land, destruction of use, detrimental to biodiversed 6 endangered species area, destruction of land, cancer 7 8 risks of transmission lines, lowering of property values, destruction of aesthetics to artists, damage to 9 ecotourism, damage to world-renowned bird sanctuary, and 10 11 loss of dark skies. This comment would have been 12 categorized under the following topic areas: Health, appearance, location, environment, and other. 13

14 The "other" topic of concern category was used as a catchall for comments that didn't fit into one topic 15 16 or another. In this example, destruction of aesthetics 17 to artists and damage to ecotourism would have been 18 classified under the other category. And that is why you see so many within that category because they're quite a 19 few just different topics that didn't fit into a 20 21 category.

This map is a summary of all the points where
comment pins were dropped in the MetroQuest survey. Each
of these pins represent an individual comment, concern,
identification of important resources and links that were
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1 liked.

2 Exhibit J-17 of the application presents three map sets focusing on the individual comment locations and 3 the comment that was received at that location. 4 As you zoom into the area around the Lake 5 6 Patagonia Estates community, which is -- there you are. Thank you. I want to bring your attention to the light 7 8 red dashed lines. These are preliminary links that were eliminated. 9 10 As you can see, we received many concerned 11 comments for links near this residential area. This 12 weighed heavily on our line siting progress and suitability analysis and eventually to the elimination of 13 14 these links from further consideration. 15 With the aerial base map you can see that homes 16 and their proximity to these eliminated links and the 17 proposed alternatives. Despite eliminating links closer 18 to these residential areas, UNSE received a citizen objection petition letter from the Lake Patagonia Estates 19 20 community and the surrounding properties outlining their 21 concerns related to the process, purpose, and need for the project. 22 23 On January 20, 2023, representatives from the

24 UNSE team met with members of the homeowners Committee at 25 the Wild Horse Restaurant in the town of Patagonia to 3 GLENNIE REPORTING SERVICES, LLC 602.266.6535 3 www.glennie-reporting.com 9 Phoenix, AZ 1 discuss this letter and respond to their concerns.

Although the meeting had an outlined agenda to cover the stated concerns from the petition letter, meeting took on a less formal format where the team responded to questions directly from the attendees. The meeting was productive and focused primarily on the purpose and need for the project.

8 Topics that were not addressed due to time 9 constraints were mostly related to process and the 10 analysis of the impacts to the environment. On 11 January 23, a second letter from the Committee of 12 homeowners was received outlining additional questions 13 and concerns described in the January 23 letter.

14 This document -- in response UNSE issued a 15 written statement responding to each of their questions 16 and concerns described in that January 23 letter. This 17 document provided a compilation of all public outreach 18 and comments received on the project, the project siting 19 study, the biological evaluation, and the culture 20 resources assessment and underground analysis.

21 BY MS. GRABEL:

Q. Mr. Ortiz y Pino, before you move forward, you've just discussed the response that we provided to the Lake Patagonia Homeowners Association in response to their letter to us; correct?

1 Α. (Mr. Ortiz y Pino) That is correct. 2 Q. Is that response contained in Exhibit UNSE-15B? (Mr. Ortiz y Pino) 3 Α. It is. 4 And Exhibit UNSE-15B does not include the Q. attachments that we also provided in response to the 5 6 homeowner's questions; is that correct? (Mr. Ortiz y Pino) That is correct. 7 Α. 8 And is that because in total with the 0. 9 attachments our response was over 1,000 pages? 10 (Mr. Ortiz y Pino) That is also correct. Α. 11 Did we also invite the residents in this area to 0. 12 take a tour to understand exactly where the line would be relative to the project and how they would be impacted? 13 14 (Mr. Ortiz Y Pino) That is correct. At that Α. 15 meeting at the Wild Horse Restaurant in Patagonia we 16 offered a tour to all the attendees. We were taken up on 17 that tour by two of the attendees in the Flux Canyon 18 neighborhood region. We met with them in the field and toured the proposed 1C section. 19 What was the reaction of the individuals who 20 Q. 21 took the tour? 22 Α. (Mr. Ortiz y Pino) I believe they were pretty 23 pleased with the fact that we had taken their input and 24 consideration and proposed a new route that had buffered 25 the line from their properties.

1 Q. Thank you. Please continue.

2 Α. (Mr. Ortiz y Pino) All right. So three separate virtual stakeholder meetings were held between 3 August of 2022 and January of 2023. The list shown here 4 is a representative list of attendees. However, I want 5 6 to note that also in attendance were representatives from the U.S. Forest Service and elected officials from the 7 8 Patagonia mayor and council as well as mayor and council from the City of Nogales. 9

10 In total, 65 stakeholders were invited to each 11 of the three meetings. During this meeting, UNSE 12 representatives described the project, explained the 13 purpose and need for the project and the environmental 14 citing process.

15 At each meeting stakeholders were asked for 16 suggestions, opinions, and concerns regarding the 17 project.

Minimal stakeholder questions and comments were received. At the first -- the comments you see here were received at the first meeting, and they are summarized. At the second and third stakeholder meetings no comments or questions were received.

23 MS. GRABEL: And that ends our panel No. 1. 24 Would you like us to continue with panel No. 2 25 for the next 30 minutes?

1 CHMN STAFFORD: Yes, please. 2 MS. GRABEL: Okay. Great. Thank you. Well, at this point, then, I think it's 3 appropriate to introduce and swear in Mr. Brian 4 Lindenlaub. 5 6 MEMBER LITTLE: Ms. Grabel. MS. GRABEL: Yes. 7 MEMBER LITTLE: I do have a guestion of 8 9 Mr. Ortiz y Pino. 10 MS. GRABEL: Of course. 11 MEMBER LITTLE: In the application, you 12 referenced a couple of articles that were published in the Nogales International. I guess that's a magazine or 13 a newspaper. And I'm just wondering what in general 14 those articles -- it looked like they were contrary to 15 16 the line what in general those articles said. 17 MR. ORTIZ Y PINO: So, in general, I feel like 18 they were a honest representation of the meetings that we had. They voiced the concerns of the people. 19 The journalist interviewed Mr. Clark Bryner as well as other 20 21 residents who were in attendance that day. I cannot exactly recall the specifics. 22 23 Can you help me on that? 24 MR. BRYNER: If I recollect correctly, I think there were two articles that were published. I believe 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 one was -- had the headline, "Can't you find some other 2 way?" Something like that. To that effect. And that 3 was primarily with respect to the Flux Canyon area, I believe, is what the reference was there. At the time we 4 did not have alternative 1C. We only had alternative 2C 5 6 through that area. So it was -- it affected the residents directly in that area, and they were asking for 7 8 another option. 9 At the time there were a lot of routes going 10 through the Lake Patagonia area that were still being 11 considered, and I believe the biggest comments that we 12 were getting at the time were with respect to can you place the line underground. 13 14 I don't remember the details beyond that in 15 those articles. 16 MEMBER LITTLE: That's fine. Thank you. 17 MR. BRYNER: Yeah. 18 MEMBER LITTLE: That just gives me a -- I didn't have time to look them up, and that gives me a general 19 20 idea. Thank you. 21 CHMN STAFFORD: Mr. Lindenlaub, would you prefer an oath or affirmation? 22 23 MR. LINDENLAUB: Affirmation, if you please. 24 (Brian Lindenlaub was duly sworn by the 25 Chairman.) GLENNIE REPORTING SERVICES, LLC 602.266.6535

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1 CHMN STAFFORD: Mr. Bryner and Mr. Ortiz y Pino, 2 you've already been sworn, so you're still under oath. 3 4 CLARK BRYNER and CHRIS ORTIZ Y PINO and BRIAN LINDENLAUB, called as witnesses as a panel on behalf of the 5 6 Applicant, having been affirmed by the Chairman to speak the truth and nothing but the truth, was examined and 7 8 testified as follows: 9 10 DIRECT EXAMINATION 11 BY MS. GRABEL: 12 Mr. Lindenlaub, will you please state your name 0. 13 and business address for the record. 14 (Mr. Lindenlaub) Brian Lindenlaub, 4001 East Α. 15 Paradise Falls Drive, Tucson. 16 By whom are employed and in what capacity? Q. 17 Α. (Mr. Lindenlaub) WestLand Resources. I'm the 18 vice president of environmental resources. 19 And what is your role in this matter? Q. (Mr. Lindenlaub) WestLand provided a biological 20 Α. 21 evaluation and an archaeological records review to support the development of the application. 22 23 Thank you. And you'll go over a slide 0. 24 containing your experience and qualifications; correct? (Mr. Lindenlaub) That's correct. 25 Α. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 ο. So you have before you a book of exhibits. You 2 should. Will you please turn to UNSE-13, which is the testimony summary of Brian Lindenlaub. 3 (Mr. Lindenlaub) I'm there. 4 Α. 5 0. Have you seen this document before? I have. Α. 6 Was it prepared by you or under your direction 7 0. 8 and control? 9 Α. (Mr. Lindenlaub) Yes, it was. Does this document accurately summarize the 10 Q. 11 testimony that you will present to the Committee today? 12 Α. (Mr. Lindenlaub) Yes, it does. Let's go ahead and begin the presentation of 13 Q. 14 panel No. 2, and I believe that's with you, Lindenlaub? 15 Α. (Mr. Lindenlaub) Yes. Just briefly on my 16 experience, I've been an environmental consultant for 17 29 years, 25 years with the current company. BS degrees 18 in geological engineering and fisheries and wildlife. 19 My experience includes guite a bit of the 20 federal environmental permitting process, the alphabet 21 soup, if you will, as well as state and local permitting. 22 And as indicated previously, we supported the preparation 23 of the biological and culture resources aspects of 24 application. 25 Thank you. Q.

1 Mr. Bryner, are you next? 2 Α. (Mr. Bryner) I believe so. So the efforts to plan and site this project have gone on for almost three 3 years. So to help make sense of everything I want to 4 take you on kind of a quick time lapse of the process 5 that we went through to arrive at the final proposed 6 routes that are in our application today. 7 8 And along the way I want to point out how public and stakeholder comment has along the way along with the 9 10 assessment of the environmental resources and the various 11 land uses going on in the area have really shaped the 12 development of the alternatives throughout that process. 13 And I know Mr. Edwards stated that he felt like 14 the public process didn't or was not considered 15 adequately in the development of the line -- or the 16 routes that were ultimately included in the application, 17 and I'm hopeful that as I go through it will answer his questions more thoroughly for him as well as for you on 18 19 the Committee. The siting process was that we followed had five 20 21 basic phases. Each of those phases either included 22 direct outreach to the public and stakeholders or 23 incorporated past feedback as part of the analysis. 24 The first phase of the process was the pre-analysis. So this was a very iterative phase of the 25

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project. It consisted of three main elements, and it occurred over the longest period of time. It began in 2020, and it extended through August of 2002 with the ultimate outcome of this phase being high-level links could conceptually be combined in order to form a complete transmission line route from the planned Rio Rico switchyard to the planned Harshaw Substation.

8 The first element of the pre-analysis included 9 finding a study area. We then identified opportunities 10 for constructing a transmission line such as existing 11 linear features, and we also looked for various 12 constraints such as dense residential areas or extreme 13 terrain.

14 I think this is another area where maybe I can 15 address one of Mr. Edwards' concerns that he brought up 16 with respect to the consideration that the project team 17 had on the -- he mentioned the Nash property and the Arizona Land and Water Trust. 18 So that's the conservation easement if you recall that jog where we deviated from 19 20 the existing gas line on the national forest, so right there that was so that we could avoid that conservation 21 22 easement. And so that would have been one of those 23 constraints that we were looking for, and those are 24 pointed out on here.

25 Another constraint that we had -- and I don't GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ think I can use this one to point out, but -- and I can't see the number, but it's that large red oblong area. So that is the Patagonia Mountains themselves and the various topographic constraints of those presented but also the land use constraints that presented because of the Forest Service plan.

7 Now, the route that Mr. Edwards referred to 8 along Duquesne Road, I'm going to point it out on this 9 map on the right screen. So Duquesne Road is this gray 10 road right here coming up along here, and then it would 11 enter the project through Harshaw Road.

So that was an area where, yes, we received a letter from the Forest stating that they preferred we not go that route, rather that we use a route up near Flux Canyon utilizing the existing distribution line corridor so that we could collocate those disturbances.

17 And so I'd like to say that in the same way that 18 we tried to accommodate the Nash property and the conservation easement that they had that laid out the 19 management objectives of that land, we provided the same 20 21 deference on the Forest Service so that we could 22 accommodate the management objectives that they have on 23 their land. So I just wanted to point that out and kind 24 of how that plays -- plays into this first phase of the project with those opportunities and constraints. 25

1 Then the next part was identifying the criteria 2 by which any potential transmission line routes would be 3 evaluated. And as you'll recall from Mr. Ortiz y Pino's 4 testimony, we revised the study area.

5 So this was a very iterative process, and as a 6 result we thought there were different opportunities and 7 things, and we said, Hey, it's time to change this. 8 We've learned -- we've learned of new circumstances, and 9 so we revised the study area to incorporate new 10 opportunities that were further south in the study area.

