BEFORE THE ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE

LS-456

IN THE MATTER OF THE APPLICATION OF UNS ELECTRIC, INC. IN CONFORMANCE WITH THE REQUIREMENTS OF A.R.S. § 40-360, ET. SEQ., FOR A CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY AUTHORIZING THE SANTA CRUZ RELIABILITY PROJECT NORTH, WHICH INCLUDES THE CONSTRUCTION OF A NEW 138 KV TRANSMISSION LINE WITHIN UNINCORPORATED PIMA COUNTY AND UNINCORPORATED SANTA CRUZ COUNTY, ARIZONA.	)	DOCKET NO. L-00000F-25-0209-00252 Case No. 252 EVIDENTIARY HEARING

At: Tucson, Arizona

Date: November 3, 2025

Filed: November 10, 2025

REPORTER'S TRANSCRIPT OF PROCEEDINGS

(Pages 1 through 152)

GLENNIE REPORTING SERVICES, LLC
Court Reporting, Video & Videoconferencing
1555 East Orangewood Avenue, Phoenix, AZ 85020
602.266.6535 admin@glennie-reporting.com

By: Robin L. B. Osterode, CSR, RPR
Arizona CR No. 50695

VOLUME I	November 3, 2025	Pages 1 to 152
VOLUME II	November 4, 2025	Pages 153 to 279
VOLUME III	November 5, 2025	Pages 280 to 329

INDEX TO PROCEEDINGS

INDEX TO TOUR

INDEX TO EXAMINATIONS

INDEX (Continued):

INDEX TO EXAMINATIONS

INDEX TO EXHIBITS

INDEX (Continued):

INDEX TO EXHIBITS

NO.	DESCRIPTION	IDENTIFIED	ADMITTED
UNS-8	Tour Itinerary/Script/ Protocol	143	--
UNS-9	Summary of Public Outreach	207	--
UNS-10	Excerpt from 2025 Biennial Transmission Assessment Presentation	81	--
UNS-11	UNSE Ten-Year Plans	230	--
UNS-12	Exhibits Regarding Notice Requirements	230	--
UNS-13	Receipt of Filing Fee	237	--
UNS-14	Letter to State Historic Preservation Office	126	--
UNS-15	Proposed Certificate of Environmental Compatibility	41	--
UNS-16	Letter of Support from City of Nogales	228	--
UNS-17	Letter of Support from The Chamber of Southern Arizona	228	--
UNS-18	Letter of Support from Nogales-Santa Cruz County Chamber of Commerce	228	--
UNS-19	Letter of Support from the Santa Cruz County Board of Supervisors	228	--
UNS-20	Arizona Corporation Commission Utilities Division Staff Report	241	--
UNS-21	Notice of Errata (Amendment to Application)	45	--

INDEX (Continued):

INDEX TO EXHIBITS

BE IT REMEMBERED that the above-entitled and numbered matter came on regularly to be heard before the Arizona Power Plant and Transmission Line Siting Committee at Tucson, Arizona, commencing at 1:00 p.m. on November 3, 2025.

BEFORE: ADAM STAFFORD, Chairman

MICHAEL COMSTOCK, Arizona Corporation Commission
LEONARD C. DRAGO, Department of Environmental Quality
SAL DiCICCIO, Incorporated Cities and Towns
DOUGLAS FANT, General Public
ROMAN FONTES, Counties
DAVID FRENCH, Arizona Department of Water Resources
R. DAVID KRYDER, Agriculture Interests
MARGARET "TOBY" LITTLE, General Public
GABRIELA SAUCEDO MERCER, General Public

APPEARANCES:

For the Applicant:

OSBORN MALEDON, P.A.
By: Meghan H. Grabel
By: Elias J. Ancharski
2929 North Central Avenue, 20th Floor
Phoenix, Arizona 85012

CHMN STAFFORD: All right. Let's go on the record. Now's the time set for the hearing in the application of UNSE Electric, Inc., for a Certificate of Environmental Compatibility, Docket Number L-00000F-25-0209-00252, or Line Siting Case 252. Start by taking roll call of the members.

Member Kryder?

MEMBER KRYDER: Here.

CHMN STAFFORD: Member Mercer?

MEMBER MERCER: Present.

CHMN STAFFORD: Member Comstock?

MEMBER COMSTOCK: Present.

CHMN STAFFORD: Member Fant?

MEMBER FANT: Here.

CHMN STAFFORD: Member Little?

MEMBER LITTLE: Here.

CHMN STAFFORD: Member Drago?

MEMBER DRAGO: Here.

CHMN STAFFORD: Member French?

MEMBER FRENCH: Here.

CHMN STAFFORD: Member Fontes?

MEMBER FONTES: Here.

CHMN STAFFORD: Member DiCiccio?

MEMBER DiCICCIO: Here.

CHMN STAFFORD: All right. Let's take the

appearance of the applicant.

Ms. Grabel.

MS. GRABEL: Thank you, Mr. Chairman. Meghan Grabel from the law firm Osborn Maledon on behalf of UNS Electric. With me at counsel table is my colleague, Elias Ancharski.

CHMN STAFFORD: All right. Members, we have had a Mr. Marshall Magruder apply to be granted status as a party or an intervenor in this matter. He is -- under the statute he's not a party by right, but he has requested and it is up to this committee to decide whether or not to grant him party status.

Mr. Magruder, can you hear us?

MR. MAGRUDER: (No audible response.)

CHMN STAFFORD: Hello, Mr. Magruder?

MR. MAGRUDER: (No audible response.)

CHMN STAFFORD: I can't hear him. I can see him on Zoom, but there's no audio of him.

Mr. Magruder, can you hear me? Can you give me a thumbs up if you can hear me?

MR. MAGRUDER: (No audible response.)

CHMN STAFFORD: Mr. Magruder, can you hear me?

MR. MAGRUDER: (No audible response.)

CHMN STAFFORD: I can see Mr. Magruder's

lips moving, but I don't hear any audio.

Let's take a brief recess while we sort out this technical issue. Let's go off the record.

(Recessed from 1:17 p.m. until 1:20 p.m.)

CHMN STAFFORD: Let's go back on the record.

Mr. Magruder, can you hear me?

MR. MAGRUDER: Yes, I can hear you loud and clear.

CHMN STAFFORD: Great. Now we can hear you.

MR. MAGRUDER: Thank you.

CHMN STAFFORD: All right. Members, Mr. Magruder has asked to be a party in this matter. It's up to us to decide whether or not he will.

Mr. Magruder, can you explain to the committee why you should be granted intervention?

MR. MAGRUDER: Yes. Yes, Chairman.

My name is Marshall Magruder. I was a former Vice Chairman of the Joint Santa Cruz County and City of Nogales Energy Commission. I've been a Tubac -- I was a Tubac resident -- Tubac, Arizona resident for 25 years. My address is 455 East Mayo Boulevard, Unit 4102, Phoenix, Arizona 85050.

I moved to an independent living facility

here two years ago to be near important medical facilities. I was an active intervenor in almost every case, line siting case, water case, gas case, since 2000. And, in particular, case 111, which was extremely similar to this case. And I learned a lot then. And that case had design faults -- faults that were not avail- -- that are not present in today's case.

There are two issues I'm concerned about: One is ratepayers. I'm worried about what company owns what part of the entire renewable -- Santa Cruz renewable reliability program wires, because they then -- that cost then goes to the rate base, which then comes back to the ratepayers. This is about a $100 million project. There are 20,000 customers in the Santa Cruz service area. That's about $5,000 a customer. And from what it -- the amount, the trivial amount of improved reliability, in my view, is not worth paying $5,000 for it.

The second issue involves the three sequential phases to this program. And when you start doing things out of phase or that one part of the program will affect another, and in fact, it's a very complicated system that a lot of us haven't understood yet that I intend to bring out in my testimony.

So those are the things I intend to talk about. I intend to, if you don't mind, have an opening

statement, which the agenda calls for if I'm an intervenor; and second, I'd like to give a presentation during the time I would be doing the testimony. And those are my two major parts, other than questioning during Qs and As.

That's it, Chairman.

CHMN STAFFORD: Thank you, Mr. Magruder.

Ms. Grabel, let's -- I'd like to hear from the applicant. You filed a motion in opposition to his request to intervene?

MS. GRABEL: We did, Mr. Chairman. Thank you, Committee Members.

UNS does not take lightly opposing requests for intervention. It's something we rarely do. In this case, I'd like to start by noting the procedural requests that Mr. Magruder has made. He's indicated on multiple occasions that he wants to continue this hearing for a series of weeks between times in order to give him times to formulate his position in this matter.

Step closer to the mic? Okay.

He wants to engage in discovery, and has to date sent UNS Electric three data requests since last Monday with over 158 questions. We will not be able to respond to those. So during the prehearing conference, Chairman Stafford suggested he ask the applicant all

those 158 questions during this hearing, and he said that's what he intended to do. Many of those DRs seek information that's not relevant to this project; it's relevant to other projects. He wants several rounds of prefiled testimony and briefing. Obviously, all of this would significantly delay the proceedings and massively increase the costs to UNS Electric Company.

The procedural stuff is not our grounds for intervention. Our grounds -- our legal grounds are twofold. The first is that his application was untimely. He filed four days too late under the governing regulations. And, as we noted in our response, UNS Electric would be willing to waive that defect if he would agree to withdraw the onerous procedural requests that he made.

However, since filing our notice, it has come to our attention that Mr. Magruder does not have standing in this case. He is no longer a customer of UNS Electric. He moved away from the service territory two years ago, as he noted in his remarks just now, nor does he own any land in the service territory. He's nowhere near this transmission line.

Under the governing regulations, a person must establish that they have "A direct and substantial interest in this matter." And at this point,

Mr. Magruder has neither a direct nor a substantial interest.

He says, you know, he wants to protect ratepayers, but he's no longer a UNSE ratepayer; he's an APS ratepayer. The Commission has denied intervention on this basis on several occasions, and we think it is appropriate to do this here.

How this matter is resolved literally has no impact to Mr. Magruder. For him this is an academic exercise that would increase the cost to current UNSE ratepayers, and we believe that that's an inappropriate result.

Thank you.

CHMN STAFFORD: Thank you. Questions from members?

MEMBER LITTLE: Mr. Chairman?

CHMN STAFFORD: Yes, Member Little.

MEMBER LITTLE: I'm not quite sure how to phrase my question, but I'm wondering besides participation in this hearing here, granting him intervenor status would have what implications to the project for either us, the Commission, or the applicant?

CHMN STAFFORD: Is that directed at the applicant or at Mr. Magruder?

MEMBER LITTLE: It's directed at you or --

it's directed at a lawyer.

CHMN STAFFORD: Okay. Let's ask -- let's ask Ms. Grabel.

MS. GRABEL: Thank you, Mr. Chairman, Committee Member Little.

I think it sets a bad precedent because, I mean, this is exactly the type of case that the Commission has, on several occasions, denied intervention. I have at least six that I can name now for you where a potential intervenor was denied intervention in a utilities rate case because -- and a line siting case, because they could not establish they were a customer or a landowner and, therefore, had no direct and substantial impact.

As to this direct case, it would, as I mentioned before, obviously delay these proceedings quite substantially and would increase the cost to existing customers, as I mentioned. We believe, under our present case, our direct case, as we intend to present it, we could be finished by Wednesday. With the procedural things that Mr. Magruder has requested, as well as the several, several, 158 questions that he said he intends to ask during the hearing, we will go at least until Friday, if not beyond, and he has requested to extend the proceedings until he has the information that he wants.

May I say one more thing?

CHMN STAFFORD: Yes, Ms. Grabel.

MS. GRABEL: We, of course, would not oppose Mr. Magruder making public comment this afternoon, I think he has every right to do that, as others would do. So he can say whatever he wants to the committee at that point. Nor would we have any objection to taking the filings he's made to date and having the committee consider those as public comment as well.

CHMN STAFFORD: I think all his filings have been in the docket, so there's nothing that he has that hasn't been filed in the docket that's available to members so far, I think.

Mr. Magruder, you had your hand raised?

You're on mute Mr. Magruder.

MEMBER KRYDER: Mr. Chairman?

CHMN STAFFORD: Yes, Member Kryder.

MEMBER KRYDER: We received, as members of the committee, a significant packet of materials from Mr. Magruder, I read through, surprisingly, the nearly 300 pages and was overwhelmed by the volume of it, but also was underwhelmed by -- it seemed the redundancy of what was said and so on, much of it not pertaining to this particular project.

So it was, like -- and I don't mean to

demean the significant work that the author put into it -- but it was, like, I wanted a small sandwich and I got a banquet. And it was difficult for me to follow through much of this and to get my sandwich out of it.

So my observation would be that I think the committee, or at least those who had a chance to read that big document, look through it at least, have already had a chance to stand at the banquet table. And I thank Mr. Magruder for his insights and his hard work in this, but I believe that it would be more appropriate to have him give public comment than to be a current participant.

Thank you.

CHMN STAFFORD: Thank you, Member Kryder.

Mr. Magruder?

MR. MAGRUDER: (No audible response.)

CHMN STAFFORD: You're still on mute. You're still on mute, Mr. Magruder. I can see your mouth move, but the --

MR. MAGRUDER: Can you hear me now?

CHMN STAFFORD: There you go. Yes.

MR. MAGRUDER: Okay. I'd like to make some rebuttal.

First of all, a week ago Monday was the first time I learned that the application had been sent. I previously participated in a Zoom conference on 7

August, and I also signed up for the newsletters from the utility. And so I did not know until two weeks ago that I -- that this application had been submitted, which means I had to work pretty fast. I did write a long letter in August so the company has known my position on different things.

I got a very short email back on the 19th of September, the same day they submitted the application, saying they received my comments, and it would show up in the record. It is not in the record for this case. And that was why the first thing I submitted was what I had previously submitted to the company, plus additions that had occurred since August until two weeks ago.

That's why -- and that was incomplete. And the original comments since requested -- or looked at suggested maybe having multiple hearings. I've -- since August, I've changed my mind. I think having a hearing in this procedure for these days is fine. And I believe I could be a valuable participant, especially during cross-examination. If I'm not an intervenor and just making public comment, I cannot cross-exam. And that is one of the things that I think is an important role I'd like to play.

So the 10 days that I counted was 10 days

on the calendar. Unfortunately, I don't read the various court rules routinely to determine how to count the days and the weekends don't count when you count 10 days. So I rushed, very rushed, to get a -- an intervening letter in.

I had planned to submit data requests, I submitted so far three to the company. There are a lot of little questions, the questions are very simple, but I do not expect them to have them answered, obviously. And, frankly, I don't think they're going to ever answer them. So it doesn't bother me if they don't answer them, because I wasn't even an intervenor when I submitted them. Normally you have to be an intervenor to submit a data request. And so I did something. I don't know if it's right or wrong. Again, I'm not an attorney.

And so delaying the hearing is what I recall was the second point I brought up. Do you as the Chairman want to have three different sets of Santa Cruz reliability hearings or do you want to have one composite one? And the reason I suggested a composite one, because these are inter-related projects. And in addition to that, in 2017, a CEC, which is not even mentioned in the documents so far, greatly affects this, which is the Nogales interface. And the result might be three different sets of transmission lines through Santa Cruz

County. And I think that's excessive. And I -- and especially since one of them will have absolutely no benefit for anyone in Santa Cruz County.

Now, back to my -- I -- because I lived in Santa Cruz County for so long, I have a strong feeling to my neighbors and my friends. And I really don't want them to be taken to the cleaners because -- and part of my testimony would be of the complex nature of LLCs owned by the Hunt Energy Company and all these other companies, it's impossible to figure out what's going to happen and one of the --

CHMN STAFFORD: Thank you, Mr. Magruder. It sounds to me like the major -- your major concerns with this project are the rate implications; is that true?

MR. MAGRUDER: That's one of the -- there are technical things that are minor, but that's the major one, and that is one of the things that are listed under the 360 RULE that you're supposed to consider.

CHMN STAFFORD: Mr. Magruder -- Mr. Magruder, now, what is the point of your intervention in this -- in this case? What do you hope to achieve by intervening in this line siting case?

MR. MAGRUDER: What I want is fair and reasonable results. Fair for the company and reasonable

for the company; fair and reasonable for the ratepayers.

CHMN STAFFORD: All right. You submitted some slides for a presentation?

MR. MAGRUDER: Yes, I did.

CHMN STAFFORD: Can I get one of those up on the screen, please?

CHMN STAFFORD: All right. Mr. Magruder, can you see the slide on the screen? This is from your presentation that you filed in the docket.

MR. MAGRUDER: Yes, Chairman. Yes, Chairman.

CHMN STAFFORD: Okay. So is it fair to say that your goal by intervening in this case is to add this Condition to the Certificate?

MR. MAGRUDER: Yes, Chairman. That slide is the exact same slide that I used on November 3rd, 2017, in the discussion of the what I'll call the third transmission line direct from Gateway to Tuc- -- to Phoenix -- to Tucson, and that case is not discussed directly in the combination of things in the Santa Cruz Reliability issue that we're talking about now.

And what -- in general, that's what I'd like to have put in there, in 2017. And it seems extremely reasonable to be put in there now. And I plan to show why I would be so strong on requesting such an

item if I get a chance to testify.

CHMN STAFFORD: All right. Thank you, Mr. Magruder.

The problem is that I don't think that condition is in any way appropriate for a Certificate of Environmental Compatibility. This is not a rate case. We -- the committee lacks the authority over rates. We can't tell the Commission what not to put into rates, what to put into rates. That is outside our authority.

MR. MAGRUDER: Yup, but --

CHMN STAFFORD: And frankly, I don't think -- I'm still talking, Mr. Magruder -- frankly, I don't think it's within the Commission's authority to include predetermined rate case outcomes in a Certificate. So I think the problem that I'm having is that your end result is not permissible under this committee's, and probably not the Commission's, authority. May have plenty of authority under rates, but that's typically -- you have to exercise that in a rate case, they have to consider fair value, but they can't just kind of piecemeal -- make decisions about a future rate case in a line siting case. That's just -- that's not within their authority under the Line Siting Statutes.

So with that, I think, Members, I'm -- are

we ready to vote on whether to allow Mr. Magruder to intervene in this matter?

MEMBER KRYDER: Yes, sir.

CHMN STAFFORD: All right. Let's take a roll call vote.

Member Kryder?

MEMBER KRYDER: No.

CHMN STAFFORD: Member Mercer?

MEMBER MERCER: No.

CHMN STAFFORD: Member Comstock?

MEMBER COMSTOCK: No.

CHMN STAFFORD: Member Fant?

MEMBER FANT: No.

CHMN STAFFORD: Member Little?

MEMBER LITTLE: Mr. Chairman, I -- I believe that it's important that we consider public input. It's the reason for public comment. It's the reason that we have several members on this committee that represent the public.

I also read what was submitted into the docket, and I do have some questions for the applicant as a result of the information that was presented. I would also like to thank Mr. Magruder for -- for all of his hard work, for the information that he provided, and I would hope that other members, besides Mr. Kryder and

myself, read what was submitted into the docket, because I believe that it's important information to consider.

However, I also do not believe that information -- that we have the authority on this committee to make any statements with regard to rates. And for that reason, I also vote no.

CHMN STAFFORD: Member Drago?

MEMBER DRAGO: No.

CHMN STAFFORD: Member French?

MEMBER FRENCH: No.

CHMN STAFFORD: Member Fontes?

MEMBER FONTES: No.

CHMN STAFFORD: Member DiCiccio?

MEMBER DiCICCIO: Really quick, Mayor -- Mr. Chairman, he has every right to, as every other citizen does in the state of Arizona and anybody who is an impacted individual, to make comments in the public section, as was mentioned before. And I would hope that the utility would make every effort to answer those questions that he comes up with. He still has the same amount of time as everybody else, and so I'm going to be voting no on this, and I probably will for any future issues because everyone needs to be treated exactly the same.

Thank you, Mr. Chair.

CHMN STAFFORD: Thank you, Member DiCiccio.

And I vote no as well.

Mr. Magruder, you will not be granted intervention. You will, however, be allowed to make public comment. Since you have put a lot of thought into this, I would be willing to let him make public comment now, since he's already here with us, as opposed to waiting to come back at 5:30.

Is that acceptable to the applicant?

MS. GRABEL: It is. Thank you, Mr. Chairman.

CHMN STAFFORD: Member Fant?

MEMBER FANT: Mr. Chair, if Mr. Magruder is denied intervention, will the materials he filed in the docket still be part of the record?

CHMN STAFFORD: They're -- they're part of the record at the Commission, it's filed in the docket, just like anything filed in the docket is a part of the Commission record. It will not, however, be part of the hearing record unless -- certainly, I guess, members can ask questions based on it and then the responses will be on the record in the transcript.

MEMBER FANT: So they will be available to other parties who want to see those materials?

CHMN STAFFORD: Yes, it's in the docket.

It's available to anybody.

MEMBER FANT: Okay. So it's -- whether or not he's granted intervention, those materials are in the public docket?

CHMN STAFFORD: Yes.

MEMBER FANT: All right. Thank you, Mr. Chair.

MEMBER COMSTOCK: Mr. Chairman?

CHMN STAFFORD: Yes, Member Comstock.

MEMBER COMSTOCK: Since Mr. Magruder has put so much work into this, if he's going to make a public comment now, can we extend his time maybe to six minutes instead of three?

CHMN STAFFORD: Oh, I was going to give him ten.

MEMBER COMSTOCK: Perfect. Thank you. Thank you, Mr. Chairman.

CHMN STAFFORD: And then after -- then after his public comment, we'll get to the applicant's opening statement and then get to the witnesses.

All right. Mr. Magruder, you are not a party, but we will allow you to make public comment, and we'll give you ten minutes. You need to unmute first, please. You're still on mute. There you go.

MR. MAGRUDER: You asked about my slides.

I have about 30 slides, it's going to take me more than ten minutes.

CHMN STAFFORD: Oh, you're not going to put your slides on, you get to make public comment.

MR. MAGRUDER: Wow. Okay.

In 1998, there were terrible outages in Santa Cruz County. And as a result, mainly due to personnel there, everything was blamed on the transmission lines because in Santa -- in Nogales there was the one control center and when it did not receive electricity, they said it was the transmission lines. What it was, and it turns out to be a majority of the case, it wasn't the transmission line, it was the power coming to the north end of the transmission line that didn't get to that line. And one of the footnotes in the material I submitted from the Chairman of the Western Area Power Administration said we did not turn the switch and give you power, but it all was blamed on the transmission line.

In 2002, TEP submitted a 345-kilovolt line to go to Mexico and didn't really do anything for us except let us get 35 megawatts from it to go to Nogales. There have been numerous changes made to our present four substations, in particular, going from 115 to 138, but what we also have is a 46-kilovolt backup power support

supply from the TEP substation in Canoa, which is not mentioned in this application.

Right now, Santa Cruz County has -- service area has two different sources of electricity: One from Naveo [phonetic], one from the Canoa Substation, not the Canoa Ranch Substation. It's about three miles apart these two substations. And they and the Chairman Mundell and Mays both called it "the Marshall plan," named after me, unfortunately, that put in that 46-kilovolt line so that when they lost power on the primary line, that they could switch to the secondary backup line by pushing a button. Or. Actually, you can automatic -- gain control automatically giving it additional 22 megawatts to the Santa Cruz grid.

Down to the south there are three 16-megawatt generators, plus a 20-megawatt brand-new LM2500 generator, so 68 megawatts of power -- backup power is available in Nogales. Between the 22 and the 68, that's 90-plus megawatts. That's more than the peak demand today, just from what we now have.

Technically, we don't need a second anything, because we have primary and secondary. The problem is TEP wants to sell power from Mexico to the United States or from the United States to Mexico. Both countries have a shortage of power due to the data

centers that are planned to be put in both countries. Mexico is operating with less than a 6 percent margin of power in their country. So Mexico is really hurting.

And Marana, according to yesterday's Arizona Republic, which I have a copy here, is being now -- now being asked to put in a 1,500-megawatt data center that just got turned down by the City of Tucson, it's the same company, and they actually want to make a little bit bigger one in Marana. Again, that takes power away.

Now, putting a line into Mexico, which is, according to UniSource, the purpose of this system is to completely the wires necessary to interconnect to the -- to Mexico. It's not to help us -- or not to help Santa Cruz County. And all of this, these three phases build up to the connection to Mexico. And, to me, that has no benefit to -- to Santa Cruz County.

And so what, generally, it looks to me like is that we have one set of power lines that could take a second arm on it, we could put 238-kilovolt lines or 138-kilovolt lines on it, and use that as a merchant transmission line. Because the Hunt people and the Nogales intercepts people want to put a line in, they've already got their rates approved by the Federal Energy Regulatory Commission to use their private line from

Nogales to Tucson, so they can then charge merchants, people rent the lines to put their power on it. That's how they're going to make money, not to handle customers.

My approach would be take the one set of power lines we have now, put a new arm on it, and let's put a second line on it. It's called a merchant line, which means UniSource could make money off the merchant line and mines and data centers, if they want to use that power, they get the lines, they plug into that line.

The Rosemont Power, I intervened in that, the Rosemont line is supposed -- line is supposed to connect to the 138-kV. The South 32 line is supposed to on our 138-kV, but they're both merchants, they're single customers. They have a totally different way of operating; they're 24/7 steady power. Residential customers have variable power day and night, season to season.

Also, Santa Cruz service area is in the Santa Cruz Active Management border area, and uniquely in Arizona, it's the only place in Arizona that is positive on water. All the other active management areas are negative. And the law in 1980 said that when they created the Santa Cruz Active Management Area, when it reaches capacity, there will be no more water permits in the Santa Cruz Active Management Area, which is almost

identical to the Santa Cruz UniSource area. They're -- the water area actually goes a little further north up to the Canoa Ranch, because the Santa Cruz land does not have an aquifer.

There's no aquifer in the Santa Cruz Active Management Area. It's solid rock from 3- to 600 feet below and the water goes through six different micro-basins before it falls over a 2,500 cliff at Canoa Ranch and feeds water to the Tucson aquifer. And so Santa Cruz population is limited, which means the people won't grow more than 70,000 people. That's -- Phoenix -- Nogales population went down in the last century, so -- or the last census.

So it's not a fast-growing neighborhood, but still it is limited in its growth, which is a little bit -- people don't quite understand when you don't have water, you don't have water, and I've been a member of this SCAMA group for a long time, and that's what we talk about all the time.

So it's well-known, its in the County Comprehensive Plan and stuff like that that we're running out of -- that there is a growth potential. So if we had one transmission line for the people and population, which has gone up and down, and a merchant line for mines, data centers, and whatever the people want to do

coming in their transfer of power between Mexico and the United States, and they both hang on the same set of monopoles, that solves the problem. Instead of three different sets of transmission lines, one set is, I think, all we need and those poles have already been put in and have already been paid for.

This is over -- it might be as high as $180 million to pay for all this stuff I'm talking about. And you guys are deciding who puts it in and who puts it in will collect the money from somebody. They're either going to collect it from ratepayers, they're going to collect it from investors, or they're going to collect it from shareholders.

And so -- and I don't know that. And that's not a rate case issue, it's the big picture issue, but rate case will determine if it's a prudent investment, whether they've spent the money on the right things, and that sort of stuff. But that's already in the ground. The money's already spent. And that's why, in accordance with a small section of the 40-360, it did say that this committee should consider the impact of the projects on rates. Not the rate case, just the impact. And the impact, to me, means who puts it in and who is going to get paid for it.

And there's a section in my paper about the

complex Nogales Frontier Operations Company, the Nogales Interconnection Company -- Interface Company. There's a Nogales Holding Company. All of these are LLCs and PCs and I don't know who owns -- and there's also UniSource owns a company called Millennium -- oh, MEH, it's Millennium.

UniSource also has a company that's tied up in this, and there are company agreements that have been written that are legal documents, and I think that needs to be -- and I know this sounds weird, but it does need to be decided before you put the spade in the ground. That's the only -- and the line that we're talking about today is not going to be operational until 2029. They're not going to start digging the holes until 2027. This is 2025.

Again, I'm not trying to delay this hearing. I'm not even trying to delay the company, but I see there's a big picture that is going to -- that you're doing it piece by piece and the pieces might not all fit together.

Those are my comments.

CHMN STAFFORD: Thank you, Mr. Magruder.

Ms. Grabel, would you like to make an opening statement?

MS. GRABEL: Thank you, Mr. Chairman.

Actually, Mr. Ancharski will give the opening statement today.

MR. ANCHARSKI: Thank you. Chairman, Committee Members. My name is Eli Ancharski of the law firm Osborn Maledon, and I represent UNS Electric, or UNSE, the applicant for a Certificate of Environmental Compatibility, or a CEC, to authorize the construction of the Santa Cruz Reliability Project North in Pima County and Santa Cruz County, Arizona.

You will hear this project referred to as "SCR North" or simply "the project." The primary purpose of this project is to add a second transmission line to connect Santa Cruz County to the larger regional grid in Pima County, thereby strengthening the local energy grid and adding service reliability for customers in Santa Cruz County. With me, from my firm, is my colleague, Meghan Grabel.

By way of a brief summary, UNSE plant proposes to construct a new, approximately 9-to-12-mile 138-kV transmission line to connect Tucson Electric Power Company’s existing Canoa Ranch Substation in Pima County to UNSE’s existing Kantor Substation in Santa Cruz County. The project will be located in unincorporated Pima County and unincorporated Santa Cruz County, and will cross private, County, and State Land. While not

jurisdictional, and thus not a part of this CEC application, the Committee will also hear that UNSE plans to expand the Kantor Substation in Santa Cruz County as part of this project. The expansion will extend the property boundaries by about 20 acres to accommodate setbacks, security, and operations and maintenance requirements. The substation improvements will further support reliability for customers, allowing UNSE to perform maintenance without interrupting circuit operations.

Before getting into more detail on SCR North, it's important to take a step back and understand how this project fits into UNSE's larger planning efforts. UNSE's Santa Cruz County electric system is currently served by a single 138-kV transmission line from TEP's Vail Substation near Tucson to UNSE's Valencia Substation in Nogales in Santa Cruz County. Although UNSE has performed significant upgrades to the transmission system and has explored all options for additional improvements, Santa Cruz County's system still relies on this single transmission line.

SCR North is the first of three phases UNSE is planning to upgrade to improve the high-voltage transmission system serving Santa Cruz County. This three-phase upgrade is collectively referred to as the

Santa Cruz Reliability Project.

In the second phase, UNSE will upgrade the existing transmission line conductor from TEP's Vail Substation to UNSE's Kantor Substation to enhance the reliability and resiliency of the transmission line by reducing current capacity limitations. Phase 2 has already been approved by the Arizona Corporation Commission in Decision Number 76468.

The third phase will connect the expanded Kantor Substation to the Valencia Substation, thereby completing the looped system to Santa Cruz County. Ultimately, the loop system will further increase reliability and resiliency by adding a second path of transmission to this area.

So why is the Santa Cruz Reliability Project so important? These two depictions provide a high-level representation of the existing and planned infrastructure in the region. Our witnesses will go into greater detail on these figures. Currently, as I mentioned, Santa Cruz County relies on a single, or radial, transmission line connecting Santa Cruz County to Pima County through the Kantor Substation. In simpler terms, there is only one transmission line connecting most of Santa Cruz County to the larger, more integrated grid in Pima County.

As shown on the figure on the left screen, the only transmission line serving Santa Cruz County runs from Pima County, delivering electricity from the regional electric grid near Tucson. While two additional transmission lines cross through the extreme east side of Santa Cruz County, over 35 miles away, these lines deliver electricity to Ft. Huachuca and Sierra Vista in Cochise County. No other transmission lines exist in Santa Cruz County.

For those with an engineering mind, Member Little, the one-line diagram on the right side of the screen depicts the existing infrastructure connecting the larger grid in Pima County to the portion of the Santa Cruz County served by UNSE through the Kantor Substation shown in orange. The shorter red line represents the current project, Santa Cruz Reliability North.

By adding SCR North, you can see that there are now two connections into the Kantor Substation, thereby establishing the first loop on the system. You will hear much more about how loop systems enhance the reliability and resiliency of the grid in Santa Cruz County during the hearing in this case.

Importantly, this one-line diagram also highlights the need for the project, which I will go into

further detail momentarily. Should the existing line go down, either for maintenance or due to an unplanned outage, between the TEP Vail Substation, shown in green at the top right of the figure, and the Kantor Substation, shown in orange, Santa Cruz County is susceptible to larger sustained outages.

This map, which has been marked as Exhibit UNS-2, is an overview for the project. The map identifies the preferred and alternative routes, as well as the two connection points for the project. The northern connection point being the Canoa Ranch Substation and the southern connection point is the Kantor Substation, both of which are in operation today.

Following an extensive siting, and public outreach and engagement process, UNSE is proposing two routes that would connect the Canoa Ranch Substation and the Kantor Substation. UNSE's preferred route is shown in purple and the alternative route is shown in green.

The length of the preferred route is approximately nine miles and The length of the alternative route is approximately 12 miles. Each route will occupy a combination of land owned by Arizona State Land Department, Pima County, and private ownership. UNSE plans to obtain up to 100-foot right-of-ways

and easements for construction and operation and maintenance, and up to 500-foot wide siting corridors.

The preferred route was chosen because among other things, the preferred route provided a balance of the following factors: The route avoids placement of a new transmission line near existing large residential neighborhoods, as most of the route is located along existing roads adjacent to low-density rural residential and vacant State Trust Land. The visual impact and other perceived impacts were lower. The route had minimal public opposition and this route is the shortest and has the lowest estimated cost.

While UNSE has identified and proposes a preferred route, both routes presented in this application meet the purpose and need of the project and measure well against the factors to be considered by the committee and Arizona Corporation Commission.

As I have mentioned, the primary need for this project is to add a second 138-kV transmission line, thereby transforming the system into a looped configuration to support seamless power delivery, even if one line goes down or is taken out of service for maintenance. Looped systems are preferred because they're much more reliable. For example, if a segment of a looped system failed, electricity can be provided from

the other direction, thus reducing the frequency, magnitude, and duration of potential outages.

The project will mitigate customer outages due to a single contingency on the transmission system. Just a few slides ago, we saw that single contingency as it exists today. Customers will immediately benefit from the loop system because UNSE will be able to instantly reroute power in the event of an outage on the system. The project will also enable the provision of higher quality power, such as reduced voltage flicker and line sag.

While not the driving consideration of this project, it's important to acknowledge that the project would expand transmission capacity to meet both current and future energy demand, as well as aiding in times of peak power demand during high temperatures and other extreme weather events. Although the project is part of UNSE’s planning efforts, it's critical to recognize that the purpose and benefits still hold true, even in the absence of the other phases. If approved, SCR North will create an additional path to the Kantor Substation, thereby reducing reliance on the radial line from Vail alone.

In sum, the evidence will show that the project will allow UNSE to meet its obligation to provide

power to its customers, it will enhance reliability for customers in the area, and will have a minimal impact on the environment and ecology of this state.

This evidence will be supported by the testimony of three witnesses, who will be presented as three separate panels. Our first panel will be a panel of one, Mr. Clark Bryner. Mr. Clark Bryner is the manager of siting, outreach, and engagement for UNSE and TEP. Mr. Bryner will introduce TEP -- sorry, UNSE and the project, including the proposed routes, and he will describe its general characteristics. Mr. Bryner will describe the project's purpose and benefits, as well the need for the project.