11 So also in this first phase it was imperative to 12 learn about the study area from those who know it best. 13 So we feel like those who know it best are -- are the 14 folks who live here. And so we had three separate 15 outreach efforts to members of the public both within the 16 study area and the surrounding areas.

And as we learned from Mr. Ortiz y Pino's testimony, each outreach effort included an informational newsletter, website updates, open house, and several ways to provide comments and feedback.

21 And then beyond learning about the area from the 22 public and stakeholders the internal UNSE project needed 23 to gain firsthand familiarity with the study area,

24 including the character and feel of the area, its

25 geography, the existing land uses.

1 Additionally, it was important to ground truth 2 and validate any of the opportunities and constraints that we'd either identified on maps or that had been 3 pointed out to us by members of the public. 4 In addition to that, we wanted to ground truth 5 any -- any links that had been identified so that we 6 could make sure that they were truly viable. 7 So finally after more than two years of work and 8 several iterations of the project phase preliminary 9 10 transmission line links were identified and shared with 11 the public stakeholders in August of 2002. 12 Now, looking at this map, I have it blown up on 13 the right screen, you'll notice all these kind of 14 grayed-out routes. Those were all eliminated. And that was in short that -- was due to height limitations as a 15 16 result of the Nogales International Airport. And I know 17 it's been mentioned a little bit, but Mr. Ortiz y Pino will testify to that a little bit further in greater 18 19 detail in a few minutes or possibly tomorrow. 20 So from here we move to phase 2. This phase did 21 not directly include public or stakeholder outreach. 22 Rather, it was a data gathering effort. The project team 23 gathered land use data construction, environmental data, 24 construction data, as well as a compilation of all of the various comments and concerns that we had received 25

1 through public outreach efforts up to this point in the 2 project.

The project team then took all that data into phase 3, which was our suitability assessment, using GIS or Geographic Information Systems. All the data that was collected was mapped spatially and suitability criteria models were created. The criteria models generally reflected each of the siting factors that are considered by this Committee.

10 One of the criteria models that was created 11 reflected the aggregate of all of the public and 12 stakeholder comments that had been received on the 13 project up to that point. At least all of those that 14 could be represented spatially.

15 And this included comments from the Lake 16 Patagonia Ranch area regarding specific resources or 17 specific land uses, view sheds, as well as any of the 18 links that we had on the table at that time that were 19 either less desirable or that were favored.

And each of these criteria models were then combined and weighted to create several composite suitability models through which the preliminary links could be assessed based on which model best represented the assessor's priorities.

So four composite suitability models were GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

25

1 created, each weighting the various criteria according to 2 priority. There was a balanced model with all the criteria weighted equally, so each of those seven models 3 were weighted the same. There was a constructability 4 model where the ability to construct and maintain the 5 6 line was given a greater weight or a greater importance. And there was an environmental model in which the 7 8 biological, cultural and environmental resources were 9 given a disproportionate weight. And, lastly, there was a public and stakeholder preferred model, which is the 10 11 model that I had blown up and shown on the screen which 12 weighted each of the criteria in accordance with the 13 comments and feedback we'd received on the project up to 14 this point.

Now, the colors on these maps are illustrated with a gradient from green to red with the darker green colors representing a higher degree of suitability and the darker red colors representing a lower degree of suitability.

20 You'll notice the red, orange, and yellow colors 21 on this public preferred composite map are generally in 22 the vicinity of the residential areas. I don't know if 23 you can point those out. Right there and then up in the 24 Lake Patagonia area you've got quite a bit of yellow as 25 well and then up in the Flux Canyon area.

And I know that was another thing that 1 2 Mr. Edwards commented on was he felt that public comment didn't weigh in to the way we filtered or removed 3 potential links from consideration, and that simply was 4 not the case. All the public comments that we received 5 were incorporated into -- this is our first filter of 6 possibly routes, and that comment went directly into how 7 8 we decided on which routes would be eliminated and which 9 routes would move forward in the siting study, and that's 10 shown on this map.

11 So the results of that suitability assessment 12 provided the rationale for the elimination of a number of 13 links that when compared with other alternative links in 14 the same area were deemed to be less suitable. And this included a number of links that either through or --15 16 either went through or were in the vicinity of the Lake 17 Patagonia Ranch area. If I can point out those, so all of the red dashed lines were links that were eliminated 18 19 after that suitability assessment.

20 And so these ones are all up in the Lake 21 Patagonia Ranch area. You've got some going further 22 north and some others in the Flux Canyon area as well. 23 These routes further south, these were those 24 ones that were eliminated before -- before the 25 suitability analysis as a result of those height

1 limitations.

2	And so we went forward with a smaller set of
3	refined links that we shared with the public and
4	stakeholders, and this happened in November of 2022. We
5	felt like we received great feedback from this outreach
6	effort, including a desire to make a slight modification
7	to the links that were located just west of State Route
8	82. And I can show you where it's kind of in not
9	getting my little cursor to pop up. But it's in the
10	center of that highlighted area right there. And so that
11	was done, as I mentioned, during the virtual tour to
12	minimize the visual impact and proximity to residences.
13	And then we also made the addition of we
14	asked the public if we should include a second route that
15	didn't affect the private land in this area, that stayed
16	on the Forest Service property, and we received positive
17	feedback to that as well that the public would really
18	like to see an alternative route in that area.
10	Co og o mogult of that INICE want out in the

19 So as a result of that UNSE went out in the 20 field and reviewed -- reviewed the route that the public 21 had drawn down in the Lake Patagonia area as well as 22 these routes up through Flux Canyon to make sure they 23 were feasible.

24 We also met with the Forest Service and 25 discussed that route across the Forest Service, and we 33 GLENNIE REPORTING SERVICES, LLC 602.266.6535 35 www.glennie-reporting.com Phoenix, AZ 1 determined that these routes were suitable. They were 2 feasible. And in some cases when accessed with our 3 suitability models they fared even better than the 4 original links that we had.

5 So UNSE then took the refined links including 6 those recent modifications near State Route 82 and Flux 7 Canyon, and we evaluated them one by one with respect to 8 their compatibility with the factors that this Committee 9 as well as the Corporation Commission considers when 10 making a decision to issue a Certificate of Environmental 11 Compatibility.

As part of this evaluation, UniSource included any feedback that we received from the public and stakeholders, and we included that as evaluated Factor No. 9, which is any additional factors.

16 So, again, this was a second filtration effort 17 where the public comment directly played into the routes 18 that were going to be eliminated.

19 So this evaluation of compatibility resulted in the removal of several additional transmission line links 20 21 that when compared with other alternative links in the 22 vicinity were deemed to be less compatible. It also resulted in the identification of what we considered our 23 24 preferred route between the Rio Rico switchyard and the Harshaw Substation and several alternative sections that 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535

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we would include, and that's what we have in our
 application today.

3 So we're now in the final siting phase of the 4 project, which we title our concept evaluation. So UNSE 5 shared the results of the siting effort in the form of a 6 final proposed routes, including the preferred 7 transmission line route in both stakeholder and open 8 house meetings in January of this year.

9 And there we essentially asked the stakeholders 10 and the members of the public if the results that we had 11 addressed the feedback that we had received to date. So 12 we had specific meetings in addition to that, as 13 Mr. Ortiz y Pino shared at the request of members of the 14 public.

We met with the Patagonia Lake residential community and others. And further, as part of the concept evaluation process, we made our submittal of our application, and I feel that this hearing is also part of this concept evaluation.

20 Another part of this concept evaluation or a --21 some of the feedback we received during this concept 22 evaluation was the absence of two conceptual routes from 23 consideration. So, as we heard from Mr. Edwards, was the 24 thoughts of a route along Duquesne road. There was another route that had been mentioned along through 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

Soldier Basin. So I wanted to share a little bit of
 detail on each of those routes.

3 On the right-hand screen in concept a route 4 through Soldier -- or through Duquesne -- or along Duquesne Road would start off at the Rio Rico switchyard, 5 follow Pendleton Drive down in the same way that our 6 preferred route does today, but rather than turning east 7 8 at Calabasas Park would continue south along River Road. 9 And then along Duquesne Road I will note there are several residential communities in this area and then 10 11 enter the Coronado National Forest, follow Duquesne Road 12 East, and then turn north on Harshaw Road and up to the 13 Hermosa project site. So --

14 CHMN STAFFORD: How long is the Duquesne route? 15 MR. BRYNER: It is about 30 miles long. And 16 just to put that in context with our preferred route, our 17 preferred route is 17 miles long. If you added up all of 18 the longest alternative sections, it would be just under 19 20 miles.

20 CHMN STAFFORD: Okay. Thank you.

21 MR. BRYNER: So a route along Duquesne Road was 22 dismissed from the outset of the project as a result of a 23 letter that was sent by Coronado National Forest stating 24 a preference that any new line be colocated within an 25 existing utility corridor and sited the 13.2 kV

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1 distribution line in Flux Canyon.

So, as I mentioned before, UNSE tries to work with all landowners to identify the best site when we're crossing their property, and we don't treat the forest any differently. They're essentially a large federal landowner. And so we tried to be deferential to their statement and did not include a route along Duquesne Road in the siting study.

9 That said, since it was brought up as a possible omission of a good route, UNSE felt that it would be 10 11 prudent to explore and evaluate this route further. So I 12 already went through what this route would look like in concept, but we also did a field visit of this route, and 13 14 evaluated it using the same filtering criteria that we 15 used for all the other routes, so being that suitability 16 assessment and the compatibility analysis.

17 The field visit found that a line could be 18 constructed, but it would pass through several miles of dense riparian vegetation and some very rugged terrain. 19 This would result in an increased ground disturbance and 20 21 possible impacts to protected plant and wildlife species. 22 The route was found to be of a lower suitability 23 than the preferred route as well as less compatible. 24 Some of the specific areas of concern I had mentioned on the left screen, but they include impacts to critical 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535

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habitat and special status species, impacts to historic
 and cultural sites.

And with respect to public comment this route would not have fared well because potential impacts to biological factors were one of the most common concerns that was raised by the public.

So moving on to Soldier Basin. Soldier Basin is 7 8 just that. It's basically a basin or a low-lying area 9 through the Patagonia Mountains. Let me kind of 10 illustrate where that route would go on this right map. 11 So it would follow that same route that I described for 12 Duquesne Road, but once it entered the Forest Service, 13 instead of following Duquesne Road it would veer to the 14 northeast and come through Soldier Basin, which is more 15 or less in this area, and then drop over to Harshaw Road 16 and up to the mine site.

And for some reason -- I'm just trying to answer your question in advance, Mr. Chairman -- this route was 23 miles, I believe, in length, but I might have to verify that. It is longer, but not substantially longer.

21 So Soldier Basin was actually identified by 22 members of the public in August of 2022. Some of the 23 members in Flux Canyon as well as other members of the 24 public identified it. And as a result UNSE reviewed the 25 route both in the field as well as through desktop 35 GLENNIE REPORTING SERVICES, LLC 602.266.6535 36 WWW.glennie-reporting.com 96 Phoenix, AZ

1 analysis, and the route actually looked pretty good.

2 It looked pretty good from a construction standpoint, but it still has all those same concerns as 3 4 the Duquesne Road route with one additional concern. It crosses over -- directly over the Patagonia Mountains, 5 and the land use zoned for the Coronado National Forest 6 is what they call wild backcountry in that area, and it 7 8 doesn't allow for utilities. And so at the time it was 9 brought up, we didn't include it as an option because it 10 wasn't deemed to be viable because of that existing land 11 use.

12 MEMBER LITTLE: Mr. Bryner.

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13 MR. BRYNER: Yes.

MEMBER LITTLE: If the preferred route in Section C is selected, what happens if the Forest Service does not grant the special use permit consistent with what they told you on the other routes that that's not following existing utility corridors.

19 MR. BRYNER: Yeah, thank you, Member Little. So it is a different land use zone, and I know 20 21 Mr. Ortiz y Pino will testify to this later, but it's 22 called roaded backcountry in that area, which does allow 23 for utility uses under certain circumstances, whereas 24 this wild backcountry does not. But, yes, that is a risk that we will not get a special use permit from the Forest 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535

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1 for that route. And if that's the case, we'll likely be 2 back here before you again. 3 MEMBER LITTLE: Thank you. 4 BY MS. GRABEL: Mr. Bryner, I have a follow-up question for you. 5 0. So just to underscore what I understand you said is that 6 the Duquesne Road option and the Soldier Basin route were 7 8 not additionally considered in the suitability 9 assessment; is that correct? 10 (Mr. Bryner) That is correct. Α. 11 But after hearing the concerns of the residents 0. 12 in the Flux Canyon and Lake Patagonia area, UNSE went out and conducted the same suitability analysis that would 13 14 have been conducted had it been included the first time; 15 is that correct? 16 (Mr. Bryner) Yes. Α. 17 And the results, would that they would have been Q. 18 terminated back at phase 3? (Mr. Bryner) That is correct. Neither one of 19 Α. 20 those routes would have been made it through that 21 filtering criteria of phase 3. 22 MS. GRABEL: Okay. Thank you. Please continue. 23 MEMBER LITTLE: Mr. Bryner, I do have one other question. You mentioned something called ground truthing 24 in the application, and I'm just curious what does that 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 mean?