Mr. Chris Ortiz y Pino will then join Mr. Bryner as our second panel. Mr. Ortiz y Pino is a siting, outreach, and engagement project manager for UNSE and TEP. Mr. Ortiz y Pino and Mr. Bryner will describe the project's compliance with land use plans and UNSE's analysis of those factors as they relate to the project. Mr. Ortiz y Pino and Mr. Bryner will also testify to the route descriptions and characteristics, including environmental analysis, such as cultural and biological considerations. This panel will also guide the virtual tour and discuss the visual aspects of the project.

Finally, Ms. Adriana Mariñez will join

Mr. Clark Bryner on panel three to discuss the project siting process and public outreach performed for the project. Ms. Mariñez is a senior siting, outreach and engagement project manager for UNSE and TEP. As a whole, our panels will discuss the project in the context of the factors required for the committee's consideration under Arizona Revised Statute Section 40-360.06.

Moving on to some administrative items. Each of the committee members present should have binders or iPads with all of the exhibits and materials that the UNSE team intends to use during the hearing in this matter. At the front of each binder is a list of the exhibits we will review over the next couple of days. Each binder also has a flash drive that includes all of these exhibits, as well as the virtual tour you will see during the hearing.

Exhibit UNS-15 is the proposed form of CEC that we will review at the close of the hearing. As required by the procedural order it contains references to --

(Interruption in the proceedings.)

CHMN STAFFORD: Where is that coming from? Mute that.

AV TECHNICIAN: Whoever it was, they've muted themselves.

CHMN STAFFORD: Okay. All right. Please proceed, Mr. Ancharski.

MR. ANCHARSKI: Thank you.

As required by the procedural order, it contains references to case numbers from which the conditions contained in the CEC were taken.

Based on the evidence we will present, we are confident that you will conclude that the Santa Cruz Reliability Project North will 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 we respectfully ask that you approve the requested CEC.

With that, we're ready to begin our evidentiary presentation. Thank you.

CHMN STAFFORD: Thank you.

So I guess you're going to call your first panel of one?

MS. GRABEL: We'll call our panel of one, Mr. Clark Bryner.

CHMN STAFFORD: Mr. Bryner, do you prefer an oath or affirmation?

MR. BRYNER: An oath, please.

(Clark Bryner was duly sworn by the Chairman.)

CHMN STAFFORD: Please proceed.

MS. GRABEL: Thank you.

CLARK BRYNER,

called as a witness on behalf of the Applicant, having been previously affirmed or sworn by the Chairman to speak the whole truth and nothing but the truth, was examined and testified as follows:

D I R E C T E X A M I N A T I O N

BY MS. GRABEL:

Q. Mr. Bryner, please state your name and business address for the record.

A. (MR. BRYNER) My name is Clark Bryner. My business address is 88 East Broadway, Tucson, Arizona.

Q. By whom are you employed and in what capacity?

A. (MR. BRYNER) I'm employed by Tucson Electric Power, as well as UNS Electric, as the manager of siting, outreach and engagement.

Q. Thank you.

And what was your role in this project?

A. (MR. BRYNER) On the Santa Cruz Reliability Project North, I've served as the lead project manager overseeing the siting, the outreach and engagement, as well as the preparation of the CEC application and the

supporting exhibits.

Q. Thank you.

And do you have before you the book of the exhibits?

A. (MR. BRYNER) I do.

Q. Will you please look at Exhibit UNS-1, which is the CEC application that was submitted for this matter?

A. (MR. BRYNER) Okay.

Q. Have you seen the CEC application before?

A. (MR. BRYNER) Yes, I have.

Q. Was it prepared by you or under your direction and control?

A. (MR. BRYNER) Yes.

Q. Are the statements contained within UNS-1 true and correct to the best of your knowledge?

A. (MR. BRYNER) Yes, they are.

Q. Do you have any corrections that you would like to make to UNS-1?

A. (MR. BRYNER) We do have a few scrivener's errors that we -- we corrected.

Q. And are those corrections contained in the Notice of Errata that we filed in the docket on October 30th of this year?

A. (MR. BRYNER) Yes.

Q. Will you briefly describe those corrections?

A. (MR. BRYNER) Yeah. They're all simply dates and publications of newspapers that -- where we published notices or advertisements for our public meetings in support of the siting phases of the project, nothing to do with this hearing. We just had a couple of dates and attendees wrong for those meetings.

Q. Is the Notice of Errata that we filed marked as UNS-21?

A. (MR. BRYNER) Yes, it is.

Q. And was that prepared by you or under your direction and control?

A. (MR. BRYNER) Yes.

Q. Thank you.

Will you please turn to UNS-2, which is the map of the proposed project.

A. (MR. BRYNER) Okay.

Q. Was UNS-2 prepared by you or under your direction and control?

A. (MR. BRYNER) Yes, it was.

Q. Is UNS-2 the same map that is on the placemat in front of the committee members?

A. (MR. BRYNER) It's not the exact same map, but it's substantially similar.

Q. And cleaner to read?

A. (MR. BRYNER) Yeah.

Q. Will you, just as long as we have the placemat there, will you describe what else is depicted on the placemat?

A. (MR. BRYNER) Sure.

So in addition to the -- to the map that we just described, which is on the right-hand side of the front of the placemat, on the left-hand side there is an infographic summarizing the public outreach and engagement activities that we undertook over the course of almost two years on this project.

Also, just below the map is a short summary table comparing the two alternative routes, with respect to the factors that we considered in siting the line and determining which route was our preferred route. And if you flick over -- flip over to the back side, we have four image sets that represent photographic simulations of what either the preferred or the alternative route would look like from various key observation points within the project area. And those -- those key observation points are actually identified on the map on the front page of the placemat with a red dot and some -- a directional triangle.

Q. Thank you.

Are we going to review all the material that's on the placemat later in this presentation?

A. (MR. BRYNER) Yes, we will.
Q. And if you'll turn to Exhibit UNS-3, which is the testimony summary of Clark Bryner.
A. (MR. BRYNER) Okay.
Q. Was UNS-3 prepared by you or under your direction and control?
A. (MR. BRYNER) Yes.
Q. And are the contents of UNS-3 true and correct, to the best of your knowledge?
A. (MR. BRYNER) Yes, they are.
Q. Do you have any changes to UNS-3?
A. (MR. BRYNER) No.
Q. All right. And, finally, will you turn to Exhibit UNS-6, which is the PowerPoint presentation that we've prepared for the hearing.
A. (MR. BRYNER) Okay.
Q. Was UNS-6 prepared by you and under your correction and control?
A. (MR. BRYNER) Yes.
Q. Are the contents true and correct to the best of your knowledge?
A. (MR. BRYNER) Yes.
Q. And do you have any changes you would like to make to UNS-6?
A. (MR. BRYNER) Not at this time.

Q. Thanks.

I guess go ahead and begin your presentation. And if you'd first go through your background a little bit more for the committee members, so they can see how expert you are.

A. Okay. Very good.

Okay. So as was already stated, my name is Clark Bryner. I've testified before this committee a number of times, so I apologize if some of this is repetitive. But I have a bachelor of arts degree in geography and a master of science degree in bioregional planning, both from Utah State University. I'm an active member of the American Planning Association. And I am a certified planner, which is a certification that I've maintained since 2011.

I have over 19 years of experience in the electric utility industry, primarily with TEP and UNSE, working in a variety of different roles. Over the past three years I've been in my current role as the manager of siting, and I spent the previous 10 years in maintenance planning and asset management roles where I had direct responsibility for the maintenance of our transmission system. And then I had an additional six years in environmental planning and permitting roles, both with the company, as well as a consultant.

So just to give you a little bit more information about UniSource Energy Services, because you may be less familiar with this than you are with our sister company Tucson Electric. So we are sister companies with them, both under the UNS Energy corporate umbrella. UniSource provides both electric and gas service throughout portions of Arizona. UNS Electric, or UNSE, provides electric service to most of Mohave County and most of Santa Cruz County. Those areas are shown in green on the left-hand side of the illustration on slide 3. UNS Gas provides gas service to much of Northern Arizona, as well as Santa Cruz County. And those areas are shown in blue on the right-hand side of the illustration on slide 3.

And just a little bit more about us. In total, UNSE, so the electric side of UNS, serves a little over 100,000 customers, representing a population of around a quarter million within a service territory just over 8,000 square miles, or to put that in context, it's about the size of the state of Massachusetts.

All right. So I hope that this portion of the presentation will kind of give you that big-picture look that we just heard about in public comment on -- on the overall Santa Cruz Reliability Project.

So just to give it a little bit of context,

the regional electric grid in southeast Arizona includes high-voltage transmission lines that import electricity from the north, east, and west into the Tucson metro area. That energy has been spread through hundreds of miles of lines throughout the region.

Today, UNSE's customers in Santa Cruz County are primarily served by a single 138-kV transmission line with it's source at TEP's Vail Substation, so the Vail Substation located just off of Interstate 10 in the southeast area of Tucson.

MEMBER LITTLE: Mr. Chairman?

CHMN STAFFORD: Yes, Member Little.

MEMBER LITTLE: And the source of that power into Vail is the WAPA line; is that correct?

MR. BRYNER: So that is incorrect. So the source of the power into Vail, it comes off of various -- the Vail Substation is very interconnected. So TEP has two 345-kV EHV lines coming in from the east that bring in power from the Springerville, Four Corners area, as well as from New Mexico. There are also -- there's also a 345-kV line coming in from the west, bringing in power from the Phoenix area, Gila Bend areas. And then you have an AEPCO 230-kV line that interconnects there. And a number of 138-kV lines that are operated by -- by Tucson Electric Power.

MEMBER LITTLE: And where does UNSE get its power?

MR. BRYNER: It -- it comes out of Vail Substation.

MEMBER LITTLE: I realize that, but I'm saying is it -- UNSE doesn't have its own generation, does it purchase it from TEP? Does it -- where does -- how does that work?

CHMN STAFFORD: I guess you mean in this county, because we know they have --

MEMBER LITTLE: Right. Yes. Yes.

CHMN STAFFORD: -- up in the Kingman area --

MEMBER LITTLE: I'm talking about down here, yes.

CHMN STAFFORD: Okay.

MR. BRYNER: So, yes, Member Little, so UNSE does have generation. So UNSE, as we've discussed in prior cases, there's generation in Mohave County. UNSE owns a portion of the Gila River Generating Station in Pinal County. It also owns turbines in Valencia that I'll talk about here in just -- or, sorry, the Valencia Substation in Nogales, that I'll talk about here in just a minute. And it owns portions of other generation resources in other parts, and then, of course, through

the regional grid.

MEMBER LITTLE: Thank you.

Oh, one other question. And where is this 46-kV line that has been spoken about before?

MR. BRYNER: So I have a slide literally on the next one, as soon as I click "next" it will pop up.

MEMBER LITTLE: I'm just way ahead of you, Clark.

MR. BRYNER: So thank you for the segue.

So there are two other partial sources of power to our customers in Santa Cruz County. So just like Member Little pointed out, we do have the 46-kV tie line that goes from the Green Valley area to UNSE's Kantor Substation, and then we have also the -- we have four gas-fired turbines in Nogales. But these sources don't have the ability to provide reliable service to all of our -- all of our customers in Santa Cruz County, in the absence of the 138-kV transmission line.

CHMN STAFFORD: Mr. Bryner, the Valencia Power Plant on your map, what is the capacity of the total plant and what capacity is for UniSource?

MR. BRYNER: So the total name -- if you add up the nameplate capacity, it's just under 70 megawatts. But there's a restriction on that because of gas availability and gas pressure. Similar to this

electric line, the gas, it's the tail end of El Paso System, and so we're limited to 30 megawatts that we can generate out of that station.

CHMN STAFFORD: So you've got 40 megawatts that you can't use?

MR. BRYNER: So --

CHMN STAFFORD: I'm talking nameplate -- but the nameplate we know that's the unattainable asymptotic limit, because let's face it, we never have ideal ambient operating conditions in this state, so --

MR. BRYNER: Sure.

CHMN STAFFORD: So you said that it's 70 megawatts total in the Valencia plant but you can only put out 30 because of the gas restrictions?

MR. BRYNER: Correct.

MEMBER LITTLE: Mr. Chairman?

CHMN STAFFORD: I'm sure there's an interesting story behind how that happened but that's kind of outside the scope of this proceeding perhaps, but Member Little?

MEMBER LITTLE: Several or maybe many years ago, I toured that plant when it first -- when the black start capability was first put in. Has there been much experience in the use of that black start capability since then?

MR. BRYNER: To my -- sorry.
MEMBER LITTLE: Go ahead.
MR. BRYNER: To my understanding, there is no black start at Valencia. They have cold start, but they don't have black start capabilities.
MEMBER LITTLE: Interesting. Thank you.
MR. BRYNER: And I just was looking at my slide here and I -- 75 megawatts is the nameplate, so I was slightly off.
CHMN STAFFORD: So about 70 net operating capacity, but then -- but it's cut down to 30 because of the gas constraints?
MR. BRYNER: Yeah, correct.
MEMBER COMSTOCK: Mr. Chairman?
CHMN STAFFORD: Yes, Member Comstock.
MEMBER COMSTOCK: Mr. Bryner, Kinder Morgan and Phillips 66 have announced open season on the new liquids and gas line to come through southern Arizona. Will UniSource be looking to get some supply for them to help increase the availability at Valencia?
MR. BRYNER: I'm aware of that line, but I'm not aware of any discussions on increased capacity to Santa Cruz County.
MEMBER COMSTOCK: Thank you.
MR. BRYNER: All right. So because of the

way things are configured, if the 138-kV transmission line goes out of service, it could cause an outage that affects all UNSE customers in Nogales, Rio Rico, and other areas in Santa Cruz County that are served by UNSE.

CHMN STAFFORD: Would that include the mine?

MR. BRYNER: Which mine are we talking about?

CHMN STAFFORD: The one that has the Rio Rico to Harshaw one, serving it, the new one.

MR. BRYNER: They're a customer there, so yes, they would be affected.

CHMN STAFFORD: Okay.

MR. BRYNER: So the most recent large-scale, unplanned outage that affected Santa Cruz County occurred on February 1st of 2023. This outage occurred as a result of a hardware failure on the single 138-kV transmission line serving the Santa Cruz River Valley and resulted in an outage that extended throughout the day. Schools, businesses, and government offices were forced to close. Across-the-border trade between the United States and Mexico was interrupted, which was significant not just for the immediate area, but for really the country as a whole, because 39 percent of all of our imported fresh produce consumed in the country

comes in through Nogales.

And also, as mentioned by Mr. Magruder during the public comment, this isn't the first time that electrical reliability has been a concern for Santa Cruz County, which is why UniSource is proposing a second 138-kV transmission line in this area. We want to convert that radial line or that single-line configuration into a more reliable loop transmission system, and so yes, we have divided it into three phases.

So the first phase, which of course is the focus of our hearing today, is designed to upgrade UNSE's Kantor Substation in Santa Cruz County and regional electric grid in Pima County. The second phase would expand energy capacity by upgrading a portion of the existing 138-kV transmission line from the Vail area, more specifically from the former Nogales tap to the Kantor Substation. And this upgrade was approved in 2017, as part of case 176, under Decision Number 76468.

CHMN STAFFORD: Say that decision number one more time.

MR. BRYNER: 76468.

And then in the third phase, UNSE plans to add a second 138-kV circuit from the Kantor Substation to the Nogales area. All three of these phases will complete a fully redundant loop transmission service to

UNSE customers in Santa Cruz County, and as a result power outages will be less likely because UNSE will be able to serve -- or supply energy for more than one direction, the substations that support service to our residents, businesses, service providers and other customers in Santa Cruz County.

It will also be possible to remove a portion of the line from service so that we can perform needed maintenance and do that without interrupting service to our customers. One thing I do want to just point out on this slide is there is no interconnection to Mexico as part of this project. This is purely to serve customers in Santa Cruz County.

MEMBER KRYDER: Mr. Chairman?

CHMN STAFFORD: Member Kryder.

MEMBER KRYDER: Three phases, basically one project, I'm recalling some of the other projects that we've recently looked at, and the question that came to my mind as I looked through all of this, Mr. Bryner, was what happens if any one of these three phases doesn't get its CEC?

MR. BRYNER: Thank you, Member Kryder, for your question. So that's a good question. So each of these phases has independent utility of the other. Together, clearly, they form a better project, and we're

able to see the full potential of the project. But for phase 2 -- so phase 2, and I'll discuss this in a little -- in a little bit here, but phase 2 needs phase 1 in order to be built. Phase 3 could be built independent; phase 1 could be built independent.

MEMBER KRYDER: Thank you very much. That's really helpful in looking at the bigger picture and looking at some of the comments that we've heard earlier. Thank you very much, Mr. Bryner.

MR. BRYNER: Thank you.

So this next slide, I'm going to spend quite a bit of time on this slide, and I think, again, as you heard through the public comment something about the history on this. So I'm going to walk through this because the concept of this second transmission line to Santa Cruz County isn't new, it's been discussed for nearly three decades.

Citizens Utilities Company owned and operated the transmission and distribution utility serving the Santa Cruz River valley in the '90s. Transmission service was provided through Western Area Power Administration's system at the Nogales tap near Tucson and transmitted through a 115-kV transmission line supported by aging wood H-frame structures.

Now, as you heard from Mr. Magruder,

reliability wasn't great, and in 1998, the City of Nogales filed a complaint with the Arizona Corporation Commission seeking relief. As a result, in 1999, Citizens entered into a settlement agreement that was approved by the Commission to take a number of measures to improve electric service reliability. One of those measures was to construct a second transmission line by 2003.

In 2001, Citizens filed a joint application with Tucson Electric Power for a double-circuit transmission line to Santa Cruz County with a 115-kV circuit owned and operated by Citizens, and a 345-kV circuit that was owned and operated by TEP. That was the case 111 that Mr. Magruder mentioned.

So that CEC was approved in January 2002. The record of decision that was issued through a separate federal environmental review process was inconsistent with the state-issued CEC. And after several years of impasse, the project essentially died on the vine. Meanwhile --

CHMN STAFFORD: Mr. Bryner, I seem to recall that project. That was the one where they -- I think it was the Forest Service that's actually refused to allow the project?

MR. BRYNER: I would say your recollection

is correct.

CHMN STAFFORD: Okay.

MR. BRYNER: So in 2003, Citizens Electric assets in Santa Cruz County were purchased by UNS Energy and the utility became UNS Electric. Now, subsequently, under new ownership, UNSE made a number of system and operational improvements between 2003 and 2013.

Some of these were already mentioned by Mr. Magruder. These were done to improve the reliability of electrical service in Santa Cruz County. So these included installation of capacitor banks on the 115-kV system to provide voltage support. They also included the installation of that emergency 46-kV tie between TEP system and the Kantor Substation. It included remote monitoring and control of substations, including remote start and operations of the generating units at Valencia.

Also, a number of improvements to our work and asset management systems, as well as mapping the electrical assets in our Geographic Information System, or GIS. Also, since UNSE was now a sister company with TEP being adjacent to one another. In the event of an outage, UNSE could call upon TEP crews to help with restoration in a more timely manner. And one of the largest improvements was rebuilding the 115-kV transmission line from those old wood H-frame structures

to steel monopoles, as well as upgrading the voltage of the transmission line from 115-kV to 138-kV and changing the point of interconnection to the regional grid from that WAPA Nogales -- from WAPA's Nogales tap to TEP's Vail Substation. That also removed a 50-megawatt contractual constraint on the amount of power that was available to import to Santa Cruz County.

That rebuild and voltage conversion was approved in 2009, that was through Line Siting Case 144, and it was completed in 2013. As I mentioned before, the Vail Substation is highly interconnected with the regional grid, so it was a much stronger point of interconnection than was the Nogales tap. So all of these system and operational improvements resulted in substantial improvement in reliability and a significant reduction in restoration time in the event of an outage.

So as a result, UNSE reevaluated the need for a second transmission line, and in 2012, determined that a second line was no longer necessary in order to provide safe, reliable service to customers in Santa Cruz County, and it wasn't a cost-effective measure to ensure continuity of service to our customers in Santa Cruz County, because of the increased cost of service that it would add to our customers.

Of course, as we know, things change. In

2021, UNSE triggered a RMR, or a Reliability Must Run, study requirement, due to our actual load exceeding our projected load. I'll talk a little bit more about the details of that on the next slide. But throughout all of these things, UNSE continually evaluated the need for a second transmission line. And in 2023, again, recommended the construction of a second transmission line to Santa Cruz County.

Lastly, before we leave this slide, I'm going to briefly address each phase of the project and why we parsed it out in the way we did. So as you can see from the map that it's a big overall project. It covers a large area geographically from north to south. It's around 70 miles. It goes through several distinct communities that each have their own unique values. Further, there's engineering and logistics concerns that we need to consider.

As a result, we broke the project into these phases, each with its own specific benefits, and not just for construction, but we also did this for siting. By phasing the siting of the project to mirror the construction of the project, it allows us to better balance the need for the project with a solution that balances the unique environmental factors and community values of each specific area without those -- without

them being watered down by those values of another area within the footprint of the overall -- or larger overall project.

So the first phase of the project which we have projected to be completed by 2028 is the Santa Cruz Reliability Project North. Of course it's the -- the discussion of our hearing here. The purpose of this first phase is to get a new 138-kV source connecting the regional grid with the Santa Cruz system.

The closest possible point to do this is by interconnecting the southern point of TEP's transmission system at the Canoa Ranch Substation with UNSE's Kantor Substation. While this wouldn't provide redundant transmission service to all Santa Cruz County, it does mitigate about 50 percent of the risk and it also increases capacity substantially.

As you'll hear about in this hearing, this first phase would add a new line through the Green Valley area. The Green Valley area is a unique community comprised primarily of a retired population. And it's distinct from communities that are further to the south in the Santa Cruz County.

Phase 2, which we have projected to be completed in 2029, as I mentioned before, is actually -- it is dependent on phase 1. Phase 2 will reconductor an

almost 30-mile-long portion of the existing 138-kV transmission line between that former interconnection point with WAPA at the Nogales tap and the Kantor Substation.

CHMN STAFFORD: You said that phase 2 is dependent on phase 1?

MR. BRYNER: It is.

CHMN STAFFORD: Okay.

MR. BRYNER: Even though phase 2 was approved previously, again, situations change. So just a little bit of context, so from Kantor to Nogales, that portion of the line was rebuilt under that case 144. So in order to do that, we were able to run generation at Valencia and use some of that power from the 46-kV line to serve the loads in Santa Cruz County and, you know, do the construction while keeping our -- while serving our customers. Since then our loads have grown in Santa Cruz County. We're no longer able to just serve the customers there out of local generation in that 46-kV line. So we can't take this line out of service in order to rebuild it, without phase 1 being in place.

BY MR. ANCHARSKI:

Q. Mr. Bryner, when you rebuilt that -- that lower portion of the project, did you have timing considerations or seasonal considerations that you also

took into account when you chose to take that line out of service?

A. (MR. BRYNER) Yes, we did. So, again, we had to, you know, you had to time outages on those shoulder seasons, the beautiful fall and spring days when you could -- you could meet those electrical (inaudible) of the community.

THE REPORTER: Electrical what?

MR. BRYNER: Requirements. Sorry.

So on this -- on this -- this portion, phase 2, the line was actually rebuilt by Citizens in 1989. So that was case 78. But the conductor for this line is the limiting factor. And so it limits our ability to import electricity into Santa Cruz County today.

MEMBER COMSTOCK: Mr. Chairman?

CHMN STAFFORD: Yes, Member Comstock.

MEMBER COMSTOCK: Mr. Bryner, considering that you used the term "retired" in Green Valley, do you find that your load profile is evening out now? Do we see as many winter visitors there or has the population grown to the point that you need year-round service to be able to provide to the total population there?

MR. BRYNER: We're talking about the population in Green Valley?

MEMBER COMSTOCK: On the entire phase 1, phase 2 of the project.

MR. BRYNER: So --

MEMBER COMSTOCK: I believe I heard you say the population in the area is increasing, demand is increasing, so is your load profile evening out throughout the year?

MR. BRYNER: So, Member Comstock, so let me just clarify, so in Green Valley in that area that's served by Tucson Electric, so it's not served by this project. We're crossing through that area as part of this project but this project doesn't serve that community. Also I'll just clarify that while our loads have grown in Santa Cruz County, this project is not -- it's not to meet load growth, it's to meet reliability needs. And, lastly, to really answer your real question which was about the load profile, I don't know about Green Valley, whether or not it's -- we have seasonal fluctuations or not. I would have to find out.

MEMBER COMSTOCK: Thank you.

MR. BRYNER: So moving on to phase 3, so this final phase of this project is projected to be completed in 2030, it would add a second circuit from the Kantor Substation to the Nogales area, which would ultimately complete a fully redundant loop transmission

system throughout the Santa Cruz River valley. The area through which this second circuit would pass is, again, unique and different from the area through which phase 1 would pass. So, again, in order to fully understand the community values and concerns, along with the various environmental factors pertinent to this area, we undertook a separate siting study to determine the best route for this new circuit, and we wanted that to be heard as a separate case before this committee.

So I don't want to get into too many of the details on that project right now, but last month we made a decision and we shared it publicly -- publicly in meetings just last week, actually, that the best solution for this phase of the project was to add a second circuit to the existing pole line versus building an independent pole line.

I saw Member Little's mouth open there. She's thinking about the reliability concerns. But it is -- it will be substantially better. And as a company, you know, overall looking at all three phases of this project we're very excited that by 2030, more than three decades after the need for a second line was identified for Santa Cruz County, we'll finally have that continuity level of service, versus a simple restoration level of service that will essentially eliminate transmission

outages and will dramatically reduce the likelihood of an outage. It will also, as a side benefit, ensure that TEP -- or UNSE, Freudian slip, will have capacity to serve both the current and future customers as the area continues to grow.

BY MS. GRABEL:

Q. Mr. Bryner, before you move on, to address Member Kryder's earlier question about needing a CEC for each of the three phases, we already have a CEC for phase 2, correct?

A. (MR. BRYNER) That's correct.

Q. And with the recent announcement that we will be adding a second circuit to phase 3, that simply requires an amendment of our existing CEC, correct?

A. (MR. BRYNER) That's correct.

Q. It may not be simple. You've got to go to the Commission to do it, but that's what it requires, correct?

A. (MR. BRYNER) Correct.

Q. So if we're successful in obtaining the CEC for this phase, phase 1, that essentially means we will have the authorization to construct the entire project, correct?

A. (MR. BRYNER) That's correct.

Q. Thank you.

CHMN STAFFORD: And quick follow-up, the phase 3 that would amend which existing CEC, was it 74?

MR. BRYNER: It's case 144. I don't know what the decision number was.

CHMN STAFFORD: Okay. Just the case number is all I need. So CEC 144 is the line from Kantor to Nogales, and it's a single-circuit line, you're just going to amend that to make it a double circuit and that will serve to make the final loop for the redundancy you need?

MR. BRYNER: Correct, yeah. We built it as a double-circuit capable, but only sought a CEC for a single circuit.

CHMN STAFFORD: And when was that issued?

MR. BRYNER: 2009.

CHMN STAFFORD: You didn't get 20 years to build the second circuit?

MR. BRYNER: Well, we only asked for a single circuit.

CHMN STAFFORD: Okay.

MR. BRYNER: So that was our mistake, I guess.

CHMN STAFFORD: Well, we did that recently in another case where they got authorized, was it TEP or was it APS, I forget which one, it was a utility, it

wasn't some --

MS. GRABEL: It was us. Marana.

CHMN STAFFORD: Okay. That seems -- that seemed like a good way to go, you know you need the first circuit in 10 years, maybe a second one in 20 years, you don't have to keep coming back and getting them amended, you have the flexibility to respond to the growth whether it happens or not, so --

MR. BRYNER: Sure.

CHMN STAFFORD: Member Little, you had a question?

MEMBER LITTLE: Live and learn.

I do have a question. I know that over the years the BTA has -- the Biennial Transmission Assessment -- has identified Santa Cruz County as having reliability concerns. And they put into the BTA a requirement that the reliability for the area be monitored, and then -- and my question is this, it was taken out, I believe, for a BTA or two, and then was put back in.

Do you know the history of that requirement?

MR. BRYNER: Give me one second.

MEMBER LITTLE: Okay.

CHMN STAFFORD: Is that with the 2021 our

amendment study requirements were triggered by?

MEMBER LITTLE: No, they're separate.

MR. BRYNER: Member Little, could we get back to you on that?

MEMBER LITTLE: Absolutely. Thank you.

MR. BRYNER: Okay.

CHMN STAFFORD: Well, it's 2:39. We've been going for approximately 90 minutes. I'm sure the court reporter is ready for a break, so let's take an approximately 15-minute recess.

MS. GRABEL: Thank you. There are snacks.

(Recessed from 2:39 p.m. until 2:56 p.m.)

CHMN STAFFORD: Let's go back on the record. I believe Member Fontes was about to ask a question when we took a break.

Member Fontes?

MEMBER FONTES: Thank you, Mr. Chairman. Reliability projects have a lot of issues when you're adding a second circuit. I'm hoping the testimony starts with electrical system reliability perceived issues or planned issues by engineering, specifically structural and electrical. I know on the projects that I've worked on in Arizona, NESC and IEEE standards come into play there. From the financing side, I'm sure Member Little's going to have a lot of questions, so special request if

it's not already planned that we start there, because that could impact pole height also sag and crosswalk over to environmental. So just wanted to note that for the record, that Mr. Bryner, hopefully you've already anticipated that, as you usually do. So thank you for that input, Mr. Chairman.

CHMN STAFFORD: Thank you.

Mr. Bryner.

MR. BRYNER: Okay. And thank you, Member Fontes, we will -- I hope I will proactively address that, but if I don't address everything, then please ask some probing questions.

Hold on. Let me just make sure that I shared everything on slide 14 that I wanted to share.

Okay. So going on to slide 15. So speaking of this, so in order to evaluate the need or the different ways that we might provide an alternate source of power to Santa Cruz County to eliminate that dependence on a single radial transmission line, we performed a number of analyses.

So we looked at all P-1 events. So P-1 events are where you have a single element on the system failing. We looked at all P-2 events, so that's where you have some shared component, like a breaker that fails. We looked at P-7 events, which are where you

would have a failure on a common tower, so like a double-circuit line, and then we looked at an extreme outage situation. So that would be like where you lost other circuits on the system. In this case, we looked at the loss of a circuit from TEP's south line to TEP's Santa Rita, sorry, South Substation, to TEP's Santa Rita Substation, as well as the loss of UNSE's Vail to Sonoita circuit. So the result of these studies found the system to be at risk of failure, forcing an outage.

Now to Member -- Member Fontes's question, if the system were included as part of the bulk electric system today, that would have been considered a NERC violation; however, since it's a radial -- a radial system, it's not considered to be part of the BES, and it meets an exception. So, not surprisingly, all of these studies found that any solution that would bring a second source of power to this system would mitigate that risk.

Now, introducing a second source of power through a second transmission circuit, will improve reliability of service to all of our customers in Santa Cruz County by allowing them, as I mentioned before, to have continuity of service, instead of requiring them to wait for service to be restored with the loss of a single transmission line.

So as you can see on the one-line drawing,

phase 1 of the Santa Cruz Reliability Project would create a looped transmission service into Kantor. Let me just highlight that. Oh, I appear to have lost my red laser. Oh, there it is. Okay. So, yeah, so phase 1, shown with the short red line, that would now create a transmission loop from Vail to Kantor, Canoa Ranch to Kantor, and you're not seeing the other lines, but up through the regional grid.

And then with the final phase of the project, phase 3, it will create the same loop down into the Nogales area to the Kantor Substation. Introducing continuity of service throughout the full Santa Cruz River valley.

CHMN STAFFORD: Where is phase 2 on this diagram?

MR. BRYNER: Yeah, Chairman Stafford phase 2 extends from Kantor north, it's not in red, it's in black, because it's an existing facility that we would rebuild. So, as I mentioned before, while the main purpose of the new transmission line is reliability, it will result in additional transmission capacity to the area. With phase 1 the simultaneous import limit will increase from 85 megawatts today to 195 megawatts, and the maximum load-serving capability will increase from 165 megawatts to 226 megawatts. And once the full

project is complete, the maximum load-serving capability will double.

BY MS. GRABEL:

Q. Mr. Bryner, you've used the terms "system import limit" and "maximum load-serving capability," what do those mean?

A. (MR. BRYNER) So the simultaneous import limit, so what that is, that's really the amount of power we can bring in through our lines. So that's 85 megawatts today; 195 megawatts when phase 1 is completed.

CHMN STAFFORD: And that's in addition to the local generation?

MR. BRYNER: That's the maximum load-serving capability. So that's what we can bring in on our lines, plus what we generate locally. And so, yes, so that increases it substantially. So 165 megawatts is what we have today. 226 megawatts is what we'll have in the future. And I actually have a response to your question about the Valencia turbines.

CHMN STAFFORD: Oh, thank you.

MR. BRYNER: Would now be an appropriate time to share?

CHMN STAFFORD: Certainly.

MR. BRYNER: So this was -- it was a great question you asked, so basically the reason for having

four turbines there, even though we have gas limitations is pointed out in what I'm sharing here, so 85 megawatts is what we can bring in on our lines, but 165 megawatts is what we're able to serve today with that generation. So you add that up, that's 35 plus -- sorry 15 plus, so that's 80 megawatts more, but we can only generate 30 megawatts, so how do we get that extra 50 megawatts? It's because those turbines create bars on the system and it's a voltage limited system. So creating those bars actually allows us to boost -- boost our load-serving capabilities in the system.

CHMN STAFFORD: Thank you.

MEMBER KRYDER: Mr. Chairman?

CHMN STAFFORD: One second, Member Fontes has had his hand raised and then Member Kryder.

MEMBER KRYDER: Sure.

CHMN STAFFORD: Member Fontes?

MEMBER FONTES: Clark, I hope this is just the overview here. What I'm specifically looking at is Canoa Ranch to Kantor and then Kantor to Valencia, how many poles do we have? What's the current rating of those pole structures? And then when we add a second circuit and you've already identified that additional capacity, in terms of reliability, how is that going to impact the current placement and the current transmission

there in the new build, so that we can have good awareness before we start digging into environmental issues and those sorts of things. I'm hoping that's on the next slide, but I just wanted to point out specifically to help you what I'm looking for is what's the current state of play, and then how is that going to shift as we get into the design and engineering for the constructability of the new addition.

MR. BRYNER: Okay. Yeah, so Member Fontes, let me try to answer your question. So for phase 1, there is no existing line there today. So there's nothing that we're upgrading, nothing that we're -- well, it's not entirely true. There is -- there are portions of the 46-kV line, that backup line that we're looking to be able to use as part of this that were built to a 138-kV standard that can support the larger 954 ACSS conductor that we used for our 138-kV system.