2 MR. BRYNER: That's funny. Ms. Grabel asked the 3 same question. So ground truthing --4 MEMBER LITTLE: Great minds. MR. BRYNER: -- it must be a planning term. 5 6 It's basically you can look at things on a map, in a picture, and that's all well and good. Ground truthing 7 8 is going out on the ground and verifying that what you're seeing there is actually what exists. It's what you're 9 going to do tomorrow in the field. 10 11 MEMBER LITTLE: Thanks. 12 MR. BRYNER: So we expect and hope that the 13 results of this hearing and the subsequent approval of a 14 CEC by the Corporation Commission will conclude our state 15 required siting process, but as was mentioned just now by 16 Member Little, in addition to the CEC since all the 17 routes cross land under federal jurisdiction, we do need 18 approval from the United States Forest Service for those portions of the project. 19 20 As of right now the Forest Service has accepted 21 UNSE's application for a special use permit. The next 22 step is for the Forest to initiate the process for 23 compliance with the National Environmental Policy Act or 24 NEPA prior to issuing a permit. So acceptance of that application is not acceptance of our route. It's just 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 means they're ready to move forward and begin that 2 process.

CHMN STAFFORD: And what's the time frame for 3 4 the NEPA process?

MR. BRYNER: The Forest Service has stated that 5 6 they will move on that beginning in Q4 of this year. They're short on resources. 7

8 CHMN STAFFORD: And when would they expect to 9 have a decision?

10 MR. BRYNER: They have not stated a timeline. Τ 11 would actually refer to Mr. Lindenlaub on his experience 12 on timeline for processing those and when he thinks it 13 might be.

14 MR. LINDENLAUB: The expectation is that the NEPA evaluation will be done under an environmental 15 16 assessment, which is the mid-level NEPA review. Ι 17 hesitate to speculate on what the length of time that 18 would be. It could be a year. It could be two years depending on what issues the Forest gets into when they 19 do their evaluation. 20

CHMN STAFFORD: All right. Thank you. 22 MR. LINDENLAUB: And I guess I will say that the 23 Forest will continue to be hesitant to give a timeline on 24 what that NEPA review will take.

21

25 CHMN STAFFORD: Right. And, I guess, as part of GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 that process they could came back and say you need to do
2 a different route, couldn't they?

3 MR. BRYNER: So as part of the NEPA evaluation 4 they do consider alternatives. And so we provided them 5 with our -- you know, at the time our preferred route 6 when we made our application was Route 2C. Sorry, I had 7 to make sure I got the numbering right. Now our 8 preferred route is Route 1C.

9 We've communicated that to the Forest Service 10 and amended our application to that effect. We expect 11 that both of those will be included as alternatives in 12 the assessment.

13 There is no requirement necessarily for spatial 14 alternatives. It can be different technologies, 15 different pole colors, different things like that, that 16 are looked at.

But, yes, there is a risk that a different alternative would be selected. Though, I would say it would be more likely, and this is speculative, that they would deny our permit rather than put on a different route that we didn't apply for.

22 CHMN STAFFORD: All right. Thank you.
23 MS. GRABEL: Are we moving on to the next slide?
24 CHMN STAFFORD: We are getting close to
25 five o'clock, and we have -- are you at a good stopping
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1 point now, or do you have one more slide to squeeze in in 2 the next five minutes? MR. BRYNER: I think this is probably a good 3 4 transition point. 5 MS. GRABEL: I agree. CHMN STAFFORD: All right. So if we can recess 6 this meeting, and then come back at 5:30 for the public 7 8 comment session, which will be a separate Zoom meeting; 9 correct? 10 All right. Well, then we are in recess. 11 (Recess from 4:55 p.m. to 5:38 p.m.) 12 CHMN STAFFORD: Let's go on the record. Now is 13 the time set for public comment on line siting case 218. 14 If you signed in, I will call your name and you may come 15 to the podium. We do have Spanish interpreters available 16 if necessary. If you need one, please let us know. 17 Up first is Vanessa Register. I'm sorry if I 18 mispronounce your name. 19 A VOICE: Register. MS. HILL: Mr. Chair? Mr. Chair? 20 21 CHMN STAFFORD: Yes. 22 MS. HILL: I'm sorry, could we just have the 23 interpreter announce that she's present in case there is anyone online who is solely a Spanish speaker? 24 25 CHMN STAFFORD: Certainly. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 MS. HILL: Okay. Thank you. And I can't see 2 her so --3 THE INTERPRETER: Should I go on? MS. HILL: Yes. 4 5 (Interpreter speaks.) 6 MS. HILL: Thank you. And Madam Interpreter, could you just ask if there if anyone present in the room 7 8 who would like the comments to be interpreted for them. 9 (Interpreter speaks.) 10 MS. HILL: All right. We don't see any hands, 11 Madam Interpreter, and I don't know if there are people 12 present online or not. Thank you for standing by. 13 THE INTERPRETER: Thank you. 14 MS. HILL: Thank you, Mr. Chair. 15 CHMN STAFFORD: All right. First we have 16 Vanessa Register. 17 MS. REGISTER: Where would you like me. 18 CHMN STAFFORD: At the podium there with the microphone, please. 19 20 MS. REGISTER: Over here? 21 MS. MILLS: No, over there. 22 CHMN STAFFORD: The podium with the microphone. 23 There you go, you're almost there. 24 Could you please spell your last name for the 25 record? GLENNIE REPORTING SERVICES, LLC 602.266.6535

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1 MS. REGISTER: Yes, my name is Vanessa Register, 2 R-e-g-i-s-t-e-r. Good evening, Chairman O'Connor and Commissioners. I am Vanessa Register. I am a homeowner 3 with the Lake Patagonia Ranch area. I'm also the 4 president of Lake Patagonia Ranch Association A. 5 And we would like to say that Route 2-A is very 6 close to our homes. We have new homes since the 2016 7 8 virtual tour with the pictures that were provided. 9 And we would like you to consider that when you do your -- when you do your tour. We have new homes 10 11 being built, wells being dug, and some of these people 12 didn't even know this was coming through. To that, I'd 13 like to address that point. 14 I attended the first meeting via Zoom in 2020. 15 I heard about it through Para. My home is in the study I was not notified. I asked how do we come on the 16 area. 17 list. I filled out the comment section like they asked me to with the instructions during Zoom. I still was not 18 19 on the list. I have worked with Chris Ortiz and he got me on the list. Our lake association wrote a letter 20 21 asking to be on the list. We received no correspondence. 22 After reading the UniSource application, I would 23 like you to consider the cost to the UniSource customers. 24 We lose 20 percent of our property values. We lose an 25 ecotourism.

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After a question I addressed on a bird page, I received a man from -- a report from a man who's from Holland, said the beauty of Arizona lies in its almost unspoiled landscape. Looking at your country, I think you have a Rembrandt in your hands and I would be very careful with it.

7 I asked you are we being careful with it. We
8 lose our safety to the risk of fire. UniSource website
9 says most UniSource electric service territory, urban
10 areas are unforested desert landscape.

In Nogales, however, UniSource crews perform
targeted visual inspections twice a year at the
transmissions line facility in the forested areas.

14 138 kV transmission facilities are patrolled by 15 helicopter twice per year acknowledging the high risk of 16 fire. We had a fire in the Lake Patagonia caused by 17 transmission lines.

We had three fire agencies out there. The fire marshal determined it was caused by the fire line. The problem with that line was reported to UniSource before the fire happened. The owner of the property is coming and he will speak to it.

When I add up the public comments, fire concerns were number two. What was the number one? Why aren't we burying the power lines? Burying the power lines

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protects our ecotourism, home values, and reduces the
 risk of fire. We know this area is a high fire.

3 UNSFS Sierra Vista office, Coronado National 4 Forest requested that UNS investigate burying the lines 5 in August of 2022.

The BLM has issued a new policy to reduce fire 6 risk around the power lines on public lands. 7 Evervone 8 agrees that the risk from power -- the fire risk from 9 power lines, what criteria should we use in analyzing the cost versus the benefit to undergrounding the power lines 10 11 when defining the value of undergrounding we use 12 reliability and resiliency, measures by which the total time of restoration, the total value of undergrounding 13 14 over the life of the asset.

The data included uses capital cost, reduced operations and maintenance and the costs from -- lost from local GDP because of ecotourism. What is the cost of the fire?

Arizona Ad Hoc Committee, January 2023 statement is as follows: They evaluated what changes needed to be made to the law and regulations in our state when managing wildfires.

David Cook, the Chairman of the Committee said
they looked at how much it truly cost after a fire is
out. The Schultz fire in the first three years cost the
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1 state and local communities \$240 million.

2 The post-fire conditions result in poor 3 recovery. Coconino County receives 1 billion in 4 protection for watershed flooding damage because of the 5 fires.

6 Coconino County asked FEMA for \$30 million in
7 flood grants. I added it up. 1,270,000,000, is way less
8 than UniSource's cost that they presented to you.

9 Arizona House issued a final report on wildfire 10 impact, including federal experts, Melanie Colavito of 11 the Ecological Restoration Institute at NAM said, 12 "Proactive treatments do save substantial amounts of 13 money."

"When undergrounding the costs are higher. And they are in areas where" -- "When undergrounding and the costs are higher, what they're doing in certain areas is hardening it in certain areas. Those areas include where the area -- wild areas meet residentials, where they have canyons, and where we have high winds." We have all three of those.

A quote from The Underground, "It pays to bury power lines." From FEMA, "In light of the frequent storms, burying the power line to be a good investment. Installing the underground lines costs more money initially than the overhead, but the underground lines GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 are less prone to damage and disruptions."

2	Grants can be obtained through FEMA through the
3	Hazard Mitigation Grant Program that provides funds for
4	long-term measures that reduce the risk of future fires.
5	UniSource states that, "The cost would be four
6	to eight Times greater. What is the cost for not
7	undergrounding? UniSource has an affirmative obligation
8	to guard against implied restitute for large corporations
9	asserting their needs and seeking the cheapest way to
10	obtain them at the community's expense." That's from
11	their presentation.
12	The cost of fire is too great. The experts
13	agree. Arizona Ad Hoc Committee, the Arizona House of
14	Representatives, the BLM, and the United States Forest
15	Service all agree, the cost is too high. Please make it
16	a condition to underground the power lines, at very least
17	to harden the sensitive areas. Thank you.
18	CHMN STAFFORD: Thank you.
19	Next up we have Kathryn Stoddard, but she's
20	indicated she does not wish to speak.
21	After her is Victor Castro Castro. Victor
22	Castro, I think it is.
23	MR. CASTRO: Castro.
24	CHMN STAFFORD: And please keep your comments to
25	approximately three minutes, three to five.
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1	MR. CASTRO: Good evening. I reside in Lake
2	Patagonia Ranch Estates. The problem I'm having is not
3	with the big power lines you want to put. I've resided
4	there for 13 years. They installed new poles three years
5	ago, started to get a humming noise coming through the
6	lines that penetrate the house and it's a constant hum.
7	I got to turn my TV up to drown the sound out.
8	Nobody else in the neighborhood hears it because where I
9	live there's a wash, and nobody lives down in that area,
10	probably closest house is a thousand yards.
11	But there's a pole from the road up that runs
12	about 300 yards, which I think the sound is being emitted
13	from. But it's been going on for two and a half years.
14	They've come out, tried to address it, they don't hear
15	it. People I can hear it. It's affected my health.
16	I can't sleep.
17	And this didn't happen until they replaced those
18	poles, they said they didn't change anything. But
19	something changed. I've been there 13 years and it never
20	happened, but now I got that hum. They've been
21	addressing it. Nothing's been done. You know, it used
22	to be peace and quite. Now it's humming and buzzing, and
23	it's really affecting my mental health. I can't sleep.
24	My hours are messed up.

25 And they're addressing it, but I don't know why GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 these guys can't hear it. People come over, they can
2 hear the noise, but like I said, I'm the only one in that
3 area where that pole runs for 300 yards where I believe
4 the sound comes from.

5 But like I said it didn't exist until they 6 changed the poles. And they said they're going to send 7 someone out there, again, this week to readdress it. But 8 I need some help to see what's causing -- I'm afraid that 9 these larger poles could be the same problem for other 10 people that live close to those poles in other areas, not 11 just ours.

So if they can't help me with a small pole, I'm worried about what the effect will be on a larger pole as far as noise and sound. That's it. That's it.

15 CHMN STAFFORD: Thank you.

16 Up next is Chris Werkhoven. I'm sure I'm 17 mispronouncing your names, so please correct me and spell 18 your name. Spell your last name for the record for the 19 court reporter, please.