So for phase 1, most of the poles are new. We do have preliminary engineering on those structures, I don't have the quantity of those structures right now, but they will be engineered to support 138. And, in fact, our standard pole is to use a double-circuit-capable structure, so you could say it would be over-engineered for a single -- for a single circuit but we'd like to have that -- the ability to add

a second circuit in the future, if need be, without having to build another line.

For the phase 3 where -- I know it's not really part of this case, but just to answer your question -- those poles that exist were engineered to support two 954 ACSS circuits and so it won't be a problem with any respects to reliability, the previous engineering in order to support that second conductor.

MEMBER FONTES: So you're not anticipating any increased height or anything for sag?

MR. BRYNER: No. Again, they were engineered to support a second circuit, so the first circuit is on one side of the -- of the structure, the second circuit will be on the other.

MEMBER FONTES: And TEP and UNSE are going to own all structures, correct?

MR. BRYNER: UNSE will own all structures.

MEMBER FONTES: And TEP will do the O & M?

MR. BRYNER: So that would be something that's done through sort of the company's affiliated code of conduct, yes.

MEMBER FONTES: Okay. That -- that's very helpful. Thank you.

CHMN STAFFORD: Member Kryder?

MEMBER KRYDER: I'll pass.

CHMN STAFFORD: All right. Thank you.

Mr. Bryner.

MR. BRYNER: So, lastly, let's cover that Reliability Must Run requirement. So the ACC put in place requirements of UNSE for the operation of generation at Valencia under certain conditions. As I mentioned before, UNSE exceeded those conditions in 2021 when the actual load that -- when our actual load exceeded the forecasted load by greater than 2 1/2 percent. So that triggered a study that put in place a requirement for us to run local generation at Valencia, beginning in 2025, so this year, of at least 5 megawatts, when our load exceeds 85 megawatts.

Now, one of the other benefits of phase 1 is that once it's in service, the studies show that this requirement will be removed. So, again, that goes back to that simultaneous import capability, what we can bring in on the lines will now exceed what our actual load is there without the need to run the generation.

CHMN STAFFORD: So most of the time you're providing the power to Santa Cruz County from generators outside of the county?

MR. BRYNER: Correct.

CHMN STAFFORD: And I'm assuming there's an economic reason to do that, as opposed to just running

the local generation, 30 megawatts all the time?

MR. BRYNER: I would be assuming if I said that. I don't know the answer.

CHMN STAFFORD: You could follow up later. Please proceed.

MR. BRYNER: I can follow up, okay.

BY MS. GRABEL:

Q. Mr. Bryner, before you move on, when UNSE last performed the RMR study, what were the results?

A. (MR. BRYNER) Yeah, so the latest RMR study was done as part of the 13th biennial, BTA, and that found that our forecasted load was 83.8 megawatts and our actual load was 91 megawatts. So, again, we had a 2 1/2 percent margin of error that we could be within and we exceeded that. So that triggered the need to run that study, which the conclusion of that was that we needed to run at least 5 megawatts of generation at Valencia. If we went over 85 megawatts of load.

Q. And you indicated that if this phase 1 SCR North is approved in construction it would eliminate that RMR requirement, correct?

A. (MR. BRYNER) That's correct.

Q. Why is that true?

A. (MR. BRYNER) So, again, going back to that simultaneous import limit, today we can bring in

85 megawatts of power on the lines. So that, again, is the number where the RMR study is triggered. In the future, after a phase 1 is constructed, we'll be able to bring in 195 megawatts of power through that line, so it satisfies the requirement.

Q. Thank you.

And can the information about the last BTA study be found in Exhibit 10?

A. (MR. BRYNER) Yes.

Q. Thank you.

And Exhibit 10 is -- can you please describe that document briefly for the record?

A. (MR. BRYNER) Sure, yeah. Exhibit 10 is just a -- it's an excerpt of some of the slides that were shared with the Arizona Corporation Commission as part of the -- it's the 13th biennial transmission study, dated 2024.

Q. Thank you.

And that's found in Docket Number 23-0016?

A. (MR. BRYNER) Yes.

Q. All right. Thank you. Please continue.

CHMN STAFFORD: Member Fant, you had a question?

MEMBER FANT: Thank you, Mr. Chair.

Mr. Bryner, if you eliminate the RMR

requirement of only 5 megawatts, that puts you in a position to use cheaper power potentially, right, to satisfy your load requirements?

MR. BRYNER: Again, I'm making an assumption if I say one way or the other.

MEMBER FANT: I realize you're the transmission manager, and I'm asking you a generation question, so I apologize.

MR. BRYNER: We can look into it and see if we can get you a response.

MEMBER FANT: Okay.

CHMN STAFFORD: Yeah, he'll follow up and let us know.

Member Fontes?

MEMBER FONTES: I just want to make sure I round out all my questions here while we're here, Mr. Bryner, appreciate your indulging me.

Have you guys coordinated with WestConnect and with the WECC on this? Just because now you're going to be part of the larger grid rather than a radial line. And is that in process and does that track with your milestones to construction on this? Just for our awareness, because it gets into systems reliability.

MR. BRYNER: I was just confirming. But yeah, no, we participate in WestConnect. We participate

in all the WECC studies, and this project has been included in those studies for the past couple of years, and --

MEMBER FONTES: And did WECC give you the -- the 3B constructability sign-off yet or is that in your milestones? Just to make sure so we're in sync on that.

MR. BRYNER: Can you explain that in a different way?

MEMBER FONTES: WECC has a very similar process to an interconnect in that on interregional projects they will sign off on a similar path rating. And one of them, and I believe it's 3B, is the construction final sign-off. I just want to make sure you're mapping with that because, again, you know we have to opine on the systems reliability here and this one's kind of unique. So where you're at in the WECC permissions, I'll call it, in terms of that for our awareness would be useful.

MR. BRYNER: Yeah. So, sorry, I'm consulting with our transmission planner.

MEMBER FONTES: I see him.

MR. BRYNER: So, yeah, so it doesn't require to go through that -- that process, so it will be a wires-to-wires agreement with TEP is what will occur,

but there's no approval through WECC.

MEMBER FONTES: So it's an internal company permission, if you will -- intracompany permission?

MR. BRYNER: I don't know.

CHMN STAFFORD: Is that a legal question, then?

MS. GRABEL: It's maybe process, not permission so much.

MEMBER FONTES: It's a process, yeah. And I just want to make sure we're good here so we know because systems reliability. And if it was a third party doing this, you guys would require a third party to do a wires to wires, so I want to get it on the record that you -- you're in sync and it maps into your milestones of construction, for the record.

MR. BRYNER: Sure. And that wires-to-wires agreement, we would seek that, you know, intracompany, we would seek that following the approval of the CEC, but we --

MEMBER FONTES: Very good.

MR. BRYNER: -- don't have that today.

MEMBER FONTES: Yeah, but it will be complete prior to construction or during preconstruction activities?

MR. BRYNER: That's correct, yes.

MEMBER FONTES: Thank you. That's what I wanted to capture.

MR. BRYNER: I think I'm done with that portion.

BY MS. GRABEL:

Q. Excellent.

Any other questions for panel one, Mr. Bryner?

CHMN STAFFORD: Members?

(No response.)

MS. GRABEL: Okay. We're ready to swear in panel two, which is Mr. Bryner again, and Mr. Ortiz y Pino, who is right next to him.

CHMN STAFFORD: All right. Well, Mr. Bryner has already been sworn. Mr. Ortiz y Pino would you prefer an oath or affirmation?

MR. ORTIZ y PINO: An oath, please.

(Chris Ortiz y Pino was duly sworn by the Chairman.)

CHMN STAFFORD: Please proceed.

MS. GRABEL: Thank you.

//

//

//

//

//

CHRIS ORTIZ Y PINO,

called as a witness on behalf of the Applicant, having been previously affirmed or sworn by the Chairman to speak the whole truth and nothing but the truth, was examined and testified as follows:

D I R E C T E X A M I N A T I O N

BY MS. GRABEL:

Q. Mr. Ortiz y Pino, please state your name and business address for the record.

A. (MR. ORTIZ y PINO) My name is Chris Ortiz y Pino. And my business address is 88 East Broadway, Tucson, Arizona.

Q. By whom are you employed and in what capacity?

A. (MR. ORTIZ y PINO) I'm employed by TEP and UniSource Energy Services as a project manager in siting, outreach and engagement.

Q. And what is your role in this matter?

A. (MR. ORTIZ y PINO) On this project I have assisted in the siting and outreach.

Q. And if you turn to Exhibit UNS-4, which is the testimony summary of Chris Ortiz y Pino.

A. (MR. ORTIZ y PINO) Yes.

Q. Was UNS-4 prepared by you or under your direction and control?

A. (MR. ORTIZ y PINO) Yes.
Q. Are the contents of UNS-4 true and correct, to the best of your knowledge?
A. (MR. ORTIZ y PINO) Yes.
Q. Do you have any changes you would like to make to UNS-4?
A. (MR. ORTIZ y PINO) I do not.
Q. All right. Thank you.
Let's please proceed. You talk a little bit about yourself and I think it almost rapidly turns back over to Mr. Bryner.
A. (MR. ORTIZ y PINO) Great. So I am a siting and outreach and engagement project manager with TEP, and that means siting and transmission lines, thermal generation facilities, and I assist with expertise in environmental and land use planning. I have a bachelor of arts and fine arts in Spanish literature from the University of New Mexico. And I have a master of science in planning from the University of Arizona. I am a current member of the American Planning Association.
I have five years of experience with the utility industry at Tucson Electric Power, with four of those in -- as an environmental and land use planner, and more recently as a project manager in siting. Previously, I served as a planning consultant at the WLB Group, which

is a local planning and engineering firm. And prior to that, I was a policy aide to former council member Steve Kozachik within the City of Tucson.

A. (MR. BRYNER) Thank you, Mr. Ortiz y Pino. It was nice to have a break.

Q. For a slide.

A. (MR. BRYNER) So over the course of almost two years, UNSE went through a comprehensive siting outreach and engagement process that resulted in the identification of the two routes that are included in our application for a Certificate of Environmental Compatibility. I'm going to go over that process later, but first I'd like to describe in detail each of the two routes that UNSE has proposed.

To do that, I'll be using a map showing different information on top of the base map that's shown on slide 18. This map is basically the same as what you have on your placemats, but I want to orient you to a few things on the map. So, first of all, I-19 runs north or south -- north to south through the middle of the map. You also have the Santa Cruz River, which runs just to the east of the interstate highway, and the Pima County and Santa Cruz County line that runs east to west roughly through the center of the map.

In the top center of the map, is the

unincorporated community of Green Valley. Down near the county line, you have the unincorporated community of Amado. And most of the area is under private ownership. Those are indicated by the areas in more of the white color. And then you have a lot of areas that are part of Arizona State Trust Lands that are in this bluish color. And in the bottom left-hand corner or east side of the map, you have a dark green area that is under federal jurisdiction as part of the Coronado National Forest.

And in the center of the map in this light green color is the Canoa Ranch County Conservation Park. It's a large tract of land, it's owned by Pima County. And it's managed as the Raul M. Grivalja Canoa Ranch Conservation Park. And the two project end points are the Canoa Ranch Substation, that is a TEP facility, and the Kantor Substation, that's a UNSE facility.

So the preferred route is illustrated with the purple line, and then the alternative route is illustrated with the green line. Also on the map in this gray line with the gray circles on it is the existing 138-kV line that runs from Vail to Kantor. So the preferred route, again, was illustrated in purple. It's a little over nine miles in length and it's estimated to cost about $13.4 million to construct. So for that route, we would be requesting a 500-foot-wide siting

corridor as part of the CEC, which would give us a little bit of flexibility in our final engineering and to work with any of the adjacent property owners to mitigate any environmental or other concerns. The preferred route is almost -- almost half of the preferred route is located on State Trust Land with about a quarter on County land and a quarter on private land.

The alternative route, again illustrated in the green color, is almost 12 miles in length and is estimated to cost about $17 million to construct, again, we would be seeking a 500-foot-wide siting corridor for that route if it were selected. It's almost entirely on State Trust Land, at about 80 percent of the land area, and with County and private lands each consisting of about 10 percent of the remaining land within that requested corridor.

So let me go into the details of describing the preferred route. In general, we buffered the proposed routes by one mile. We described that as the project study area. That's illustrated with a black line on slide 19, and in kind of the highlighted area, with areas outside of that project study area in more of the shadowed or grayed-out color. So the project study area is the area of analysis that we used for resources and impacts that I'll discuss.

So, in addition to the features that were mapped on slide 18 that I previously went over, slide 19 also shows some additional information. It shows residential land uses with areas marked in yellow. Those represent low-density residential uses. And areas mapped in orange represent medium-density residential land use. In addition, there's some blue dots, those represent FCC, federal communication -- I shouldn't have said that -- we're just going to stick with "FCC," licensed communication sites, and various sensitive noise receptors -- sorry -- and then we also have various sensitive noise receptors that are illustrated using various symbols that are referenced in the legend on slide 19.

So beginning at the Canoa Ranch Substation, the preferred route would tie into the southwest corner of that existing facility. The existing substation has an open position that's available in that location. Just to the west of the substation, you'll see a red cross. That is the location of the Santa Cruz Valley Regional Hospital. It was permanently closed in 2022, and it's currently sitting vacant.

And then just directly to the south of the substation and, in fact, surrounding the substation on all sides is the Canoa Ranch Conservation Park. So we'll

be talking more about that over the course of the next few minutes. But, for right now, I want to share that this area was placed into a conservation easement in 2016 by Pima County. And the conservation easement is held by the Arizona Land and Water Trust as well as U.S. Fish and Wildlife Service.

Now, the conservation easement actually precludes development, including new utilities. I do want to point out that this conservation easement was established five years after TEP constructed the Canoa Ranch Substation, but it resulted in the substation being located on an island with the inability to make further use of the facility for transmission or distribution purposes, but over the course of the past 18 months, TEP and UNSE have been working collaboratively with Pima County on an agreement to remove a narrow sliver of the northern portion of the conservation park from that conservation easement to allow for us to use it for future transmission and distribution needs. And we do have a verbal agreement with County staff, and we're working through final approvals.

So getting back to describing this route. So just north of the substation and just beyond the edge of the conservation park is a neighborhood called The Springs. This is a residential retirement community, and

they participated very actively throughout the siting process.

CHMN STAFFORD: So, Mr. Bryner, so to develop the alternative or the preferred route, you need to get that agreement with the conservation park, correct?

MR. BRYNER: That is correct.

CHMN STAFFORD: If they don't agree, then you are unable to build this line at all or do you have to -- I see private land above that, would you -- is there some kind of option to put it there?

MR. BRYNER: So great question. So we're confident that we'll get the agreement. Again, we've been working -- working collaboratively with the County on this. We've come to terms in all -- in all respects. It requires a large number of mitigation lands to be set aside to advance the County's conservation goals. And the reasons for which that land was set aside for conservation. And so that's all been determined. Everything's set aside. It just needs to go through the approvals of the two organizations that I mentioned, as well as the Pima County Board of Supervisors.

If we don't get that -- again, we're confident that we will get it -- if we don't get that, then we may be coming back to you to figure out something

else, we do -- as I go through the siting and the various routes that we've looked at, there were other routes that we had identified that would have avoided this challenge. They were eliminated, for a number of reasons, public community --

CHMN STAFFORD: Resistance?

MR. BRYNER: -- opposition. Thank you.

So community opposition, various -- and cost factors, primarily. They were constructible, but we eliminated them, because we felt confident in this route and being able to work out that solution.

CHMN STAFFORD: Okay. Thank you.

MR. BRYNER: So I have a visual simulation from Key Observation Point 1. This is within The Springs community that I just mentioned just to the north of the Canoa Ranch Substation. The simulation is looking to the southeast. And this simulation is also on your placemat.

So looking at slide 21. So this is shown on the right screen here in the presentation room, the top photo illustrates the existing condition today along Ground Squirrel Road within The Springs neighborhood. The existing poles that you see in the center of the photo, those are an existing 138-kV circuit, as well as -- it's a double-circuit line, so it's got a 138-kV circuit on it with a 46-kV circuit on the other side, as

well as an a distribution feeder in the under-built position and then some communication wires on the lower portion of the pole.

So there's a landscape storm water drainage feature that separates the neighborhood from this existing line. And in the distant background, the mountains that you see, those are the Santa Rita Mountains. You'll hear quite a bit about those. And the third structure visible in this location, this more -- right there. That is actually the drop structure into the Canoa Ranch Substation.

Now, turning our attention to the bottom graphic on slide 21, that illustrates the simulated condition from this same location. And that's whether we built the preferred route or the alternative route. It's a common corridor here. This and all the visual simulations that I'm sharing with you today, they were all intended to be viewed with a 120-degree field of vision, and from a closer range than you're viewing them today, and that's how we presented them to the public so they could kind of be immersed in the image. But in this simulated view, the new line would be constructed south of the substation or to the far side of the image.

And while it would be slightly visible, it would generally be screened by vegetation and other

features from this key observation point. So it would result in a very low to no visual impact for residential viewers around this area.

CHMN STAFFORD: Okay. Good. Because I'm looking at the simulation, and it's like I can't find Waldo in this picture.

MR. BRYNER: Because you don't have the special cheat sheet that I have.

CHMN STAFFORD: Okay. Because I'm looking at it and I can't see anything new between them. So it's going the opposite direction, it's obscured by the -- by the plant -- plant growth?

MR. BRYNER: That's correct. So I will point out one structure for you, located right about there, just to the left of the first structure in the image. There's a structure in there and that's the closest structure to us. And as you indicated, Chairman Stafford, the new line would move further away from us, further behind that other vegetation.

CHMN STAFFORD: Yeah, Waldo is well hidden. I'm zooming in and I'm still not seeing it. Oh, there it is, I see it. Let me go back and forth.

MR. BRYNER: We'll be sure to get you a prize.