20 MR. WERKHOVEN: Werkhoven, W-e-r-k-h-o-v-e-n. 21 First name is Chris. I have -- and I am -- I live in 22 Sonoita, homeowner in Sonoita. And familiar with fires. 23 And pollution in the Patagonia Mountains. So I'm very 24 interested in what's going on with -- with the power line 25 because that has repercussions on both aspects.

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I would like to interact in the form of a few
 questions. Not sure to ask to whom in this audience, but
 maybe you find the right way to answer.

First of all, when we talk about the power line,
I only see one number and that is 130-kilovolt, single
circuit. That doesn't tell me anything about the power
that is being transmitted or being asked for.

8 So if somebody can answer the question what the 9 amperage is supposes it's three-phase, then I can 10 calculate or estimate at least what the total power 11 capability is of that line.

And to me that's important because it seems from calculations I did from the operation of plant -- of the mine, that there is large discrepancy by what is being saked for and what is being delivered or made available, at least.

When I look at the operation of plant from 2018, the -- what they call the preliminary economic assessment plan of 2018, I see a number of \$8 million in costs for power, electricity. Against 8 cents a kilowatt hour.

When I do my little calculation average over the year, I arrive at 12 megawatts. When I do an estimate of the power line, I just heard each line is probably 2, and amps, I arrive at almost 10 Times as much.

25 So the question is why is that 10 Times more GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ 1 power delivered than is needed? Somebody can answer that 2 question?

3 CHMN STAFFORD: I'm sorry, the Committee can't 4 answer questions, but you could certainly speak to the 5 applicant after you've made your comments.

6 MR. WERKHOVEN: Okay. Thank you very much. 7 CHMN STAFFORD: They would you be able to 8 provide information of that sort to you.

9 MR. WERKHOVEN: Yes. So the bottom line is I 10 think it is really way overpowered.

To my simple calculations and I am not an electrical engineer, but a chemical engineer, we can do with 25 kilowatts -- kilovolts, sorry -- line and that is probably easy to put it underground.

15 My next point is the line will go up into the 16 mountain area along Flux Canyon. The Patagonia 17 Mountains, according to the United States geological

18 survey, is a mineralized ecosystem.

Which means that any rain or any water, whether it's surface ground or underground, can leach out metals from the minerals that are based out of the rocks,

22 whether surface or not.

Which means that these metals become mobilized,
 stream along the watersheds including Flux Canyon down to
 Sonoita Creek, and from there into the lake and from
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1 there wherever it goes. Maybe even Tucson. 2 These metals have been detected very straightforwardly. Not so straightforwardly in the water 3 because that's very difficult to do to get consistent 4 results out of water measurements. That is not easy but 5 6 mainly out of soil. And when you look at USGS reports going back 7 2003 to 2012, basically, you see a very interesting 8 tendency that metals get mobilized out of these 9 watersheds including Flux Canyon, arrive at Sonoita 10 11 Creek, and get accumulated in the soils around Sonoita 12 Creek. 13 The conclusion of these reports was that after

13 The conclusion of these reports was that after 14 accumulation in the soils they get accumulated in the 15 grasses and the grasses are being consumed by cattle. 16 There the report stops.

17 So what is going to happen when you have a 18 right-of-way along the power line that is probably at 19 least a hundred feet wide where the vegetation needs to 20 be removed to suppress fire? You will get accelerated 21 erosion, accelerated accumulation, and from there you can 22 see what's going to happen in the accumulation in human 23 beings and so on.

24 So I hope that the power company has consulted 25 for instance USGS and came to the conclusion -- to a 33 GLENNIE REPORTING SERVICES, LLC 602.266.6535 34 www.glennie-reporting.com Phoenix, AZ conclusion on how to mitigate that risk because it all
 boils down to protecting human health and the
 environment. That's basically what I wanted to say.
 Thank you for your attention.

5 CHMN STAFFORD: Thank you. Next up we have 6 Shelley Watson.

7 MS. WATSON: Good afternoon, Mr. Chair and 8 Commissioners. Thank you for the opportunity to address 9 you this evening and to provide a brief statement on this 10 very important issue.

11 I am Shelley Watson, I'm with the Southern 12 Arizona Leadership Council. We're a policy-focused organization. We're composed of about 140 senior 13 14 business and community leaders in southern Arizona. And 15 we engage in five main areas, including education, 16 healthcare, governance, innovation, economy and 17 infrastructure. And we view issues through a business 18 lens and we seek to improve economic vibrancy and quality 19 of life for all.

In -- briefly, we see the establishment of the Rio Rico Harshaw transmission line which would directly support the Hermosa project as representing an opportunity to significantly boost both economic vibrancy and quality of life.

25 In addition, clean energy supply chain stability GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

and national security would also be enhanced by this
 project.

I think we can all agree that Arizona has experienced remarkable economic development and job growth over the past decade. But as we can probably also agree that the lion's share of that growth has taken place in Maricopa County.

8 The Hermosa project will create unparalleled 9 economic benefits for Santa Cruz County by providing an 10 initial investment of more than 1.7 billion locally, 11 tax -- an infusion of tax funds, and, you know, creation 12 of 1600-plus jobs that pay on average of two and a half 13 Times the average household income in Santa Cruz County.

14 In short, an increased tax base, capital 15 improvements and the like will have positive ripple 16 effects for many, many generations in this region.

17 And the issues of homelessness and food 18 insecurity and poverty are real in Santa Cruz County, and 19 we have to start finding solutions for our residents to 20 address these very critical issues.

In addition to the economic benefits, there are also notable considerations around green energy and national security. I think most of us will desire a move toward clean renewable Energy Sources, but what we often don't appreciate is that powering of those sources of GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

renewable energy is dependent upon supply chain of
 critical minerals that simply don't exist everywhere.

Manganese and zinc are two such critical minerals, and we know that China is a huge producer of manganese, the manganese metal, and that we're depending upon China for much of that, placing us in a vulnerable position, especially when we have the ability to procure that critical mineral here, and here in southern Arizona.

9 By providing critical minerals the Hermosa 10 project, which will be a net zero greenhouse gas-emitting 11 enterprise, will help proliferate the use of renewable 12 energy here and elsewhere.

13 So in summary SALC urges the approval of this 14 Rio Rico Harshaw transmission line which will directly 15 support the Hermosa project and result in unprecedented 16 local economic development, direct support for the supply 17 chain for creation of green energy, enhance national 18 security by making us less reliant on foreign sources of minerals, and finally, it would increase power 19 reliability for others in the region. 20

21 Thank you for the opportunity to state SASC's 22 position on this.

23 CHMN STAFFORD: Thank you. Next up is Connie24 Messine.

25 MR. MESSINE: We're going to be together, Connie GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 and Michael.

2 CHMN STAFFORD: You're next on the list, so you 3 can go as a team. 4 MS. MESSINE: We're going as a team. 5 MR. MESSINE: We're going as a team. 6 CHMN STAFFORD: I'm not going to be able to double the time, though. 7 8 MS. MESSINE: Oh, absolutely, that's okay. 9 MR. MESSINE: We don't need double the time, we don't need double the time. We've had a great day today, 10 11 my wife and I. We paid the IRS today. And the post 12 office told me that the check would not go to the IRS till Saturday. So that's good. I said, well, I got time 13 14 to cover the check. And then we had a problem with some 15 health charges from our doctor, \$2,044 and we made a 16 phone call today. We're not obligated to that one. 17 MS. MESSINE: That's not our bill. 18 MR. MESSINE: And then we're -- we're building a 19 house in the Lake Patagonia Estates, and we were missing 20 a part to our garage door, which today I made a phone 21 call with the nice vendor, a girl we talked a year ago and she still remembered us. And so she's supplying that 22 23 part for us. 24 Free of charge. MS. MESSINE: 25 MR. MESSINE: Free of charge. And then we sold

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1 our house and it sound likes we're going to close. 2 MS. MESSINE: Yes. MR. MESSINE: So we're excited. And we're 3 4 moving. 5 MS. MESSINE: To Patagonia Estates. 6 MR. MESSINE: That's right. MS. MESSINE: 8 Aqua Court. 7 MR. MESSINE: But we feel that our voices and 8 9 opinions on this project that you have, we haven't been 10 heard. And we're concerned about the environment, our 11 views, our property values, they're all major concerns 12 for us. And all's we proposed is that you use an alternative route or bury the line. And that's it. 13 14 MS. MESSINE: It's never it. 15 MR. MESSINE: Does she get to talk some more, 16 because she would. 17 MS. MESSINE: So we are building a house, and we 18 buried our power lines. Because we thought that was the best thing to do in case of fires. So when we purchased, 19 20 when we found this piece of property in 2020, during 21 COVID, it was just beautiful. And we said we're home. 22 This is -- this is it. 23 We're from Michigan. So we've been working on 24 this project and never, you know, our Realtor which, you know, I'm not happy about because she knew about this 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

whole project, because it's been in the making. We were
 never informed of that.

That would have definitely made us think about this. We have a beautiful piece of property. Beautiful. And I don't want to be looking at power lines. I just don't. And so I think it's really sad that this is our group, and I'm not sure if this is why it came through Patagonia and not so much Rio Rico, because there's not a lot of us. We own almost 10 acres.

10 So I'm from Michigan, like I said, and they do 11 bury lines in Michigan. And our daughter has 22 acres 12 with huge power lines going down, they bought it that 13 way, and it does make a lot of noise.

And I guess that's all I have to say. I'm -we're -- we're just hoping for the best. We worry about health issues down the road. And I thought all this material was being shipped to China. Can somebody enlighten us afterwards. I'd really like to hear that. Thank you.

20 CHMN STAFFORD: Thank you. Next we have Mark 21 Davis, but he has not indicated whether he wants to speak 22 or not.

MR. DAVIS: I'll speak. Just a moment. Adjust
this a little bit. Hi, my name is Mark Davis, spelled
with a K. My last name is spelled D-a-v as in Victor,
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1 I-s.

I represent Arizona Pump and Machine, a small business in Tucson, Arizona. I'm also a member of the board of directors for AMIGOS. AMIGOS represents over 300 Arizona businesses and thousands of jobs focused on the mining and power generation industries.

7 Manganese is a critical metal for the production 8 of modern high-strength steels that we as a society 9 depend on. It's also used in EV batteries, aviation, 10 water treatment and clean energy. South 32's Hermosa 11 mine offers the USA a chance to become much more 12 self-sufficient in manganese, silver and zinc.

Some of the top producers of manganese currently
are as follows: Number 1, South Africa. Number 2,
China. Number 5, Brazil. Number 6, India. Number 9,
Kazakhstan.

Five of the ten top producer nations account for almost two-thirds of worldwide manganese production. When time gets tough -- when Times get tough will they be willing to sell us the manganese we need? Right now, many of them are moving quickly away from even accepting our dollars.

The Hermosa project represents a major step forward for southern Arizona in environmental protection and stewardship. The Hermosa project voluntarily cleaned

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up and continues to clean up two million tons of waste
 from a historic mine at the site, something they were not
 in any way involved in other than cleaning up. Along
 with water flowing from abandoned workings.

5 Hermosa has invested over \$30 million to put a 6 permanent end to a hundred-year-old problem for the 7 people of Santa Cruz County.

8 The Hermosa project represents a huge step 9 forward for southern Arizona in employment. Hundreds of 10 direct and indirect jobs have already been created and 11 thousands more will follow when the mine comes into 12 production.

13 These are not here today, gone tomorrow tourism 14 jobs, but full-time, long-term jobs that can support 15 families and grow communities for generations to come.

16 The company I represent has added millwrights 17 and machinists to support Hermosa, as have many other 18 AMIGO member companies -- AMIGOS member companies.

Full realization of these benefits requires electricity. The current transmission resources in the area are not adequate for the Hermosa project or even reliable service to area residents.

 UniSource is requesting permission to extend an
 existing 138 kilovolt line from Rio Rico to the proposed
 Harshaw Substation. This will provide reliable service
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1 both to the Hermosa project and the area as a whole. 2 In keeping with Hermosa's deep commitment to environmental stewardship, the new transmission line will 3 use monopole structures which minimize the area to be 4 cleared for access roads and foundations. 5 6 Clean water, clean energy, and good jobs all made in America. South32's Hermosa project is already 7 8 delivering on all of these commitments and more. And 9 that's it. 10 CHMN STAFFORD: Thank you. 11 MR. DAVIS: Yep, thank you. 12 CHMN STAFFORD: Next up we have Karen Lewis-Koogler, but she has indicated she does not wish to 13 14 speak. 15 Next up we have Marshall Magruder. MR. MAGRUDER: I have handouts I'd like to see 16 17 if we can pass around to all people. 18 Good evening, Chairman Stafford, Committee 19 members, parties and the public. My name is Marshall 20 Magruder, a USNE resident of Santa Cruz County and a 21 former County and City of Nogales Energy Commissioner for 22 many years. 23 I have participated in numerous electricity and gas line siting, electricity and natural gas and water 24 rate cases, biannual transmission reviews, Department of 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

Energy and FERC matters including actually petitioning
 the Arizona Supreme Court in one rate case.

I am not an attorney. For a lot of reasons I 3 don't want to be one. I did not intervene in this case 4 due to my health and my wife's health issues. And in an 5 imminent move to a retirement facility with skilled 6 nursing care, while we are now packing out thousands of 7 8 books we own, showing our house for sale including tomorrow morning, and others, but I'm prepared to discuss 9 any of the issues that I have in this paper. 10

I am briefly going to discuss those and will not read the entire paper. I'm sure you appreciate that. But it gives you the background information on my short discussions on the 15 issues I will bring up.

15 The first issue, because this is a Certification 16 of Environmental Compatibility document, it in my view is 17 incomplete, as I will indicate later.

But more importantly, it does not coordinate the environment it looks at with the environment on the other side of the artificial line that separates county and federal properties.

The environment, the animals, the birds, the toxic chemicals, air pollution, water, all of those things and other factors cross the line. They have to be the same at the line.

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However, this CEC process will be complete 1 2 before they even start reviewing the environment for the Forest Service. Obviously the boundary is going to be a 3 disconnect. As a system engineer, the boundary is the 4 hardest part to solve in any engineering program. 5 It's the boundary that's the problem because it 6 has to match. You have to make it work. And without 7 8 coordination with the Forest Service, in fact, is anyone from the Forest Service here tonight? 9 10 Well, they won't even hear these comments. Ι 11 think that a majority of the states in this country 12 coordinate their federal, state, county, and local environmental reviews in one process. They look at the 13 14 same things. 15 Maybe from different viewpoints, but they look 16 at the same information. They go through the same 17 process. It will save the utility or in this case 32 18 South money because they have to pay both the Forest Service for their actions, and they are going to pay 19 UniSource for their actions in this program. 20 21 And I know that the attorney general, very well 22 since I've seen her many Times, Ms. Mays, understands 23 this problem and I would appreciate it if the Chairman 24 would take this as a consideration for an action item to establish joint procedures that are used in the majority 25

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of states in the country. Sorry. That's just a little
 different one.

For example, let's look at what happened in case 111. TEP lost \$6 million. Why? Because the Corporation Commission approved one corridor and the National Forest approved a different corridor for the same twin circuit 345 kilovolt from Sarita, Mexico.

8 That line has never been built. They tried to 9 charge the ratepayers the \$6 million, but somehow the 10 Commissioners decided that TEP would have to eat the 11 money, which were their shareholders.

12 So -- and Section 1(c) is an example of where 13 this could occur. If the Committee agrees to use the 14 preferred inside the Forest Service segment and the 15 Forest Service says no, I don't want it to go there, I'm 16 going to approve 2(c) -- is that it -- the other (c), 17 then we won't have a line, and all of this is a waste of 18 effort. And that's just a little small thing, but that could kill the whole project. 19

20 Second issue. This will be a lot shorter. 21 Santa Cruz County comprehensive plan. I've given you 22 some of the words from that plan. I'm not going to read 23 it at all.

24 But when you read through those words, probably 25 tonight or tomorrow or sometime, you'll see that you have 26 GLENNIE REPORTING SERVICES, LLC 602.266.6535 27 www.glennie-reporting.com Phoenix, AZ

not done all the things that the county has for its plan.
 It's our master plan.

In my little small character area I live in we had 55 meetings to help write that section. So it has a lot of human local input. So the goals and the things in that plan are very important from my viewpoint, but also from the County's viewpoint.

8 The Santa Cruz County master plan and community 9 goals and values do not appear to have been considered 10 very important. See Slide 79 of the briefing that was 11 given today.

12 Sir, this is clearly a merchant transmission 13 line for one customer. He's buying a line. This -- then 14 comes who will pay for this line? They said they'll pay 15 for the construction. But who's going to pay for the 16 operation? Who's going to pay for the maintenance? 17 CHMN STAFFORD: Mr. Magruder, your five minutes

18 are up. Are you almost done?

MR. MAGRUDER: No. Can I wait and follow up 20 after the last person?

21 CHMN STAFFORD: How much longer do you have? 22 MR. MAGRUDER: Okay. I'll do that. Thank you. 23 CHMN STAFFORD: Oh, I just -- how much longer do 24 you have? Can you wrap it up in like two or three more 25 minutes or you got another --

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1 MR. MAGRUDER: Let me go as far as I can go, 2 until you kick me off. 3 CHMN STAFFORD: I'll give you another three 4 minutes, then. MR. MAGRUDER: Okay. The fourth issue involves 5 ARS 40-360-13, which is not mentioned in any of the 6 documentation I've seen today. 7 8 This requires the line siting committee to consider as criteria for issuing a CEC the availability 9 of groundwater and the impact of proposed use of 10 11 groundwater on the management plan. 12 The south -- the Santa Cruz active management area management plan has strong things, this is the only 13 14 active management area in the state of Arizona that has 15 safe yield. We're positive. 16 And at 3200 more homes we will go to zero and no 17 more water permits will be issued in this county. So 18 water is very important. At present, this mine is pulling out four and a half million gallons of water a 19 20 day while it decreases the groundwater level to below 21 2,000 feet. 22 This is serious. Because it's an underground 23 mine, and if you're in an underground mine, you can't 24 mine very well when you're under water. So they have to 25 pump that water out.

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1 Now, it's been measured to have an arsenic 2 content of over 250 parts per billion. EPA standard is 10, and they'd like to move it to three parts per 3 billion. This water flows down the Harshaw Creek to Lake 4 Patagonia, which is a place where people swim. 5 Then it goes down Sonoita Creek and then it ends 6 up into Santa Cruz river. What's going to happen to that 7 8 arsenic and its impact on groundwater, et cetera? 9 No. 6 -- no, I'm on 5. The transmission line is to provide 87 megawatts' worth of power for the customer. 10 11 24 hours a day, 7 days a week. 12 That's more than this county's peak electric 13 load on the hottest day in summer. This is by far the 14 largest electric customer in this county. This is a very big change in the amount of electricity required in Santa 15 16 Cruz County. Will the present UNSE grid be capable of 17 handling this very significant increase in demand? The next issue is on -- in January at 3:10 in 18 19 the morning, UNSE lost all power to this county for over eight hours due to a transmission line problem. 20 I wrote a letter to the editor of Nogales International and it 21 22 hasn't been replied to, telling us why and how we had 23 eight hours of power loss. But the editorial said people 24 should be filing for compensation from UniSource. Why didn't the back-up capabilities work? They 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 didn't. And at 3:10 in the morning we're drawing about 2 20 megawatts or less. That's not hard to -- they have a spare line that we can come in on the 46 line, kilovolt 3 line from the north and there's 58 or -- 65 or so 4 megawatts' worth of power available in generators in 5 6 Nogales. It shouldn't -- we did black start tests to see 7 8 how long it would take to get back online if we lost it. 9 In 10 test runs, not unannounced test runs, they were 10 back online in 15 minutes. That's not eight hours. 11 Do you want me to stop? 12 CHMN STAFFORD: Yeah. Yeah. 13 MR. MAGRUDER: I got more but I'll wait. 14 CHMN STAFFORD: Your time is up. Thank you. Ι 15 guess we can come back around to you later on after we 16 get through everybody else. 17 All right. Up next we have Chet Busse, but they 18 haven't indicated whether they wish to speak or not. No? Okay. Next up is Diana Nash. She has indicated she 19 20 wants to speak. 21 MS. NASH: Yes, I do. Thank you. Good evening, 22 Commissioners and committee members. I'm sorry I missed 23 this afternoon's presentation, but I was -- I was working 24 so I couldn't make it, but I would have liked to have enjoyed seeing exactly what you are planning. 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535

GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ 1 Along with my husband, Richard Nash, I am the 2 third generation of the Nash family to own the Circle Z 3 Guest Ranch, comprising 5600 acres of conservation land 4 and commercial land for a dude Ranch operation.

5 Our Ranch was established in 1926 and is the 6 oldest continually operating dude Ranch in the United 7 States. And one of the few remaining in Arizona. Right 8 here in the heart of Santa Cruz County.

9 Hundreds of guests from around the world come to 10 us, our Ranch, during operating season, contributing 11 significantly to the nature base tourism in Arizona, not 12 a here today, gone tomorrow type of tourist industry. 13 Here for almost 100 years.

Over 3600 acres of our property has a perpetual conservation easement with the Arizona Land and Water Trust. Our family has spent considerable time and dollars in preserving this extremely diverse habitat, including over two miles of the ever flowing Sonoita Creek, and the vast grasslands and craggy canyons accentuate the Patagonia mountain range.

This transmission line would not be on our property but would skirt along its pristine edges. The conservation values of this property do not end on its borders.

25 When we placed this land into conservation, we GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

gave up the future development rights to our deeded
 property. A reflection of our deep commit to the
 biologically unique part of Arizona listed by the Nature
 Conservancy as one of the most important areas in the
 United States to be protected.

6 We also participated, thanks to the foresight of 7 my now deceased mother-in-law, Lucia Nash, in a vital 8 cleanup of 3R mine with the ADQ and a federal grant.

9 We went in there and helped them clean up 10 tailings and attics that were polluting our streams. 11 That was on us and the federal government.

As the owner and operator of this Ranch, I am an expert in dude Ranch and travel industry. Our guests come into our Ranch for many reasons. And it's the open space and the unobstructed vistas, the ease of access to the most diverse and undeveloped land in our nation.

17 The Coronado National Forest is along our south 18 and west borders, and we have horseback riding trails 19 going back to 1926 transversing our land and federal 20 lands.

21 And if this route is approved, over ground, well 22 over a quarter of our guest horseback riding experience 23 would pass right under these massive high-voltage power 24 lines. What a time. And half would be impacted by the 25 sheer presence in our vistas.

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And South32 isn't going to stop here. Next it's going to be a road right through this same area. This would all greatly devalue our property and would null and void our family's 50-year commitment to preserving this space. In a follow-up of 2021 when we were closed for

7 our 95th operating season due to the pandemic, we were 8 approached by Roberto Guevara from TEP about placing the 9 high voltage line through our conservation land. Since 10 any development is at the discretion of the Arizona Land 11 and Water Trust, I advised that UniSource would need to 12 go through Arizona Land and Water Trust for their 13 approval.

And this was ALWT's response in part, "Arizona Land and Water Trust holds as a result of your generous partnership a conversion easement over the Ranch. Although existing utilities may be maintained under the conservation easement, the property owner is specifically prohibited from granting any new utility easements or lines.

21 "Additionally, we are concerned that the
22 construction and insulation of the necessary support
23 facilities for such lines would significantly impact
24 conservation values that we are obligated to protect."
25 And that is the last I heard from UniSource. I
3 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com did not get any more requests for comments from them,
 nothing more since they -- since our meeting that fall.
 Nothing. No postcards. Nothing.

I'm sorry. I am a major stakeholder here. This is going to destroy my business. That's all I'm saying. Please do not be the deciding voice of the potential demise of this property that's contributed greatly over the years. The conservation values that we have worked so tirelessly for three generations to preserve. Thank you.

And I also have a map, if anyone's interested, showing our trails in color and the black smurge that's going to be across them with the transmission line and the potential road.

Would anybody like this in their records? No one's ever asked me how do we use this land that we've used for almost a hundred years.

MEMBER HAMWAY: I'd like to see it. I can'tcomment but I'd like to see it.

20 MS. NASH: No, I'd like to give it to you. I'd 21 like it to be part of the record if I could.

22 CHMN STAFFORD: Thank you. Up next is Andrew 23 Gould, but they have not indicated whether they want to 24 speak or not.

MS. BRADLEY: I want to speak for him.

25

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1 CHMN STAFFORD: And your name is? 2 MS. BRADLEY: Rita Bradley. 3 CHMN STAFFORD: You're next. MS. BRADLEY: Yeah, I wasn't going to speak, but 4 5 I'm -- I'm touched by many of the previous speakers. 6 I came to Patagonia after taking a course that the State offered in master watershed steward. 7 It was 8 one of the best graduate courses I've taken after several 9 graduate degrees. 10 Up in Flagstaff we took the course. They don't 11 offer it anymore, unfortunately. Part of the work of the 12 course was 100 hours of volunteer work at a watershed 13 here in Arizona. 14 So I learned a lot without a science background, 15 but I learned a lot about watersheds, and we got our 16 hundred hours in at the state natural area, the 10,000 17 acres that is just below the state recreational park. 18 So we were at the park for about 10 years as 19 volunteers. And we were part of a group called the Friends of Sonoita Creek, which has been working for 20 21 about 20 years to try to preserve the above-ground 22 stream, which is getting less and less above-ground. 23 So I guess what I just wanted to point out after all these years of really trying to preserve Sonoita 24 Creek, both below the dam, below the recreation area and 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

we're doing, at this point our group is doing water
 testing with ADQ. We're doing that monthly.

We're doing wet-dry studies. We're working with some of the other nature organizations. We have now got Tucson Audubon on Sonoita Creek. We have Nature Conservancy. We have the state park recreation area, and then we also have the 10,000 acres, half of which is Fish and Game that is below the lake.