CHMN STAFFORD: No, I'm just happy that I

can -- I can still see.

MR. BRYNER: So I have another key observation point also from within The Springs community. This is from Key Observation Point 2. This is on a walking path within the community open space within that neighborhood. In this case the view is looking directly south towards the Canoa Ranch Substation. So, again, now looking on the screen on the right, slide 23, the top photo illustrates the existing condition today from within that community open space. The most prominent existing pole that you see near the right side of the photo is that drop-in structure that I pointed out on KOP-1, dropping into the Canoa Ranch Substation. And the wires that you see extending to the left and right, east and west, are those same 138-kV and 46-kV circuits. Again, you have the Santa Rita Mountains in the distant background here, and views towards the Santa Rita Mountains from this and other residential neighborhoods were consistently raised as one of the top concerns that we heard from the public.

Now, looking at the bottom graphic on slide 23, it illustrates that simulated condition from this same location, again, whether it was the preferred or alternative route that were constructed, and similar to that last graphic that I shared, the new 138-kV line

would be constructed south or on the far side of the existing substation from where we're viewing. And, again, the new line, it is slightly visible, but it would generally be screened by vegetation and other features from this key observation point, again, resulting in very low to no visual impact to residential viewers from this area and it would preserve the views towards the Santa Rita Mountains in their current state.

CHMN STAFFORD: All right. So where is the hidden structure in this one?

MR. BRYNER: Okay. Getting out my cheat sheet here. Oh, I also forgot to mention, just looking at the existing condition, these smaller structures that you see in the background, those are lightning masts for lightning protection within the substation, so those aren't actually support structures for the lines. So those ones exist down here as well.

So down in here, remember how I said the line would originate in the southwest corner, so that's on the right-hand side of this, and this is where you have your first structure. And then it wraps around over here and you have your next structure just past this tree. And you have another structure located just behind this tree. Again, the vegetation really obscures things. And then you start dropping further away. It's kind of

wrapping around the substation right there, so you have a higher concentration of structures. And then it drops off into the distance.

Before we leave the key observation points, I have one more visual simulation that represents a view from a residential area. This view is from Key Observation Point 3. It's actually located to the west side of I-19 or a little bit further away, but it's from a more prominent or elevated vantage point. So the top photo, on slide 25, again, illustrates the existing condition today. This is from a neighborhood that's called the San Ignacio Vistas neighborhood, and from a cul-de-sac on Gloria View Court.

So here in the immediate foreground you see the frontage road and Interstate 19. Just beyond that, this open space area, this is part of the Canoa Ranch Conservation Park and then, of course, you've got the Santa Rita Mountains in the background. What you may or may not see in this picture is there's an existing 46-kV line that cuts through the Canoa Ranch Conservation Park and there is the existing 138-kV line that goes from Vail to Kantor, located about three miles from this location.

So to the far left side of the photo, and sorry, I'm looking down at the -- right -- right over here is actually the Canoa Ranch Substation. And so

neighborhoods in this area, they were extremely vocal about their concerns with protecting their views towards the Santa Rita Mountains.

So let's turn our attention now to the bottom graphic on slide 25, which illustrates the simulated condition. Now, this is just for the preferred route, this does not apply to the alternative route. So beginning on the left-hand side of the screen, you can see actually coming out of the Canoa Ranch Substation, you can see some of those new structures. And then cutting across the screen from north to south or left to right on the screen would be our proposed new 138-kV line, if the preferred route were constructed. Again, this would result in low to no visual impact to residential viewers from this key observation point, and it would preserve those views that were so valued by the public.

So continuing our description as we go an along the preferred route, so just beyond the Canoa Ranch Substation, but shown on the map there's actually a green dashed line, that's a portion of the Juan Batista de Anza National Historic Trail. It's a developed dirt pathway. It's managed by the National Park Service. And our existing transmission line that serves the Canoa Ranch Substation crosses that path in the same -- the same

corridor where we would propose to -- to cross.

And then the trail -- I guess the trail, more or less, just parallels the Santa Cruz River here. We would then, with our -- our transmission line, we would -- we would cross over the Santa Cruz River. And also, just to mention, this is all located within the Canoa Ranch Conservation Park. And I want to show a visual simulation from within the Canoa Ranch Conservation Park.

So this is Key Observation Point 4, and it's located along that Anza National Historic Trail, also at the historic headquarters of the Canoa Ranch. So it represents a view for both users of the historic trail and visitors to the conservation park and the historic ranch headquarters buildings. So this view is generally looking to the east. So looking at slide 27 now, this illustrates the existing condition today from the historic Canoa Ranch and the Anza National Historic Trail.

So here in the middle ground, you can actually see -- I told you about that 46-kV line on the previous simulation, you can actually see some of those structures located in the photo. And then, of course, you see in the background the Santa Rita Mountains. So the bottom graphic on slide 27 illustrates that simulated

condition from this same location if the preferred route were constructed. The preferred route in this case would be located a little over a mile away and the proposed line, it is visible again from this location, but the terrain, vegetation, and distance make it really difficult to see. As a result, the preferred route would have low to no visual impact to recreational users of the trail or to visitors of the historic Canoa Ranch.

So, again, returning to the description of the proposed route from the point it crosses the Anza National Historic Trail -- the Anza National Historic Trail and the Santa Cruz River. Just mentioning the river in this area, so this is a stretch of the Santa Cruz River where there is no above-ground perennial flow of water, and it's limited to a single channel here. It does not have any dense riparian vegetation present. And, as I mentioned before, there's already an existing 138-kV line that crosses the river in this location. We would need to secure a floodplain use permit through Pima County for this crossing.

Now, just east of the Santa Cruz River, again, we would cross over the northern edge of the Canoa Ranch Conservation Park and cross over the Union Pacific Railroad tracks. The nearest homes in this location would be about a third mile north in a low-density rural

subdivision along Camino de la Canoa. And then the preferred route would cut to the south, again, skirting along the edge of the Canoa Ranch Conservation Park for approximately two miles. This would go through open desert on both the east and west sides, with the west side being the Canoa Ranch Conservation Park, and the east side being primarily vacant State Trust Lands.

The route then comes along the western edge of another rural development, which is known as the Elephant Head community, and that's because it sits at the base of a rock formation in the Santa Rita Mountains that's named Elephant Head. The preferred route then continues south along Canoa Road for approximately two more miles, and then near the intersection of Elephant Head Road, which is right here, and Canoa Road. Elephant Head Road extends east/west, Canoa Road extends north/south. Near that intersection, the route, again, crosses into vacant desert lands on Arizona State Trust Land.

Another key observation point, this one Key Observation Point Number 7 is located along Elephant Head Road at a trailhead for the Anza National Historic Trail, located about one mile from the preferred route. So this represents a view for both users of the historic trail, as well as residents of Elephant Head as they drive along

Elephant Head Road into their community. So this view is generally looking to the southeast.

So in the top photo it illustrates the condition today from the trailhead. Along the right-hand side of the photo is Elephant Head Road. Running parallel to Elephant Head Road -- running parallel to Elephant Head Road, the line that you see, this is the 46-kV backup line that goes to Kantor today.

MEMBER LITTLE: Mr. Chairman?

CHMN STAFFORD: Yes, Member Little.

MEMBER LITTLE: Will that section of that line be taken out?

MR. BRYNER: So that section of the line was not built to a 138-kV standard. We looked into -- as part of our siting, that was one of the routes that we considered. It's ultimately not in our application. But yes, when the 138-kV -- when our second 138-kV line is constructed, that 46-kV line will have no purpose, and so we have would plan to -- to -- it does have distribution on it, but the 46-kV portion of it, would be no longer needed.

MEMBER LITTLE: I have another question, Mr. Chairman, if I may.

As I was looking through these KOPs in the application, I was wondering why there was not a KOP

taken from that little community that's up north that you pointed out that's a third of the mile from the line, looking toward the line, and also why there were no KOPs taken from the Elephant Head community, looking west toward the line.

MR. BRYNER: Sure. So when you're talking about the community just to make sure I'm understanding --

MEMBER LITTLE: That one, yes.

MR. BRYNER: -- this community along Camino de la Canoa?

MEMBER LITTLE: Yes.

MR. BRYNER: Yes. So, again, so all of the comments we received from the community were about views towards the Santa Rita Mountains. And so we oriented our key observation points to represent residential views towards the Santa Rita Mountains or from areas that might have been important for other reasons, like the Anza National Historic Trail and the Canoa Ranch.

So the view from that community towards the Santa Rita Mountains was not impeded by the transmission line. And along the Elephant Head community, we didn't have a key observation point either in there, even though it's located close to those residential areas, their views were unimpeded by the transmission line here and

the views to the west, well, they're generally of tailings from -- from mines that are in operation on the west side of I-19.

MEMBER LITTLE: Oh. In the conservation park?

MR. BRYNER: Not in the conservation park, but on the opposite side --

MEMBER LITTLE: Oh, over there?

MR. BRYNER: -- over in here.

MEMBER LITTLE: Oh, I see.

MR. BRYNER: See you've got large --

MEMBER LITTLE: I see. Okay. Thank you. I was just curious.

CHMN STAFFORD: Member Comstock?

MEMBER COMSTOCK: Thank you, Mr. Chairman.

Mr. Bryner, the location where you just had your laser pointer where there's a FCC licensed communication facility, are there towers there and how high are they if there's -- is there a phone tower there? What's in that facility.

MR. BRYNER: Member Comstock, I know I've got a number of the FCC licensed it -- was it right in here?

MEMBER COMSTOCK: Yes, sir, the one you just had there.

MR. BRYNER: The one in the Elephant Head community?

MEMBER COMSTOCK: Yeah.

MR. BRYNER: So those are -- so we did have some members of the public come and chat with us. Those were ham radio operators who have licensed antennas. So those are not commercial facilities within that community.

MEMBER COMSTOCK: So, if I may, and I apologize for the length of this question, on your preferred route on the -- I guess it would be the eastern side of the conservation park, how close to Canoa Road or which side of Canoa Road is the preferred route running? Is it on the east side, the west side?

MR. BRYNER: So just to confirm, we're talking Canoa Road right here?

MEMBER COMSTOCK: Yes, sir.

MR. BRYNER: Okay. So the corridor we're requesting is 500 feet wide. So it would allow it to go on either side. We have a virtual tour that I'll show in just a minute, and we've done the preliminary engineering of that line on the west side, so furthest from the residential areas, but it would allow us to go on either side if we run into issues or concerns.

MEMBER COMSTOCK: And it stays out of the

conservation park or it would be -- it could be constructed inside the boundaries of the conservation?

MR. BRYNER: So, in concept, it would be located outside the conservation park. The agreement we've been working with the County on to remove lands from that restrictive conservation easement is limited to the northern edge, the extreme northern edge, not along this eastern side. And so we would either need to remove additional lands to go in the conservation park or preferably be located outside of the conservation park.

MEMBER COMSTOCK: And are there any Palo Verde trees in the conservation park that you would have to remove?

MR. BRYNER: So I'm going to say yes. I can't definitively state that, but there are Palo Verde trees, mesquite trees, there's native Sonoran Desert vegetation throughout.

MEMBER COMSTOCK: Thank you.

CHMN STAFFORD: Quick follow-up question, Mr. Bryner. Where the -- where the Canoa Road we were just talking, you said you're going to have an easement corridor big enough to put it on either side of the road, either the east or west, that was the ask?

MR. BRYNER: That's correct, yes.

CHMN STAFFORD: If it goes on the west

side, is there enough space to do that without impinging on the conservation park?

MR. BRYNER: So, yes, in theory there is. We have not done survey to determine the property boundaries exactly of that. If we take the tour out there, you'll see where the fence line is at, and where it's marked as the edge of the conservation boundary. If that, indeed, is where the edge is at, then we feel like we can fit it there. If maybe that fence line is not set in the exact location of that property boundary, it may not fit.

MEMBER COMSTOCK: Mr Chairman, one follow-up?

CHMN STAFFORD: Yes, Member Comstock.

MEMBER COMSTOCK: What's the final right-of-way that you anticipate for the line?

MR. BRYNER: So our typical right-of-way that we seek for a 138-kV line is 100 feet wide. But that's if we're going across open desert. If we're going -- if we're utilizing road rights-of-way, then we might try to fit it within something more narrow or there's cases when we might seek something wider, but typically 100 feet.

MEMBER COMSTOCK: And one other, has Pima County expressed any concern about working inside the

conservation park area?

MR. BRYNER: Not specifically. So, obviously, they're managing it for conservation purposes. There are a lot of historic sites, cultural resource sites within that area. And that's primarily been the concern.

MEMBER COMSTOCK: So I -- if I may, I like your use of word "specifically," that means there's so still some questions about where poles might be located and how that construction might be completed?

MR. BRYNER: 100 percent. So the way that -- I'm sure different utilities, other developers you hear from might approach this differently, but we'll do preliminary engineering on our lines before we come before the committee, but we don't do final engineering. We like to have some flexibility so that after we've done this, we'll go out and we'll complete full surveys for cultural resources, for any biological resources, other things, identify exactly where those things are at and then we'll pinpoint our structures hopefully to avoid any of those impacts.

MEMBER COMSTOCK: Thank you.

MR. BRYNER: I think I skipped back a little bit here. You -- I believe we described the simulated condition already here. So, again, so the

simulated or the preferred route in this location would be located a little over a mile away from this location. So, and again, while technically you might be able to see the line a little bit from this location, again, the terrain, the vegetation, and the distance make it very difficult to see where the preferred route would be located from this location. And so it would result in a low to very low visual impact to recreational users of the Anza National Historic Trail, as well as travelers along Elephant Head Road.

So, now, Mr. Ortiz y Pino is going to jump in and discuss some of the planned land uses with respect to the referred route.

MR. ORTIZ y PINO: Thank you, Mr. Bryner. Okay. Thank you for allowing me to give you another break in your presentation.

The Pima County -- Pima County Comprehensive Plan is known as "Pima Prospers," it's a long-range policy document that guides land use, growth, and development throughout unincorporated Pima County. Pima Prospers recognizes the growing energy needs of the community and outlines goals that allow for utilities in all zoning districts and does not include guidelines for the construction of transmission lines.

The land use designations found within the

project study area range from the predominant low intensity rural to low and medium intensity urban. There are several distinct land uses in the northeast portion of the project study area; however, the preferred route diverges for most of these in the southwest, crossing only the resource conservation use for about a mile, and the low-intensity rural use for the remainder through Pima County. This resource conservation land use ends, of course, at the Canoa Ranch Conservation Park, which Mr. Bryner just spoke about. The project will comply with all goals and policies of Pima Prospers.

As the preferred route enters Santa Cruz County -- I'll touch on the Santa Cruz County Comprehensive Plan, which was last updated in 2016. This plan designates character areas within the county, which outline goals to protect the environment, open space, and guide land use in unincorporated Santa Cruz County. The project study area is located within the northwest Santa Cruz County character area. By siting the preferred route within the existing utility corridor through Santa Cruz County, UNSE has ensured compliance with the goals of the character area and the overarching goals of the comprehensive plan.

In this slide, as we discuss the zoning designations within the project study area, it's plain to

see that the prevalent zone in the tan color is rural homestead. The preferred route traverses the RH zone exclusively all the way to the county line. As the preferred route enters Santa Cruz County, we see something a little peculiar, which is that there is no zoning designations within the county. This is because these are Arizona State Trust Lands and Santa Cruz County does not apply zoning districts to Trust Lands.

The zoning codes for both Pima County and Santa Cruz County states that the location of poles and wires that are necessary to distribute public facilities shall not be prevented, thus the project is compliant with the zoning codes of both counties.

The Sonoran Desert Conservation Plan is an integrated sub-plan of Pima Prospers. The Sonoran Desert Conservation Plan seeks to protect the County's biological, historical, and cultural resources from sprawling development patterns. It achieves this, in part, through the conservation land systems, which identifies lands necessary to achieve the biological goal of the plan, while delineating areas suitable for development. Each category that you see on this slide has an associated conservation policy, which encourages the conservation of its resources.

Although the preferred route crosses nearly

all of these CLS categories, project does not trigger the applicability of the conservation land systems policies, because they only apply to private developments that need a rezoning or other discretionary changes in land use. So, thus, the preferred route does not conflict with the Sonoran Desert Conservation Plan.

MR. BRYNER: Thank you. You could have been a little more verbose.

So looking at biological resources, as described, the preferred route passes through a large, undeveloped area. The majority of the preferred route passes through desert scrub, which primarily includes different types of grasses, various species of cacti, with scattered mesquite and Palo Verde trees to Member Comstock's point.

The area is habitat to various wildlife species common to the Sonoran Desert, several of which were observed by our biologists in the field, such as javelina, coyote, desert cottontails, javelina, quail, and red-tailed hawk. While there's no designated critical habitat within the vicinity of the preferred route, there are several special status species that have the potential to occur in the vicinity of the preferred route. Those include two species of bird, the yellow-billed cuckoo and the cactus ferruginous pygmy

owl, which are both listed as threatened under the Federal Endangered Species Act and the Pima Pineapple Cactus, which is listed as endangered.

The yellow-billed cuckoo prefers areas with lush -- with lush thick vegetation for foraging and for shelter. The preferred route is not located within this type of habitat, even where -- where it crosses the Santa Cruz River, however, the species is known to occur south of the project area, and it could -- it could be using this area for disbursal.

So to reduce the potential for any project-related impacts to the cuckoos, UNSE would avoid construction activities within a half a mile of suitable nesting habitat during the nesting season. And we would minimize the permanent removal of any riparian vegetation. The cactus ferruginous pygmy owl requires dense zero riparian woodland or desert scrub habitats with mature trees, saguaros, or mesquite bosques for nesting. This type of vegetation is largely not present along the preferred route. But the presence or absence of the owl can't be confirmed without further study.