9 We have a group called Borderlands Restoration 10 that's working with Forest Service to restore and return 11 water by doing a variety of things that will help water 12 flow again in parts of the creek, both Harshaw and 13 Sonoita Creek that have not been flowing.

What the federal government's doing in terms of protecting water has a big impact on, for example, Harshaw Creek which is now intermittent and we're basically documenting that.

So I guess I would just reiterate what many people here have said, which is this is a truly unique area. It's over 300 bird species, we have birders from all over the world that come here. Audubon says it's a really important bird area.

It's got the Sky Island and I'm not good at speaking about it, but I love it. I care about it and I hope you will consider the human impact to water that GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

drilling down 2,000 feet, however it ends up happening,
 and letting that water run into what is one of the few
 remaining above-ground streams in all of Arizona. Thank
 you.

5 CHMN STAFFORD: Thank you. Next up we have Jean6 Miller. She has indicated she wishes to speak.

MS. MILLER: Commissioners, my name is Jean 7 8 Miller, and I live at 149 Flux Canyon Road. I was here most of the afternoon, I saw most of you and I found the 9 presentation extremely interesting. I particularly 10 11 enjoyed -- not enjoyed, perhaps the wrong word, but was 12 sort of mesmerized by the virtual tour and understanding 13 what some of these possible alternatives might be to the 14 road and how we do this.

So I just want to speak very -- this is not the place to talk about the mine and all of the other issues with that, but to speak very specifically about the alternative 2(c) and the preferred route through Flux Canyon.

First off, to just say Flux Canyon Road is really -- it's misleading. Because most of Flux Canyon Road is impassable. It's about a mile and a half that is passable from the Highway 82 up to where it forks and starts going up the hill.

25 And then it goes out the other side in the town GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

of Harshaw and where the mine is, and actually that road
 has been -- literally the mine has locked it off for
 years, so it's impassable, that upper part.

When you saw the virtual tour this afternoon, it showed -- it went through there and then it kind of made a turn. You saw one building or two, and for literally one second or two, you saw the other homes that were there, because the proposed preferred route skirts those and goes to the right.

10 So you really didn't get a sense of that. I 11 know you're arranging your tour for tomorrow. I hope 12 they figured out the vans. And so you will see the lower 13 part of Flux Canyon Road. So I'm really just speaking 14 about that mile and a half.

Now, the good news, the really good news for me, not so much for Diana, by the way I'll just read it, I met Diana 30 years ago, I was a guest at the Circle Z Ranch, came once, immediately booked other things with my husband, came back 33 Times. Bought property that borders it. Absolutely adore the Circle Z Ranch and everything -- everything about the area.

I also own Long Realty, Sonoita, Patagonia, the leading real estate in the east county of Santa Cruz County. So I know that -- and for many years rode many of those same trails and understand -- actually I GLENNIE REPORTING SERVICES, LLC www.glennie-reporting.com Observed to the service of understood much of that route because I could -- I've
 ridden much of that route.

But at any rate, back to this specific one. Flux Canyon Road where it enters 82 was the site you'll see some kind of demolished buildings and some little bits of rubble here and some concrete, was a CCC camp.

There is actually an emblem you can see on one 7 8 of the ruin things that tells the camp number and that 9 sort of thing, so this is a pretty cool thing. I believe that probably, I tried to do a little research on it, 10 11 that much of that part of Flux Canyon, even the road 12 going up to the old mines that were up there was CCC built, and those -- and, you know, I believe those power 13 poles, and I cannot absolutely be sure of this, were part 14 of the New Deal Rural Electrification Program. 15

16 So the alternative route, the first route, I was 17 one of the properties that was actually -- UniSource sent 18 me and wanted to buy an easement right through my 19 property to take this line.

That is now that alternative 2(c), I believe, where the preferred route -- I'm just here to argue that the preferred route is better -- it needs to skirt the homes that are in the lower part of Flux Canyon.

24 The lower part of Flux Canyon when you go in 25 you'll first start, and that's all Circle Z land at the 325 GLENNIE REPORTING SERVICES, LLC 602.266.6535 326 www.glennie-reporting.com Phoenix, AZ

CCC camp. And then as you drive the road, you'll see
 first off it's two blind curves and not much of a road,
 but you start seeing magnificent oak trees. And these
 are just oaks that are 30 feet tall. These are 60, 80,
 100-foot tall oaks.

6 It's almost like Oak Canyon up near Sedona. It 7 is that gorgeous, and that beautiful. There is still 8 some water left in the creek there that runs.

9 There is a plant called the Tears of Jesus, and 10 I forgot the scientific name, I've looked it up, it's an 11 endangered species thing. So much so that Circle Z 12 actually built an enclosure at one point to protect that 13 endangered species flower that is in there.

The birders, it is -- so Flux Canyon Road was initially put in to service some mines back there and there were no homes back there or even ranches back there.

We're a hundred years later than that. Almost a hundred years later past the New Deal, and it now, we're talking about a major ecological impact for the birds because it runs into Sonoita Creek which is still running there.

So the wildlife, the species, the things that we
see in that canyon are truly, truly incredible. So
tomorrow you'll see the lower part, but please don't
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confuse it with the rest of Flux Canyon you'll see how it 1 2 goes up, and as I said the discussion today is that's why it would have taken an hour to go around to see that. 3 But sometimes I think it's a little bit 4 5 confusing, but please protect our mile and a half of Flux 6 Canyon Road. It is absolutely precious to all of us. CHMN STAFFORD: 7 Thank you. 8 Up next is Susan Lloyd. She has not indicated 9 whether she --10 MS. LLOYD: I would like to speak after all. 11 CHMN STAFFORD: Beg your pardon? 12 MS. LLOYD: I would like to speak. 13 CHMN STAFFORD: Yes. Please approach the 14 podium. 15 MS. LLOYD: So thank you so much, Commissioners 16 and everyone here. I wasn't going to speak but I'm very 17 inspired, and when Vanessa Register shared, I am new to Patagonia Lake Ranch. We moved from an area where there 18 was devastating fires because of transmission lines. 19 I'm still kind of shaking from the shock of it. We had fires 20 21 all around. We had thousands of acres ruined.

And when I was at a prior meeting, I asked why we do not put those lines underground. And I was told it was too expensive. So I second what Vanessa said, and I request that if you do insist on doing this, that all the

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lines go underground, and that way hopefully we can 1 2 protect this incredible diversity of this region. And we can protect the tourism that is not on or off. And we 3 can protect the local community. And it's not just about 4 big business or one particular stakeholder. Thank you. 5 6 CHMN STAFFORD: Thank you. Up next is Ernie Edwards. 7 MR. EDWARDS: Mr. Chairman, are you going to let 8 me have another time to speak during the --9 10 CHMN STAFFORD: I wasn't -- I wasn't sure if it 11 was the same Ernie Edwards that had spoke, but no, you've 12 already had your -- you had your special appearance as a 13 limited appearance. 14 MR. EDWARDS: So my only other opportunities 15 will be during public comments? 16 CHMN STAFFORD: Did you have something else to 17 say you haven't already said? You don't need to repeat 18 the same thing you've already said, so I mean --19 MR. EDWARDS: I just have a few comments on the 20 things that I've heard so far today. It'll just be 21 brief. CHMN STAFFORD: Well, if there aren't any 22 23 objections I'll give you an additional three minutes. 24 MR. EDWARDS: I'm just going to do it in order in which they came to light during today's. The one 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 thing that was said in passing and real quickly, and it
2 kind of -- oh, I'm sorry.

The one thing that was said this morning or this afternoon in quick passing and really briefed right over was the customers in Mexico. I didn't know that we had customers in Mexico. So I don't know how much of this line capacity is slated towards future -- for future use of customers in Mexico.

9 Next in order of things that came up was using 10 the pipeline route, the gas line route, and I'm concerned 11 that such an aged gas line, over 75 years old, that the 12 cathodic protection that we could use may not be 13 sufficient to protect that from -- that gas line blowing 14 up.

I want to mention again that the distance to the closest residence in the Lake Patagonia area negates the fact that there are undeveloped lots and I want to make sure that that's aware to everybody that there's people hoping to build homes on lots that are closer to the line than that 600 feet. And now they're wondering if they should.

I want to talk, too, about the public outreach. There was a big display of all the meetings and the notices that went out, and you'll notice that on newsletter No. 5 it didn't say the day it was mailed, it GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

said the day it's dated. It wasn't mailed until after
 the meeting occurred, because there was a printer
 problem.

So a lot of people didn't know to come to that meeting. And I would suggest that the only people who came to that meeting was because of my calling around to people and other people in Lake Patagonia calling and informing people to come to this meeting. Nobody knew about the meeting because it was not mailed because of a printer problem.

Also was mentioned that in southwest section of the study area that this future line would help development, because that was the only area that would have potential for future development in this whole area. And that's a big argument for having the Duquesne route because it goes right through there. That's the development area.

The lack of comments from the Pendleton area 18 speaks highly to whether or not the outreach program was 19 properly handled. I can't believe that all of those 20 21 people that are having the lines basically in their front 22 yard or their backyard had no comments, absolutely no 23 comments from all those people. And on the tour, you'll 24 see where the line is in relation to those houses. CHMN STAFFORD: Your time's almost up. 25

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1 MR. EDWARDS: Okay. The last thing was just 2 that it was mentioned that how much deference was given 3 to the conservancy and the National Forest Service, and we as the residents of Lake Patagonia would like to have 4 that same kind of deference, me in particular. 5 6 CHMN STAFFORD: Thank you. MR. EDWARDS: Thank you. 7 CHMN STAFFORD: Up next is Corrie Shaw, but she 8 9 has indicated she does not wish to speak. Avril Forrest has also indicated she does not 10 11 wish to speak. 12 Sharon Van Zaudt does not wish to speak. L. Jean Miller has also indicated she does not 13 14 wish to speak. 15 Brad Register has indicated he wishes to speak. 16 Please come to the podium, Mr. Register. 17 MR. REGISTER: Good evening. Do you need me to 18 spell my last name same? Same as hers. Anyway, we live in the Lake Patagonia Ranch Estates, been there about 19 20 three years, moved from California looking for a place to 21 retire. 22 It's an incredible place, high diversity in 23 wildlife and the rural-ness of it is just incredible. 24 We've got over 300 species of birds. We also got a bunch 25 of threatened and endangered species, among them ocelots, GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

we've got a Mexico spotted owl, and we've got the only
 jaguar in the U.S. His name is El Jefe.

But with UniSource's application to the Power Siting Commission they cited a quote that say that they have an affirmative obligation to guard against implied rectitude of large corporations asserting their needs and seeking the cheapest way to obtain them at the community's expense.

9 Set forth, the above-ground 138 kilovolt line 10 would encroach upon those -- encroach and possibly 11 decimate those endangered species and threatened species 12 in the area, and impact more than the 300 bird species we 13 have.

As far as the studies, I haven't heard of any studies that have been done that would indicate there was no problem associated with that. There's no economic or environmental impact statement, haven't seen anything that would say that there's anything that mitigates that.

Also, according to real estate sources, our real
estate would drop anywhere from 5 to 30 percent. That's
kind of a large drop, seeing we're going to retire here.
Also, we have a large negative impact on ecotourism.
They mentioned about ecotourism before.

It was just a miniscule \$39 million in 2012.
 That just goes up from there. But in this area, birding
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1 is one of the biggest things that is out there. My wife 2 mentioned somebody from as far as a Dutch person saying 3 about how well this place was, and we've got people in 4 our area that have B&Bs that have them full all the time 5 during birding season, just from people wanting to go out 6 and see the birds. It's a huge industry and it's 7 something that we should protect.

8 As far as the increased fire danger, that's 9 something that being from California we've seen quite a 10 few Times. Paradise fire was started by an overhead line 11 that decimated an entire town.

As far as the negative attributes of all these, I think they could probably be mitigated by underground power line. I spoke with some of the representatives of UniSource, and they say that that's not feasible. But I 've been in ER medicine for 20 years, and I've found that pretty much everything is possible.

Excuse me. I think mostly that a feasibility study should be done as far as possibly outsourcing this, having somebody come in and say that it's possible, doing a study to see how much it would cost and the possibility of mitigating that.

 I think my wife mentioned something about
 \$24 \$240 million is the final cost of a fire compared to
 about a million dollars to a million five per mile to
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1 underground it. And at 14 miles, that's a far cry from 2 the amount that would be seen in a human nature as far as 3 \$240 million loss. Thank you very much. CHMN STAFFORD: Thank you. Up next we have Jane 4 Wolfe, but she has indicated she does not wish to speak. 5 It could be James. 6 I would like to speak. 7 MR. WOLFE: CHMN STAFFORD: Please come to the podium. 8 9 MR. WOLFE: Thanks for this opportunity to address the Committee. My friend and I long wanted to 10 11 move into a property that we had in mind that's in the 12 Sonoita Creek Ranch subdivision No. 3. And the primary -- the primary reason was that we had this 13 14 incredible viewshed looking to the Patagonias, looking 15 down the valley between Mexico, those mountains, and this 16 transmission line would just bisect right across it, it 17 lies right on the southern boundary of our property. And my plat map shows we are within a half mile 18 19 of that transmission line. So I just wanted to state 20 that. My friend and partner, he wrote something that I'd 21 like to get into the record. It talks about the 22 ecological fragility of the area. But I'll just make it 23 quick. 24 "Mining activities such as pumping groundwater,

25 discharging so-called treated water into streams or ponds

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and the accompanying transmission lines will have 1 2 multiple cumulative negative impacts if built and installed in this region of southern Arizona. 3 "Ecotourism brings millions of dollars annually 4 and will continue long into the future, whereas mining 5 activities are relatively short-term profits that 6 negatively impacts the environment for many hundreds of 7 8 years.

9 "The project is not compatible with the 10 conservation of regional biodiversity, both species and 11 ecosystems in this arid southern Arizona portion of the 12 United States. This project will impair both surface and 13 groundwater and therefore negatively impact natural 14 springs, seeps and creeks that help make this region so 15 bio diverse.

16 "The cumulative negative impacts of this 17 project, the mine and transmission lines along with a 18 drought and climate change will further threaten many native species that are federally endangered, threatened 19 and/or listed as sensitive species of special concern. 20 21 "It will also damage the long-term viability of 22 naturally-occurring riparian areas, a vulnerable 23 ecosystem type, which are truly the life blood of the 24 southwest. 25 "It is our collective human responsibility to

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conserve the water, plant and wildlife resources of this
 area into the long-term for future generations.

In addition, clean water is a scarce resource in this climate and therefore precious. And mining companies have historically never properly cleaned, mitigated or restored the groundwater or surface water they have used to a condition consistent with healthy ecosystems.

9 "Every year world wide water quality is 10 incrementally degraded. This project is simply not in 11 the public interest.

"As the United States begins the attempt to
reshore and obtain specific ores, i.e., zinc, manganese,
we must resist and cease any and all extracted mining
with ecologically sensitive areas of this country.

16 "46 percent of the associated transmission line 17 project is on our public land and 54 percent across 18 private land, the entire project, Hermosa mine and 19 transmission line, lies within the globally rich bio 20 diversity hot spot.

In addition, viewsheds will be negatively impacted, land home values will concomitantly be reduced significantly, transmission lines will increase fire hazards, noise pollution during the building and post building, and underground line is the obvious solution GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 for fire and viewshed issues." Thank you.

2 CHMN STAFFORD: Thank you. Up next we have Joe 3 Higgins.

MR. HIGGINS: My name is Joe Higgins, H-i-g-g-i-n-s, and I am a resident in lower Flux Canyon. I purchased the property about seven years ago and at the time it was an exploratory phase for the mine, and since then we've done engineering and architecture and civil, but have held off on any kind of development waiting for the outcome of what's happening in Flux Canyon.

I'm not opposed to mining, I knew that the area was a hundred-year-old mining area when we purchased it, so we were very aware of what was coming and what could come.

Met with UniSource's team of real estate acquisition folks, they were pleasant, they offered not quite a great price, but I think universally of all the members through Flux Canyon we -- we all refused to allow private right-of-way that you're talking to.

20 We met with the -- at the public information 21 events, met with the water engineer folks. They're 22 monitoring wells in our area. We've talked to the CEO, 23 public information officers been trying to minimize their 24 impact but there is going to be an impact, it's a 25 state-of-the-art full mine.

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1	As you take a tour and you go through Flux
2	Canyon, I'll reiterate that 200-year-old 80-foot oak
3	trees, it's like nothing you've seen. It's an incredible
4	little spot, red rocks and sheer cliffs. Right now I'm
5	grazing cattle on it, but would look to one day build.
6	So I'd like to go on the record that the
7	preferred route that's being proposed would be better for
8	myself and our neighbors in the canyon.
9	CHMN STAFFORD: Thank you. Paula Kaase, but
10	she's indicated she does not wish to speak.
11	Terry Kirkam also does not wish to speak.
12	Jamie Champ Chambers also does not wish to
13	speak.
14	Yunghi Choi has indicated that they would like
15	to speak.
16	Can you please spell your name for the court
17	reporter?
18	MS. CHOI: Yes, my name is Yunghi, Y-u-n-g-h-i,
19	last name C-h-o-i, and I'm actually speaking for myself
20	and my husband who is the property owner on record of
21	1080 Highway 82 where the transmission line will be going
22	right across, no matter which option there is. And I
23	have been inspired by all of the previous comments about
24	the natural diversity and the unique aspects of the
25	region which we, most of us who are here, call home.
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1	And the reason why many of us were drawn to this
2	area. My husband, Terrence Lanew (phonetic) 30-plus
3	years ago, came to the Circle Z. And he bought land.
4	Eventually built. So I won't repeat oft-repeated
5	comments about the special nature of this on the on
6	the bioda (sic), on the natural world, but I will speak
7	to what I see as the potential human cost of the
8	transmission line regardless of the alignment.
9	Which is it may not affect 100 percent of the
10	people but there are significant numbers of people who
11	are affected physically in a very adverse manner by the
12	presence or proximity to transmission lines.
13	And these are not minor lines. I mean, we are
14	talking about high voltage and we're not talking and when
15	we talk about the visual impacts, we're not talking about
16	the 30-foot, 25-foot poles that we see. We are talking
17	about 100 to 110 feet.
18	That is like a 10, 11-story building, which does
19	not exist. The potential fire hazards increase, magnify
20	the presence in this open region, which is a lightning
21	field. It's amazing to see the open space during the
22	monsoon season when these lightning storms occur. It's
23	amazing.

24 But imagine all these tall structures carrying 25 electricity, you know, in between, every thousand feet 32 GLENNIE REPORTING SERVICES, LLC 602.266.6535 35 www.glennie-reporting.com Phoenix, AZ with these interacting with the lightning storms. I
 mean, I'm no scientist, but I see the potential for fire
 hazard, tremendously.

4 So I think for those reasons I'm opposed to any 5 alignment of the transmission line. I will not argue 6 against our need for essential ores that we need to, you 7 know, fuel our batteries, our electric vehicles and all 8 of that. But I think we have to look at the cost.

9 And I think Mr. Davis pointed out earlier that 10 the amount of electricity or energy that will be 11 transported or for which this line is being constructed 12 or proposed to be constructed is for one stakeholder.

And it exceeds the amount that is being used by all of the residents of the Santa Cruz County. Now, I'm taking it, you know, on his word that that is true.

And I just think there needs to be a balance on the human factor, and that is all of us individuals who came and chose to live here, contribute to the economy, and bring more people in to make Santa Cruz County grow in a nondestructive way. Thank you.

21 CHMN STAFFORD: Thank you.

22 Up next is Bob Paulsen.

23 MR. PAULSEN: Thank you, Commissioner, I'm a 24 resident of the Patagonia Ranch Estates. And I'm really 25 concerned about the whole the way this transmission line

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1 project has been presented to us as members of that
2 community.

Well, for one thing it's going to bring the 3 property values down. And one of the things that they 4 presented on their website was an old study by Bonneville 5 Power Administration how these kind of projects really, 6 in fact, don't impact property values as you might say. 7 8 And what would you expect the Bonneville Power 9 Administration to say if they were trying to sell a project in their neighborhood? 10

11 The maps they presented were very vague. You 12 had to -- very difficult to find out where your property 13 was in relationship to the proposed routes. I thought 14 that was really -- I mean, they could have done better 15 than that.

The areas where they showed pictures of before the poles were installed and then what the same scene would look like after the poles were installed, it looked like they just drew a little pencil line down there. These are huge, ugly poles.

21 And the route, the alternate routes will also 22 eventually come up the scenic highway which goes right by 23 my place. I'm near the corner of Highway 82 and 24 Patagonia Ranch Road.

So I just think it's a terrible thing. I don't GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

25

want these poles anywhere in the neighborhood. It brings
 no value whatsoever to the residents of the Patagonia
 Ranch Estates.

In fact, there was some reference that it may benefit some communities that are beyond the mine, which are basically some ghost towns out there. I'm thinking if they don't have enough energy to their residences, maybe that's something UniSource ought to look into regardless of the transmission line project; right?

I mean, they're paying for electricity out there and probably not getting enough. I know every time we have a wind storm, our power goes out.

We've had a fire in the properties nearby because of poor maintenance on the poles. There's actually a pole that's near my property that the erosion around it is so bad that will probably fall down.

17 I just -- I don't think they're up for it. Ι don't think UniSource can really handle this. 18 I think 19 it's overkill. The amount of power that's going through 20 there to one source that's going to take the ore and take 21 it to Asia and take it to Europe for smelters and 22 probably then sell it back to us so we can have batteries 23 and things like that.

Anyway, I just think it's really bad, and I don't want it my neighborhood. Thank you.

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CHMN STAFFORD: Thank you. Up next we have
 Lorrie Larson.

MS. LARSON: I'm a terrible public speaker, but I live on Azteca Court, and we moved here, we're both artists, we want the visual beauty. I care about the wildlife. I'm going to have a hard time not crying about this. I'm sorry.

8 But this makes me sick to my stomach. I've 9 lived in Arizona since '84. I've seen towns turn into 10 places that are hideous from when I first moved here. I 11 was a ferry boat captain, I saw water shrink on all the 12 lakes.

13 The water is a huge, huge issue in Arizona and 14 they're overbuilding for money. We don't have the water 15 to support that. My mother worked through the Madera 16 Irrigation District in California for many years, she was 17 very concerned about the water resources there. She was 18 very active in, you know, trying to be conservative about 19 that.

I see immense building, like Prescott Valley, I don't even recognize it. When I first moved here and bought some land out there, it looks San Jose back in the '80s -- or I'm sorry, in the '60s.

24 But what's going on here is it's all about 25 money. This is a foreign-owned mine that's getting all

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1 this power. What about us? What about the Arizonans?
2 Where is the money going to Arizonans? And besides that,
3 UniSource is -- they just had a fire here a couple weeks
4 ago on our area, okay. And it was poorly maintained from
5 UniSource.

6 Okay. I'm not real friendly with this. I'd 7 just as soon go off the grid so you guys don't have 8 anything to hang over me. But I'm very upset. I'm 9 sorry, I'm not a public speaker. But this is -- this is 10 horrible to me. I don't want to see.

I'm a diabetic, I don't want the big power lines interfering with my insulin pump. I don't want my livestock affected by these things. I don't want that beautiful Circle C Ranch touched. It's a historic place that should be treasured by Arizonans. So, you know, you got it all from Arizona? Let's see.

17 CHMN STAFFORD: Thank you.

18 Do we have any public commenters on the Webex or 19 the Zoom?

A/V TEAM MEMBER: Mr. Chairman, we do in fact have three, I believe, unless there are anyone else who wants to speak on there. First let's have Sydney Hay, please.

MS. HAY: Yes, thank you. Good evening,
 Mr. Chairman and Committee members. My name is Sydney
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Hay. I'm president of a statewide organization called
 AMIGOS. And AMIGOS stands for Arizona Mining and
 Industry Get Our Support.

We have over 300 mostly small and midsize businesses that depend on Arizona's mining and other industries to employ thousands of Arizonans in good, high-paying jobs.

8 So where does the money go in some of these 9 projects? To good high-paying jobs for thousands of 10 Arizonans. And we support the Rio Rico Harshaw 11 transmission line project and believe it will have a 12 lasting positive economic impact for Santa Cruz County 13 and the entire state.

14 Besides the jobs, this transmission line will greatly benefit families and small businesses in southern 15 16 Arizona by providing reliable power. I followed the 17 Hermosa mining project from the beginning and recently I 18 toured it again. I continue to be impressed with its design to be a net zero greenhouse gas emissions 19 20 operation. With process in place in every environmental 21 area, every one -- water, air, land -- to ensure the 22 continuous achievement of the highest performance 23 standards.

24 Beyond that, Hermosa will provide the metals 25 needed for a green energy future, and for our national 31 GLENNIE REPORTING SERVICES, LLC 602.266.6535 32 www.glennie-reporting.com Phoenix, AZ

security that we can't live without. We cannot live 1 2 without them. And it's for all of us. This will help us see that that vital project succeeds, and I know it is a 3 lovely place. My husband and I have looked at property 4 It's a lovely place to retire. 5 there. But the only way to afford a retirement home is 6 due to somebody having had a good job and those are the 7 8 jobs that my organization promotes and represents. And ecotourism from all over the world is 9 wonderful, and it's made possible because the traveler 10 11 can afford the cost of that, the kind of opportunities 12 provided by good high-paying jobs, the kind of good jobs 13 we need in Santa Cruz County for our families. 14 These are the jobs that AMIGOS represents and 15 this is why we support this project. And I thank you for 16 your time so that I can comment. Thank you. 17 CHMN STAFFORD: Thank you very much. 18 Who do we have next? 19 A/V TEAM MEMBER: Next we will have Carolyn Schaffer. 20 21 MS. SHAFER: Thank you. Greetings. I am 22 Carolyn Shafer, a board member of Patagonia Area Resource 23 Alliance, a non-profit organization working to protect 24 the Patagonia Mountains and Sonoita Creek Watershed from the impacts of 21st century industrialized mining. 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 The first tenet of responsible mining should be 2 that there are some places you do not mine. We have 3 heard from three different representatives from business 4 organizations about the value of mining and moving away 5 from fossil fuels.