So in order to minimize any potential impacts if the preferred route were approved, UNSE would conduct informal consultation with the U.S. Fish and Wildlife Service, we would conduct preconstruction

surveys to determine the presence or absence of the owls. We would avoid construction during the nesting season where feasible, and we would keep vegetation clearing to a minimum for construction. Much of the natural desert area that's crossed by the preferred route is suitable as habitat for the Pima Pineapple Cactus, so to minimize any impact to this species, if the preferred route were approved, UNSE would conduct preconstruction surveys to determine the presence or absence of the cactus so that we could avoid any impact to them.

Now, looking at the higher -- higher landscape level ecosystem, the preferred route is located within two important wildlife corridors. Those are shown in the green hatching on the map on slide 34, and those connect three important habitat blocks which are shown in the blue hatching. So those habitat blocks are really just mountain ranges. So the habitat block in the southern portion near Tubac, that's the Tumacacori Mountains. Over here on the east end or right side of the map, that's the Santa Rita Mountains. Up in the northern part of the map are the Sierrita Mountains.

There's also two important bird areas in the vicinity, but they don't overlap the preferred route. Those are shown in orange on the map. One's located along the Santa Cruz River, near Tubac, and the other is

in the Santa Rita Mountains east of the project area. So the preferred route would not impact wildlife movement or either of the important bird areas.

And there, of course, are a number of streams and washes within the vicinity of the preferred route, all of these are ephemeral, meaning they only flow after major storm events, including the Santa Cruz River. The preferred route would cross all of these washes perpendicularly. And prior to beginning construction, UNSE would confirm if any of these washes were considered to be jurisdictional as Waters of the United States and subject to Clean Water Act permitting. But regardless of the jurisdictional status of the washes, UNSE would employ best management practices, like silt fencing and straw wattles so we can eliminate any erosion and sedimentation into those waterways. So as a result, the preferred route would not impact riparian habitats.

So, as I discussed, there is the potential for three federally protected species to be found in the vicinity of the preferred route. So that was the cactus ferruginous pygmy owl, the yellow-billed cuckoo, and the Pima Pineapple Cactus. In addition, there are a couple of state-listed species and birds protected under the Migratory Bird Treaty Act and the Bald and Golden Eagle Protection Act that would have the potential to occur

near the preferred route.

So in order to minimize any negative effects to any of these species, we proposed a robust set of environmental protection measures that can be found on pages 122 through 125 and page 205 of the CEC application, which is our UNS-1 exhibit. So amongst those self-imposed conditions, our coordination with the U.S. Fish and Wildlife Service and the Arizona Game & Fish Departments on any species-specific mitigation measures that might be appropriate, and we have incorporated those citations into our proposed form of CEC.

BY MS. GRABEL:

Q. You're looking at me. Do you want me to ask you about the Arizona Game & Fish Department?

A. (MR. BRYNER) Of course I do.

Q. Okay. Thank you.

Mr. Bryner, did UNSE send a consultation letter to the Arizona Game & Fish Department?

A. (MR. BRYNER) Yes, we did.

Q. Is a copy of that document marked as Exhibit UNS-27?

CHMN STAFFORD: You said 2, right?

MS. GRABEL: 2-7, yes.

MR. BRYNER: Yes.

BY MS. GRABEL:

Q. And did UNSE receive a response from the Arizona Game & Fish Department?

A. (MR. BRYNER) Yes, we did on the -- last week on the 30th?

Q. And is a copy of that document marked as Exhibit UNS-28?

A. (MR. BRYNER) Yes, it is.

Q. Will you summarize the response from the Arizona Game & Fish?

A. (MR. BRYNER) Sure. I'd be happy to.

So, in summary, they provided an appreciation for the robust environmental protection measures that we -- we proposed as a company. They did correct our preconstruction nesting surveys, and they recommended for this specific area that we actually conduct those from February 15th through September 30th, as opposed to what we had proposed from March 1st through August 31st. So that's a condition that we would be happy to do.

And they did recommend that we install bird diverters in areas where bird strikes could occur, so they mentioned the Santa Cruz River and riparian areas. So that is a condition that we would -- we would like to consult further with the Game & Fish department on. Again, as I mentioned, where we cross the Santa Cruz

River, we have an existing transmission line there. It has no bird diverters today. We have no bird diverters on any of our transmission lines throughout the TEP or UNS systems today, and so we'd just like to confirm that it's truly merited in this location.

Q. So, Mr. Bryner, but for the latter recommendation about bird diverters, would UNSE agree to amend this proposed form of CEC that we have offered for this proceeding, to include the first recommendation from the Arizona Game & Fish Department date?

A. (MR. BRYNER) Yes.

Q. Thank you.

A. (MR. BRYNER) So there are a number of recreation opportunities that are in the vicinity of the preferred route. So we've talked quite a bit about the Canoa Ranch Conservation Park, which is shown in the green in the center of the screen on slide 37. In addition, the preferred route crosses the Juan Batista de Anza National Historic Trail, which is -- I've mentioned that before but it's shown in the green dashed line. And any impact to recreation resources as a result of the preferred route would be temporary and limited to short periods during construction.

Also, we recognize that access roads that are associated with transmission lines, they can become a

recreation opportunity in and of themselves, but UNSE doesn't propose to make the transmission route available for any formal recreation purposes. And the preferred route is not located within the vicinity of any specifically designated scenic areas, however, several of the recreation opportunities within the facility, including the Canoa Ranch Conservation Park and the Anza National Historic Trail, do offer open views of nature, as well as the Santa Rita Mountains.

And, as I mentioned earlier, one of the most important values that we heard from the local community was preserving those views towards the Santa Rita Mountains. The five key observation points that we went over represent views from those recreation areas, as well as those residential areas that had the highest potential to have views of the Santa Rita Mountains impacted by the preferred route. We've already gone over those photographic simulations, so I won't do that again.

But visual impacts from the KOPs were measured in terms of their contrast rating and their resulting visual impacts. The contrast rating has to do with how the project interacts with the current landscape and it ranges from no impact to weak, moderate, and strong. Impacts were then rated considering the type of viewer and changes to the visual resources as a result of the

project. The contrast rating for all of the KOPs associated with the preferred route was weak, because there were existing forms, colors, and textures in the landscape that were similar to the proposed project already present in the landscape. This weak contrast resulted in a low visual impact from all of the KOPs.

So, as I mentioned before, the project study area is very rich culturally, both historically and prehistorically, largely because it's located in proximity to the Santa Cruz River, which is a source of water in an otherwise arid region. I shared a bit about the Canoa Ranch Conservation Park, and I also mentioned that in addition to being set aside for conservation purposes, the area is also listed on the National Register of Historic Places as an historic district of landscape.

So the boundaries of that are depicted in the cross-hatched area on slide 38 and they really coincide with the boundaries of the conservation park themselves. Our study area kind of cuts it off right there so it's not showing it in its entirety. So that area within the historic district includes a concentration of historic buildings from the 19th and 20th centuries that served as the headquarters of the historic Canoa Ranch, and the history of the area goes much further back than that, and

there are many known prehistoric sites in the vicinity.

There's been many cultural resource studies that have been conducted in this project area, and that's what contributes to our understanding of what's going on there, those areas are illustrated on the map on slide 38 in orange and blue. The orange represents areas where cultural studies were completed more than 10 years ago. And the blue areas represent cultural studies that were completed within the last 10 years. So within the 500-foot-wide siting corridor that we're requesting for the preferred route, 55 percent of that corridor has been previously surveyed for cultural resources.

Those previous surveys identify 21 known cultural resource sites. Of those sites one was listed on the National Register of Historic -- one was listed on the National Register of Historic Places, which is the Canoa Ranch Historic District and landscape, and 19 were eligible for listing on the National Register. One of the site's eligibilities was unknown, so we treated that as being eligible for purposes of our analysis.

So, as I mentioned before, as a matter of practice, UNSE always tries to avoid impacts to cultural resources. One of the reasons that we request the 500-foot-wide siting corridor is so that we can have some flexibility to avoid those sites. So prior to completing

final engineering, we would complete a Class III survey, which is an intensive pedestrian survey of that transmission line right-of-way for cultural resources. And based on the results of that survey, we would adjust those co-locations accordingly.

So UNSE has been coordinating with the State Historic Preservation Office, or SHPO, throughout our siting process. Most recently UNSE requested that SHPO review a class I report that we completed for our larger project siting area. And we asked them to provide comment on the two proposed routes. SHPO did provide a response to that review in the form of a letter. As a result of that letter, UNSE met with SHPO for further discussion.

Now, based on both that letter, as well as our follow-on discussions -- discussions, SHPO expressed a preference for the alternative route over the preferred route because the preferred route is in closer proximity to the historic Canoa Ranch and known cultural sites. Now, they did express that they understood why UNSE had identified the preferred route in our effort to balance various factors, but they stated that from a pure cultural resource standpoint, they felt the alternative route was a better choice.

So, of course, we'll need further consultation.

They did state that the preferred route would likely result in an adverse effect on the historic landscape as a result of a visual impact. And as a result of that, it would likely require some mitigation. So, again, that's where the further consultation would come into mind as to what would that further mitigation be.

So SHPO did -- did support our recommendation to conduct a Class III survey of the route and as well as the need to continue to consult with tribal communities.

MEMBER LITTLE: Mr. Chairman?

CHMN STAFFORD: Yes, Member Little.

MEMBER LITTLE: Does SHPO require that Class III study or is it -- they -- I saw that it was recommended and you just stated that also, but is it required?

MR. BRYNER: So I know from past CECs, that has become a requirement of our -- or a condition of our CEC. Now on State Lands, that would be a requirement on State Lands for us to obtain a lease from State Land. For private lands, that's a more a condition of the CEC where that requirements comes in.

MEMBER LITTLE: Thank you.

BY MS. GRABEL:

Q. Mr. Bryner, before you moved on, you mentioned three different documents in your discussion of the SHPO,

and I'd just like to put the evidence into the record.

So, first, you mentioned that UNSE sent a letter to SHPO with a copy of the Class I cultural study.

Do you recall that?

A. (MR. BRYNER) Yes.

Q. Is that letter marked as UNS-14?

A. (MR. BRYNER) Yes.

Q. And you also noted that UNSE received a response from SHPO to that letter contained in UNS-14; is that response marked as UNS-25?

A. (MR. BRYNER) Yes.

Q. And I believe you also noted that UNSE gave SHPO additional information after receiving the letter contained in UNS-25; is that correct?

A. (MR. BRYNER) Yes, that's -- that's correct.

Q. And is that updated response marked as UNS-26?

A. (MR. BRYNER) Yes, it is.

Q. Thank you. Please continue.

A. (MR. BRYNER) So the last thing that I wanted to mention on the cultural resources was some more engagement with the tribal communities. So there's 11 tribal communities that have expressed an ancestral affiliation to this area. So we reached out to those communities through letters, emails, and phone calls on multiple occasions over the past couple of years as part

of our siting and outreach effort. And we also requested informal consultation with those tribal communities. In July 2025, we shared the results of our Class I research with the tribes, and we requested their review and feedback.

Now, going back even further, the White Mountain Apache Tribe responded to us in March 2025 that the project would have no adverse effect to their tribe's cultural heritage, resources, or traditional cultural properties. And at that same time, again in March 2025, the Ft. McDowell Yavapai Tribe accepted an invitation from us to meet and discuss the project. As a result of that meeting they had no concerns that they expressed. And then just two weeks ago the Pascua Yaqui Tribe responded to our request to review the Class I research, and they responded expressing their desire to be included in future consultation on the project.

Other than those three tribes, no other tribes have expressed an interest in further consultation on the project or a preference for one alternative route or the other. UNSE, of course, would plan to further consult the Pascua Yaqui Tribe, once the route is approved and once the Class III survey has been completed.

Q. Okay. Before we move forward with the virtual tour, if you could please turn Exhibit UNS-7.

A. (MR. BRYNER) Okay.
Q. Does UNS-7 contain a thumb drive of the virtual tour of this project?
A. (MR. BRYNER) Mine's missing, but I think it does.
Q. Was the tour prepared by you or under your direction and control?
A. (MR. BRYNER) Yes.
Q. How was the tour prepared?
A. (MR. BRYNER) So the tour was prepared using commercially available software using Google Earth Pro. We used the aerial imagery that was available in Google Earth, it was acquired in March and April of 2025, so fairly recent imagery. We developed a 3-D model based on our preliminary engineering of the preferred route, and we overlaid that into Google Earth, and then we also added several line features to represent our proposed 500-foot-wide setting corridor around center line, as well as a few labels just to provide some added context.
Q. Thank you. Go ahead and begin the tour of the preferred route.
A. (MR. BRYNER) Okay. You can play it.
Okay. So we're going to zoom in on the Canoa Ranch Substation, so just off to the left-hand side, you'll see The Springs neighborhood, a couple homes right

there. The purple lines that you're seeing here, those represent the 500-foot-wide siting corridor. Down the middle you see a dashed purple line. That represents our preliminary center line. On the right-hand side is the Canoa Ranch Conservation Park. On the left-hand side it's primarily been vacant State Trust Land, but there is a little bit of scattering of private lands in here.

CHMN STAFFORD: Can you pause for a second? Is this where we're running along Canoa Road?

MR. BRYNER: So we're in the alignment of Canoa Road, so it's actually -- it is a road with a road proceeding on it in this area, but it's not built.

CHMN STAFFORD: Okay. Okay, so that answers my question, because you kept referring to a road and I'm not seeing one. So it's a road alignment, so it's a planned road. When do they plan to build this road?

MR. BRYNER: I do not know.

CHMN STAFFORD: This is Pima County, right? Yeah.

MR. BRYNER: This is Pima County, correct.

CHMN STAFFORD: And so they don't -- they have a road that's going to go here, but they're not sure when?

MR. BRYNER: Yes.

CHMN STAFFORD: Okay.

Member Comstock.

MEMBER COMSTOCK: Mr. Chairman, thank you. In your CEC application, do you know if you parallel or cross over any natural gas lines or hazardous material lines in this area?

MR. BRYNER: We did not identify any natural gas lines, any hazardous waste material lines, anything along the preferred route.

MEMBER COMSTOCK: Back towards the neighborhood where you first started, there are no natural gas lines in that area?

MR. BRYNER: Not that we found in any of our research.

MEMBER COMSTOCK: Thank you.

CHMN STAFFORD: Doesn't -- doesn't UniSource Gas, do they serve gas in this area or is it Southwest Gas?

MR. BRYNER: So UniSource Gas serves Santa Cruz County. It does not serve Pima County. Southwest Gas would serve Pima County.

CHMN STAFFORD: Okay. Thank you. Apparently -- apparently not this area of Pima County, though?

MR. BRYNER: Again, not according to

anything that we found.

CHMN STAFFORD: All right. Thank you.

MR. BRYNER: So can we continue?

So continuing south, again we're crossing this vacant natural desert, Canoa Ranch County Conservation Park. On the right-hand side Arizona State Trust Land on the east or left-hand side.

So now you'll start seeing a couple of scattered homes coming up. This is that Elephant Head community, very low residential, low-density residential area. Now you do see the alignment for Canoa Road where it is built. Again, you'll see our structures located on the west side, but the corridor would allow us to go on either side of the road.

CHMN STAFFORD: And then pause it real quickly. So I'm just making sure I recall the testimony correctly that said that this neighborhood was more concerned about their views towards the mountain than seeing the line between them and the conservation park?

MR. BRYNER: So the only -- the only comments that we received about views were about protecting the views towards the Santa Rita Mountains. So we did not receive any comments from this community about views to the west towards the conservation park or, as I stated previously, in the more distant background of

those -- the mine tailings. So I can't say whether or not they have any concerns, but there were no expressed concerns.

CHMN STAFFORD: Okay. That's fair enough. I mean, you're not a mind reader. So -- and the mountains they're to the east of this?

MR. BRYNER: Yeah, they're to the east. You might be able to see them when we make a turn up here.

CHMN STAFFORD: Okay. Thank you.

MR. BRYNER: So just past Quail Way here, now we've left the neighborhood so we're just adjacent to vacant lands on either side, jumping over to Mt. Hopkins Road, now this area we share a common corridor with the current 46-kV line that goes to the Kantor Substation. We cross over into Santa Cruz County. We join a corridor with the existing 138-kV transmission line from Vail to Kantor. And so our plan would be to be located actually on the 46-kV line, which currently parallels that 138-kV line. So we would take that spot's position south to the Kantor Substation. This is all Arizona State Trust Land through this area.

CHMN STAFFORD: So you said that from pretty much -- the term there to go --

MR. BRYNER: Going to pause.

CHMN STAFFORD: -- southwest is where it crossed the county line and from that point on is pretty much where you would co-locate the 46-kV?

MR. BRYNER: Essentially. So we jump from the Elephant Head community at Elephant Head Road, and we jump over to Mt. Hopkins Road, which kind of parallels Elephant Head Road in that area. And the 46-kV line runs along Elephant Head Road and then Mt. Hopkins Road. So from that point forward, we would take the place of the 46-kV line right there with our 138-kV circuit, we couldn't reuse those structures right there, but once that 46-kV corridor joins with the 138-kV corridor, just south of the county line, then we would be able to reuse those 46-kV structures for this 138. It's built to a single-circuit standard, not double-circuit standard like we like, but it is capable of supporting the 944 ACSS conductor.

CHMN STAFFORD: Okay. Thank you.

MEMBER LITTLE: Mr. Chairman?

CHMN STAFFORD: Member Little.

MEMBER LITTLE: So where are you going to put the 46-kV? Are you going to underbuild?

MR. BRYNER: The 46-kV will be retired. It will serve no purpose after this.

MEMBER LITTLE: Okay. Thank you.