6 It is an important goal for planet earth that we 7 move away from fossil fuels. However, what the mining 8 company does not like you to hear is that this region is 9 identified by scientists as one of the top regions in the 10 world most in need of protection for its species 11 survival.

12 There are significant concerns about the 13 disruption of the habitat for more than 100 federally 14 endangered, threatened and sensitive species that inhabit 15 this area.

16 It is critical to take every precaution 17 necessary to protect the wildlife. I want to point out, 18 too, that multiple organizations contracted with the 19 University of Arizona to do a study of the nature-based 20 restorative economy in Santa Cruz County.

The nature-based restorative economy accounts for \$53.8 million of the county's GDP. 121.7 million in sales, over 1200 jobs, and 4.7 million state and local tax revenues. This is a growing industry, not a fly-by-night thing that's going away.

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1 The second major concern about this proposed 2 transmission line are the fire hazards. And I repeat --I won't repeat, but I defer to everything that Vanessa 3 Redgrave gave you with her well-researched actual 4 problems. And then you can also look at what has 5 happened with Pacific Gas & Electric, who agreed to pay 6 more than \$55 million dollars in order to avoid criminal 7 8 prosecution for two major wildfires.

9 And in this year, it is announced that Pacific 10 Gas & Electric must face trial because of deaths of 11 people from the wildfires caused by them. These are two 12 critical issues relative to this transmission line.

13 If the transmission line is approved, it must be 14 an underground project. And in addition because of the 15 wildlife, it also has to have an environmental impact 16 statement in order to understand what will happen as a 17 result of this project.

I forwarded to Chris Ortiz a map of the biological diversity of the area that is prepared by Nature Serve, and it shows that where this power line is going is a very high biologically diverse area. Please, if you're going to approve this line, it must be underground. Thank you.

24 CHMN STAFFORD: Thank you. Are there any other 25 callers on the line?

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A/V TEAM MEMBER: We have Misael Cabrera. 1 2 MR. CABRERA: Thank you very much. Please spell your last name for 3 CHMN STAFFORD: the court reporter. Thank you. 4 5 MR. CABRERA: Yes, it's C-a-b-r-e-r-a. 6 CHMN STAFFORD: Thank you. Please proceed. MR. CABRERA: Mr. Chair, members of the 7 8 Committee, my name is Misael Cabrera, and I am the 9 director of the School of Mining and Mineral Resources at the University of Arizona. 10 11 Today, I am not speaking on behalf of the 12 university. In fact, my comments are based on my former position and experience as the longest serving director 13 14 in Arizona Department of Environmental Quality history. 15 My comments are also based on nearly 30 years of 16 experience as an environmental professional. With my own 17 two hands and right here in our state I have collected 18 thousands of environmental samples, designed and operated treatment systems that have removed hundreds of thousands 19 20 of pounds of pollution from the environment, conducted 21 facility inspections, been inside of dumpsters 22 segregating trash to estimate the volume of recyclables 23 and helped advocate for and pass historic surface water 24 legislation in the state. It is this sweat equity in protecting the 25

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1 environment that has me notice that our planet's

2 population has doubled in my lifetime, and is forecasted 3 to reach 10 billion by the year 2058.

In addition, our planet's population is also less poor than it was 50 years ago, and people want infrastructure, technology, and it is my hope that they also want a green future that addresses the effects of climate change.

9 Unfortunately, there is no evidence that a 10 majority of people on the planet are willing to sacrifice 11 their way of protecting the plant.

12 Thus technology and innovation are essential 13 elements to a green future. And mineral resources are 14 prescient for the technology that will help us 15 decarbonize our economy and thus address climate.

16 The 2020 World Bank report, Minerals for Climate 17 Action, the Mineral Intensity of the Clean Energy 18 Transition, states plainly that any potential shortages in mineral supply that impact the speed and scale at 19 20 which certain technologies may be deployed globally, thus 21 the speed of decarbonization relies heavily on the ready supply of minerals and consequently the productivity of 22 23 responsible and sustainable mining.

UniSource Energy Services is proposing a new
 Rio Rico to Harshaw transmission line. The line will
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serve the Hermosa project. While the transmission line
 routing and technology is beyond the scope of my remarks,
 I do want to speak with -- I do want to speak with my
 direct experience with the Hermosa project.

5 When I became director of the Arizona Department 6 of Environmental Quality in 2015, I discovered that a 7 previous and unrelated mine operator had settled with the 8 United States Environmental Protection Agency during 9 their bankruptcy, leaving the environmental liability of 10 multiple mine sites to the state with insufficient 11 resources to effectuate complete cleanup.

12 The state was fortunate that the Hermosa project 13 took interest in one of the those sites. Hermosa dried 14 and moved more than 2 million tons of old tailings 15 material that was sitting on bare land through a modern 16 lined and permitted impoundment.

17 This operator who had no ties to the legacy 18 problems, also channeled storm water runoff and tailings 19 under drain collections to a state-of-the-art water 20 treatment plant that they built. The total cost of 21 remediation was reported as \$30 million.

22 This project not only eliminated significant 23 environmental hazards, but also has the potential to 24 produce a significant quantity of critical minerals for a 25 low carbon future. Metals like manganese that is used 33 GLENNIE REPORTING SERVICES, LLC 602.266.6535 34 www.glennie-reporting.com 94 Phoenix, AZ

1 for electric vehicle battery and is so important that it 2 is only one of those five minerals included in the 2022 Defense Production Act as a critical mineral. 3 4 Thank you very much. 5 CHMN STAFFORD: Thank you. Are there any other callers on the line for public comment? 6 A/V TEAM MEMBER: There are other members on 7 8 Zoom, Mr. Chairman, but none have indicated that they 9 want to speak. But I can give them the opportunity right now if anybody on Zoom would like to have their moment as 10 11 well. 12 (No response.) I take that as a no. 13 CHMN STAFFORD: That 14 concludes the sign-in sheets. Is that everybody else 15 that's on the Zoom? 16 A/V TEAM MEMBER: That's everyone that has 17 indicated they want to speak. 18 CHMN STAFFORD: Okay. Yes, Mr. Magruder. 19 MR. MAGRUDER: Can I make some more comments? CHMN STAFFORD: Well, I will give you another 20 five minutes. 21 22 MR. MAGRUDER: Thank you. Let me continue on. 23 No. 8, in 1877, there was a 7.8 magnitude earthquake 24 30 miles south of the border, along a fault that runs along the west side of the Patagonia Mountains to the 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

north. Church bells rang in Santa Fe. Boulders the size 1 2 of the houses rolled down the streets in Tucson. We are on a scale of zero to five, on the 3 earthquake scale we rank a three. Right in the middle of 4 earthquakes. 7.8 is serious. And if you're in an 5 underground mine, I don't think I want to be there. 6 But also what is its impact on the switch -- on 7 8 the substation's switchyard and poles? Are heavier or 9 stouter poles be required due to earthquake potential? 10 Next, this is a -- No. 9, this is a significant, 11 a critical habitat area for the jaguar and endangered 12 ocelots. As we mentioned earlier, El Jefe was 13 photographed here. 14 This critical habitat has three concerns. They 15 are listed. Noise, light, and roads. Noise from 16 additional trucks that will be using these roads is 17 serious. 18 There's also going to be electromagnetic jamming 19 from the U.S. Army electronic testing range as shown in slides 85, 86, and 97. That's right in the area of the 20 21 preferred route. It is not in the area of the southern contain Harshaw Road route. That side does not have that 22 23 problem.

24 10. No construction and maintenance roads are
 25 shown on any diagrams. Roads cause more -- more
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environmental damage than even the power line in my view.
 Where are those roads? There will be some.

There also will be laydown areas when they construct the transmission line. Where are those areas? We have over 300 abandoned mines in Santa Cruz County. We have lots of mines here. Lots of them that are just seeping and cozing toxic materials into our various waterways.

9 11. Who will pay for the upgrade of the Flux 10 Canyon Road so that emergency utility vehicles and first 11 responders can respond to a fire or an electrical 12 problem?

Who will pay for this upgrade of the Flux Canyon Road? I've driven to it and I won't drive my car down it. It's a terrible road. And who's going to pay for the road in the national forest? Will the Santa Cruz County ratepayers pay for that? So that this mine can use it?

19 Next, fiber optic cable was requested by AMI, Arizona mining, Inc., to be added to the transmission 20 21 line poles. However, Slide 60 in the briefing omitted 22 fiber optic cable. It could provide better Wi-Fi for 23 many residents that are very, very rural right now. 24 No. 12. The Rio Rico switchyard is stated on Slide 29 to be adjacent to the Potrero Creek that has 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

flooded and recently wiped out a bridge. That switchyard
 and some transmission line poles are inside the required
 500-year floodplain.

There is no floodplain data shown in the documentation that I can find. There are many tributaries shown in Exhibit C-1 that the line will cross, and you can see from the visual display earlier that the -- it goes right along the side of the river.

9 Why is the floodplain not shown in the -- on the 10 maps?

11 Quote from the application, "USNE does not 12 anticipate impacts on the Santa Cruz County flood control 13 district." I think that might be -- needs to be revised. 14 At one line siting Committee meeting we met almost two 15 days talking about flood impacts on transmission lines, 16 which is not mentioned now.

17 That switchyard is vulnerable. Is vulnerable to18 damage from flood.

19 14. The assistant secretary of defense on 25th 20 of January this year stated, "The proposed siting 21 location of a transmission line project may impact the 22 U.S. Army test operations within the Buffalo Soldier test 23 and training area that is in this" -- "that is 24 underneath" -- "over these lines."

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Has this issue been resolved?

25

Will the transmission line corridor 1 15. 2 precisely use the existing 13.2 kilovolt line easement? It has been stated they are going to be the same. 3 It also says they're parallel. Which means they're not the 4 These are two different easements. Maybe it can 5 same. be on the other side of the route. I don't know. 6 The next subject is the the existing natural gas 7 8 line. That line is over 75 years old. It cannot operate at its designed pressure. It's being -- it's been 9 reduced because of probable corrosion that cannot -- it 10 11 cannot be pegged or measured for its thickness or X-rayed 12 while it's underground. And it would be very difficult to take it out of the ground just to measure it. 13 14 This line, we do not have enough natural gas 15 that gets to Nogales to run the gas turbine generator 16 more than two or three days without going to diesel fuel. 17 Nogales is an EPA non-attainment area for air pollution. 18 It's just they gave up. It can't be fixed, the Nogales air problem. It will only get worse running turbines on 19 diesel. 20 21 CHMN STAFFORD: Mr. Magruder, that's --

22 MR. MAGRUDER: Can I just read two paragraphs, 23 two quick ones, which are my changes I recommend to the 24 CEC?

25 CHMN STAFFORD: Pardon. I couldn't understand GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 what you said.

2 MR. MAGRUDER: I'm sorry. CHMN STAFFORD: Oh, okay. You had some 3 suggestions for changes to the CED; is that what you're 4 5 saying? 6 MR. MAGRUDER: Yeah, can I just read the two 7 sentences? 8 CHMN STAFFORD: Two sentences. 9 MR. MAGRUDER: Okay. "One, the applicant shall have an approved record of decision from the U.S. 10 11 National Forest Service prior to any construction 12 actions. This decision shall been filed in the docket." 13 The other recommendation is the application --14 "applicant shall not commence any actions in accordance with the CEC until such action is fully funded by the 15 16 users of this project. 17 "Further, the end user shall also fund all 18 operations and maintenance actions along and including 19 removal of the completion of the line when its use has 20 been completed." 21 That statement is very similar to the statements 22 in the Rosemont transmission line case, 164. 23 And I'll stop. Thank you. 24 Thank you very much. CHMN STAFFORD: That concludes our public comment for this evening. We will 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

recess and come back at nine a.m. tomorrow morning. We
 will begin the tour.

Ms. Grabel, do you have any updates on how the tour will be arranged, the bus, how many buses are there, where we -- where would we meet, initially here and then head out to the parking lot?

MS. GRABEL: Well, that actually does raise a 7 8 question about the A/V team. They were wondering if they 9 needed to be here at nine or after the tour. So, I mean, we could either convene here and have Mr. Bryner give a 10 11 couple of, you know, opening remarks before we actually 12 go on the tour, or we could meet out front by the buses. I believe there are two -- yeah, two vans and the court 13 reporter can take our -- his -- his testimony, you know, 14 15 at that time. I defer to --

16 CHMN STAFFORD: Yeah, I think unless the members 17 have a different opinion I think we should just meet at 18 nine in the parking lot and board the buses and begin the 19 tour.

20 MS. GRABEL: That works. Give these guys a 21 break.

CHMN STAFFORD: Yes. All right. With that, we are in recess and we'll reconvene at nine a.m. in the parking lot. Thank you.

25 (The hearing recessed at 7:29 p.m.)

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