MEMBER COMSTOCK: Mr. Chairman?

CHMN STAFFORD: Yes, Member Comstock.

MEMBER KRYDER: May we back up to the last -- is that a floodplain? There it is right there. Good backup. Is that a floodplain? Is that a wash? What is that that you're crossing there? It looks like the towers are elevated.

MR. BRYNER: So throughout that area, Member Comstock, it's certainly various washes. This is coming across the foothills of the Santa Rita Mountains there's a number washes coming off of that across sort of the alluvial band there, but this area, the color differentiation, that's just a factor of the aerial imagery that we're looking at. It's just a different color aerial imagery right there.

MEMBER COMSTOCK: In general, sir, if the -- when you cross a wash or something, what's the height of the wire above the wash?

MR. BRYNER: It all depends. Typically -- typically when we're crossing washes, we're going to be higher up, but it's not because we're trying to be more elevated, it's because we're going to be located on hillsides adjacent to those washes, which are going to be more elevated.

MEMBER COMSTOCK: 100 feet?

MR. BRYNER: I couldn't speculate. There's some rough areas out here with very steep hills that drop down pretty deep.

MEMBER COMSTOCK: If you back up one more, it looks like there's a significant wash -- maybe one more than that. That -- stop right there, please -- that looks like a pretty good-sized knoll, so that's a pretty good wash that runs through there, I'm guessing?

MR. BRYNER: I would agree with that.

MEMBER COMSTOCK: How many poles are going to be situated inside what may be the flow?

MR. BRYNER: So I think what you're pointing out there is actually an upland area. So we would not put any poles within those washes. We would have them located in upland areas adjacent to washes.

MEMBER COMSTOCK: Here?

MR. BRYNER: Correct.

MEMBER COMSTOCK: Thank you.

MR. BRYNER: I think we ended at the Kantor Substation, if you can -- Javier, if you can just fast-forward to the Kantor Substation.

So I did just want to point out right here, you can see the existing footprint of the Kantor Substation as it exists today. We will need to expand the Kantor Substation as part of this project so that it

can accommodate both a second line coming in from the Canoa Ranch Substation, as well as a second line going south as part of phase 3 of the project. And so we're working with Arizona State Land to expand -- to expand to the east of the existing footprint.

CHMN STAFFORD: And as we all know, substations are nonjurisdictional to this committee.

MR. BRYNER: Correct. I think that's the end of that tour.

CHMN STAFFORD: And now you're going to show us the alternate route?

MR. BRYNER: Yes, we will.

MEMBER FONTES: Mr. Chairman?

MS. GRABEL: Not going to do the tour right away.

CHMN STAFFORD: Member Fontes, did you have a question?

MEMBER FONTES: I did. Wondering on the existing right-of-way width and then have you forthcoming any kind of concerns we need to take into consideration on pole height structures, going back to Member Comstock's? Because you're going to have to cross some washes there, you might have to go with a higher pole structure for some special areas due to the geography, the contours, et cetera. So wondering if we're going to

see that in the upcoming testimony or is that going to be covered -- when that's going to be covered.

MR. BRYNER: No, I didn't have any specific testimony on that, but I'm happy to answer it. So our structures in this area are going to be very similar. Again, we have existing structures on the 138-kV line there today. Those structures are typically between 75 and 95 feet tall. That will be sufficient in most cases to get us anywhere. We did ask for structures up to 115 feet in height, just for special circumstances. We don't anticipate any -- we don't have anything that high in our preliminary engineering, but that would just give us some flexibility if there's something that we didn't account for that we learn about when we do our, you know, our final analysis and our final engineering.

MEMBER FONTES: On the existing distribution line or the -- do you have a right-of-way already assigned or are you going to have to -- this right-of-way will supersede it that you're asking for in this CEC and how does that correspond?

MR. BRYNER: Yeah, sorry, I forgot about that part of your question, Member Fontes. So the existing 46-kV line does have a right-of-way, we would need to amend that. It's not sufficient for the 138-kV line.

MEMBER FONTES: And the 138-kV is a double circuit, so you're probably going to want an additional blow-out range there, as it comes off other infrastructure? Just thinking through in terms of NERC compliance and things that what you may look at with WestConnect and those issues may pop up.

MR. BRYNER: Sure. So 138-kV line in this area, so we're not going to touch the 138-kV line as part of this project. But that line has right-of-way sufficient for its -- its purposes as a double-circuit line. For the 46-kV line that we would be replacing -- for the portion of the 46-kV line we would be replacing, we would seek that same 100-foot-wide right-of-way to accommodate the width.

MEMBER FONTES: I think you know where I'm going. I'm trying to be anticipatory on what we can accommodate on this CEC, as this is part of a series of CECs that you may have to do for the two parts or the two phases of line, so -- especially if you're going to expand that substation too.

MR. BRYNER: Sure.

MEMBER FONTES: That's it, Mr. Chairman.

CHMN STAFFORD: Thank you.

I guess now we're prepared to see the alternate route?

MR. BRYNER: We're actually not going to go directly to the virtual tour of the alternate route, we're going to tell you all about it and then we'll do the virtual tour.

CHMN STAFFORD: Okay. I'm just -- in the interest of time, because we're coming up on the time for another break, and then we're going to want to talk about whether we're actually going to do a physical tour tomorrow, so I thought we'd want to get through the virtual tours today to assist the committee in its decision whether or not to take a physical tour.

MS. GRABEL: We can do the virtual tour of the second route, that's no problem.

MR. BRYNER: Yeah, I'm happy to show it to you.

CHMN STAFFORD: Okay. Let's do that and then let's take our break and then we'll come back and discuss whether we're going to do a real tour.

MR. BRYNER: Okay. So on to the alternative route.

So the community you're seeing right here, this is The Springs community. It's a little better view than we saw from the last vantage point. And so you can see the Canoa Ranch Substation there and we'll flip around and start the tour.

So go ahead, Javier.

So, again, now we're seeing those same lines, but they're in green now, representative of the alternative route, but this is the 500-foot-wide corridor. Same exact alignment as we saw for the preferred route. You see it crossing the Union Pacific Railroad tracks, there on the northern edge of the Canoa Ranch Conservation Park, where you see that road cutting to the right, that was Canoa Ranch -- or Canoa Road.

Now, we're deviating from the preferred route here, heading to the east. So along here we're going along section boundary lines through, again, primarily State Trust Land. There is a little bit of checkered private land in this area.

Cutting right here, we're actually on a half-section boundary line on Arizona State Trust Land. The gray line that you see coming up, that's not a road, that's representative of the existing 138-kV transmission line. Here we would need to duck underneath that line with this new one. And then you can see the Elephant Head community coming up right here.

So now it would be located on the west side of the transmission line. So this alternative route would now be in between the Santa Rita Mountains and that residential community. And then we jog back to the west,

again, we're still on Arizona State Trust Lands, and you might be questioning why didn't we just go down the existing right-of-way with this alternative route? Why are we doing these jogs? And it's because that existing right-of-way, it won't accommodate a second transmission line in it, and there's not enough room with where the residential homes are at to expand that right-of-way to acquire new for a second line, so we had to -- had to deviate around it in those built-up areas.

So now we're coming to the edge of the Elephant Head community, continuing south parallel to the existing 138-kV line, coming up on the Santa Cruz County, Pima County line. And the roadway we're crossing right up here is the Mt. Hopkins Road. So that's, again, where the preferred route comes in and this is the common corridor with the preferred route going south to the Kantor Substation.

CHMN STAFFORD: Member Little?

MEMBER LITTLE: I notice that this route jogs a couple of places around private property, homes. Did you hear specifically from those people, if you know?

MR. BRYNER: We did not hear specifically from the people that we jog around right there. Again, the jog-around wasn't to mitigate any community concerns, it was because we couldn't build it within that corridor,

so that was the only way to be able to have a route around that.

MEMBER LITTLE: Thank you.

CHMN STAFFORD: Yeah, because I've got to say that -- along the existing 138-kV line where you -- it looks like there's a -- your existing 138-kV line crosses to the west of a parcel and then your new line would go on both sides of that parcel on the west and south, so that -- that guy, whoever that homeowner is, would be completely surrounded in a triangle by transmission lines.

MR. BRYNER: That's correct.

CHMN STAFFORD: And we haven't heard from that landowner specifically?

MR. BRYNER: No, not specifically.

CHMN STAFFORD: I don't know, I think that would certainly get my attention.

MEMBER LITTLE: Yeah.

CHMN STAFFORD: All right. Well, we're coming up on 90 minutes here. I think -- are there any quick questions from members before we take a break and come back to discuss a physical tour?

(No response.)

CHMN STAFFORD: Seeing none. Let's take a 15-minute recess.

(Recessed from 4:33 p.m. until 4:50 p.m.)

CHMN STAFFORD: Let's go back on the record.

All right. Members, we've seen the virtual tour, I guess now's the time to decide whether or not we would like to do an actual tour.

Ms. Grabel, I believe you've prepared an itinerary?

MS. GRABEL: We have, Mr. Chairman. That is exhibit number --

Do you have the exhibit number?

CHMN STAFFORD: 8.

MS. GRABEL: Exhibit Number 8. We would anticipate leaving here probably shortly before 9:00. We do have breakfast for the committee members if you're interested, and we'd like to do a safety briefing, as we normally do. We anticipate it being about a three-hour tour, which always puts the Gilligan's Island theme song in my head. And then after that we're going lunch, I believe it's called Longhorn Grill, or something like that, and then being back here probably around 1:30 or 2:00 to reconvene the hearing.

CHMN STAFFORD: All right. Members, anyone in the room interested in a tour?

MEMBER LITTLE: Yes.

MEMBER MERCER: Yes.

CHMN STAFFORD: I'm seeing interested. Okay. Let's plan on doing the tour.

Who will the witnesses be on the tour?

MS. GRABEL: Mr. Bryner.

CHMN STAFFORD: Just Mr. Bryner?

MS. GRABEL: I believe that's true.

MR. BRYNER: Yeah, the other witnesses will be available to answer questions if you'd like, but I'll be doing most of the talking.

CHMN STAFFORD: Okay. Because two of your three have been sworn in, so --

MS. GRABEL: Should we swear in Ms. Mariñez now just in case?

CHMN STAFFORD: If she plans on saying anything on the tour, she would need to be sworn first.

MS. GRABEL: Probably a good idea. And while she's moving up, I will ask the committee to excuse me, I have a daughter at the U of A who has a medical issue, I need to get her some attention tomorrow morning. So I'll join you at the hearing when it reconvenes. Mr. Ancharski will be there.

CHMN STAFFORD: Excellent.

Ms. Mariñez, would you prefer an oath or affirmation?

MS. MARIÑEZ: Oath.

(Adriana Mariñez was duly sworn by the Chairman.)

CHMN STAFFORD: Thank you.

All right. So we'll convene back here at 9:00 a.m. to embark on our three-hour tour.

MS. GRABEL: Mr. Chairman --

CHMN STAFFORD: Yes.

MS. GRABEL: Since do have a couple of minutes, we were able to secure a couple of answers to the outstanding questions if you have any interest?

CHMN STAFFORD: Excellent.

BY MS. GRABEL:

Q. Okay. Mr. Bryner, do you want to --

MEMBER DiCICCIO: Mr. Chair, quick question.

CHMN STAFFORD: Member DiCiccio?

MEMBER DiCICCIO: We're going to convene back at 5:30 today, then, is that it?

CHMN STAFFORD: Yes. Yes. Today after we recess this time we will come back at 5:30 for public comment.

MEMBER DiCICCIO: Okay. So if I'm not there for tomorrow for the tour, we're going to convene at 9:00, you're going to open up the meeting and then

leave or do you just want me on the call at 1:30 or so?

CHMN STAFFORD: Yeah, we're just going to come back in the morning, we'll go on the record, we'll get some -- we'll talk about what's going to happen with the tour briefly, and then we'll go on the tour. And then, depending on the length of tour, I guess, at the last stop we'll announce what time we'll be back after lunch. Right now we're looking at, I think, 1:30, so it could be --

MEMBER DiCICCIO: Okay. Sounds good.

CHMN STAFFORD: -- it could be slightly earlier or later, but we won't know until after the end of the tour.

MEMBER DiCICCIO: Okay. That's fine. I'll just -- if someone could just send me a text saying we're on or we're about to get back, or something like that, that would be great.

CHMN STAFFORD: Oh, yes, certainly. Someone can shoot you note to tell you we're back on the record in the hearing room.

MEMBER DiCICCIO: Thank you very much, Mr. Chair.

CHMN STAFFORD: Thank you.

Ms. Grabel, you had some follow-up answers to questions some members had posed earlier?

MS. GRABEL: We do, thank you, Mr. Chairman.

Q. Mr. Bryner, would you like to give the committee the answers to the questions that were asked? I know we have one outstanding.

A. (MR. BRYNER) Sure. And hopefully I remember these correctly. But Member Little asked a question about the BTA studies and the requirement for UNSE to monitor reliability; is that correct?

MEMBER LITTLE: Yes.

MR. BRYNER: So what we were able to find out was there has been no -- that requirement has not been lifted. So for a number of years -- we've always been studying it and monitoring that. For a number of years we were not proactively reporting that, we were waiting until Commission Staff requested that information from us, and then providing it. In the last two Ten-Year Plan filings we provided that -- that -- the report on reliability proactively to the Commission.

MEMBER LITTLE: Thank you.

MR. BRYNER: And then Member Fant, I believe it was, asked a question about will phase 1 allow us to not run the generation of Valencia and instead be able to seek potentially cheaper sources of energy elsewhere; is that correct? So the answer -- oh.

CHMN STAFFORD: I'm seeing nods yes.

MR. BRYNER: Thank you.

So the answer to that is yes, it will free that up. As I mentioned before, the simultaneous import limit or what we can bring in through the lines will increase from 85 megawatts to 195 megawatts as a result of phase 1. So today we are running generation throughout the summer to support voltage in the area. So that brings what we're able to serve to 165 megawatts with the line plus the generation, since the line alone with phase 1 will now be 195 megawatts, we will not have to run that for those purposes. So if there's an option or an opportunity to seek cheaper energy resources elsewhere, then we'll have that flexibility.

MEMBER FANT: Thank you, sir.

MR. BRYNER: And, as Ms. Grabel mentioned, I think there was one other question outstanding about -- oh, about the load profile and we are working on getting an answer to that still.

CHMN STAFFORD: Thank you.

Any other additional questions from members at this time?

(No response.)

CHMN STAFFORD: All right. With that, let's take a recess until 5:30, at which time we'll

reconvene and take public comment.

We stand in recess.

(Recessed from 4:56 p.m. until 5:30 p.m.)

CHMN STAFFORD: Let's go back on the record.

Now is the time set for public comment in Line Siting Case 252. Are there any members of the public in the room that wish to make comment on the application?

(No response.)

CHMN STAFFORD: Seeing none. Are there any online or on the phone?

AV TECHNICIAN: There are none.

CHMN STAFFORD: All right. Well, we will remain here until 6:00 to allow the public the opportunity to make comment, so -- but in the meantime, we will go off the record and then if someone shows up to make comment, we'll go back on the record and take that comment.

We'll go off the record.

(Recessed from 5:31 p.m. until 5:49 p.m.)

CHMN STAFFORD: Let's go back on the record.

Mr. Carl Ortiz is here to make public comment.

THE REPORTER: Your microphone's not on.

CHMN STAFFORD: Can you please introduce yourself and spell your last name for the court reporter?

MR. ORTIZ: Spell it?

CHMN STAFFORD: Yes.

MR. ORTIZ: Okay. Carl Ortiz, O-r-t-i-z.

Okay. Yeah, I live in Elephant Head and -- well, 1821 West Quail Way. And my preference and my wife, I'm sure, would be the purple route, as opposed to the green route. I also have many neighbors that would prefer that as well. They would be affected if the green route was done. So that's about it. Okay.

CHMN STAFFORD: Thank you.

MR. ORTIZ: Okay.

MEMBER LITTLE: Thank you, sir.

CHMN STAFFORD: I guess we'll still -- we still have 10 minutes left to wait for public comment, and we'll just go off the record until someone else shows up.

(Recessed from 5:50 p.m. until 6:00 p.m.)

CHMN STAFFORD: All right. Let's go back on the record.

It is now 6:00 and no more members of the public are here to make public comment in person or virtually. With that, we will recess until tomorrow

morning at 9:00 a.m. We will reconvene in this room, and the applicant will give us our safety briefing and then we'll embark upon our tour. So is any -- I guess that will be it for today.

We stand in recess. Thank you.

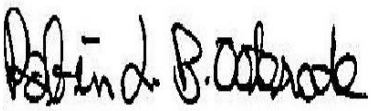
(The hearing recessed at 6:00 p.m.)

STATE OF ARIZONA)
COUNTY OF MARICOPA)

BE IT KNOWN that the foregoing proceedings were taken before me; that the foregoing pages are a full, true, and accurate record of the proceedings all done to the best of my skill and ability; that the proceedings were taken down by me in shorthand and thereafter reduced to print under my direction.

I CERTIFY that I am in no way related to any of the parties hereto nor am I in any way interested in the outcome hereof.

I CERTIFY that I have complied with the ethical obligations set forth in ACJA 7-206(F)(3) and ACJA 7-206 (J)(1)(g)(1) and (2). Dated at Phoenix, Arizona, this 8th day of November, 2025.



ROBIN L. B. OSTERODE, RPR
CA CSR No. 7750
AZ CR No. 50695

* * * * *

I CERTIFY that Glennie Reporting Services, LLC, has complied with the ethical obligations set forth in ACJA 7-206(J)(1)(g)(1) through (6).

GLENNIE REPORTING SERVICES, LLC
Registered Reporting Firm
Arizona RRF No. R1035