

that the CEC for the above-captioned application for siting approval is in the public interest as 25 modified by this Order. 26

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Docket No. L-00000C-11-0400-00164

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The Commission modifies the CEC as follows:

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DELETE Condition 6 and INSERT the following revised Condition 6:

6. This authorization to construct this Project shall expire unless the transmission
line is capable of operation within seven (7) years from the date that the CEC is approved by the
Commission. However, prior to expiration, the Applicant may request that the Commission extend
this time limitation.

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DELETE Condition 23 and INSERT the following revised Condition 23:

8 23. Applicant will not commence construction on the Project until the following
9 have occurred:

10 (1) Issuance of a Record of Decision for approval of the Mining Plan of
 11 Operations for Rosemont Copper Company and/or Rosemont Copper Project;

12

(2) Issuance of a Section 404 permit pursuant to the Clean Water Act;

(3) Certification by the Arizona Department of Environmental Quality pursuant to
Section 401 of the Clear Water Act, certifying that issuance of the Section 404 permit would not
result in violation of the Arizona Surface Water Quality standards;

16

(4) Issuance of the Air Quality permit pursuant to the Clear Air Act; and

17 (5) Acquisition of right-of-way from the Arizona State Land Department for the
18 construction of the transmission line across the Santa Rita Experimental Range.

19 20 3. DELETE the text of Condition 26 (Table E-3 to remain) and INSERT the following revised text for Condition 26:

21 22 duri

26. Applicant shall engage the services of a Tohono O'odham Cultural Monitor during any construction activities on, or within, one hundred (100) feet of known prehistoric cultural resource sites that are eligible for the National Register of Historic Places, as identified in Table E-3 of the Application, with the addition of Huerfano Butte.

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INSERT the following new conditions:

26 27. If Tucson Electric Power Company constructs this transmission line, all costs
27 for construction shall be charged to Rosemont Copper Company, its successors, or assignees by
28 Tucson Electric Power Company.

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28. Until further order of the Commission, all operations and maintenance costs
 associated with this line shall be charged to Rosemont Copper Company, its successors, or assignees
 by Tucson Electric Power Company.

29. If Tucson Electric Power Company constructs this transmission line and is
subsequently required, for any reason, to remove this transmission line, all costs associated with such
removal, including, but not limited to, all environmental remediation, shall be charged to Rosemont
Copper Company, its successors, or assignees by Tucson Electric Power Company.

8 30. Applicant shall construct and own the 138 kV transmission line serving the
9 Rosemont Copper Company's mining operations.

10 31. Applicant shall submit proof that all costs regarding removal of the 11 transmission line and environmental remediation shall be covered by one or more mechanisms 12 obtained by Rosemont Copper Company, its successors, or assignees to ensure that funds are 13 available.

32. Applicant shall certify annually, until further order of the Commission,
whether service is still required by means of this transmission line. Once service is no longer needed,
Applicant shall file a plan for removal of the transmission line.

33. Applicant will complete cultural resources data recovery and, as part of the recovery efforts, will perform oral histories for the Helvetia townsite for areas that will be disturbed by the transmission line project to the extent this activity is not already part of the treatment plan. The items recovered shall be handled in accordance with state law, and to the extent allowed, will be provided to regional historical organizations. The results will be provided to the Arizona State Museum and to Pima County, subject to restrictions on disclosing information regarding specific cultural resources.

34. Before commencing construction of Project facilities located parallel to and within one hundred (100) feet of any existing natural gas or hazardous liquid pipeline, the Applicant or its assignees shall perform the appropriate grounding and cathodic protection studies to show that the Project's location parallel to and within one hundred (100) feet of such a pipeline results in no material adverse impacts to the pipeline or to public safety when both the pipeline and the Project are

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1 in operation. If material adverse impacts are noted in the studies, Applicant shall take appropriate 2 steps to ensure that such material adverse impacts are mitigated. Applicant shall provide to 3 Commission Staff and to Docket Control reports of studies performed; Applicant shall also perform a technical study simulating an outage of the Project that may be caused by the collocation of the 4 5 Project parallel to and within one hundred (100) feet of the existing natural gas or hazardous liquid 6 pipeline. This study should either (a) show that such outage does not result in customer outages or 7 (b) include operating plans to minimize any resulting customer outages. Applicant shall provide a 8 copy of this study to Commission Staff and to Docket Control.

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FINDINGS OF FACT

The Commission further finds and concludes that in balancing the broad public interest in this
matter:

The Project is in the public interest because it aids the state in meeting the need for an
 adequate, economical and reliable supply of electric power.

14 2. In balancing the need for the Project with its effect on the environment and ecology of
15 the state, the conditions placed on the CEC as modified by the Commission effectively minimize its
16 impact on the environment and ecology of the state.

3. The conditions placed on the CEC as modified by the Commission resolve matters
concerning the need for the Project and its impact on the environment and ecology of the state raised
during the course of proceedings, and as such, serve as the findings on the matters raised.

4. The potential environmental cost of constructing and then dismantling the
transmission line if the Mine is never operated weighs in favor of requiring certain permitting related
to the Mine as set forth in Condition 23 to be concluded prior to construction of the transmission line.

5. In light of these conditions, the balancing in the broad public interest results in favor
of granting the CEC as modified by the Commission and vacating Decision No. 73074.

6. The Commission values the intervention and participation of members of the public in
the siting process. Such interveners provide a unique perspective to the proceedings, and we value
their input. We appreciate the contributions made by Interveners Elizabeth Webb and Marshall
Magruder in this case.

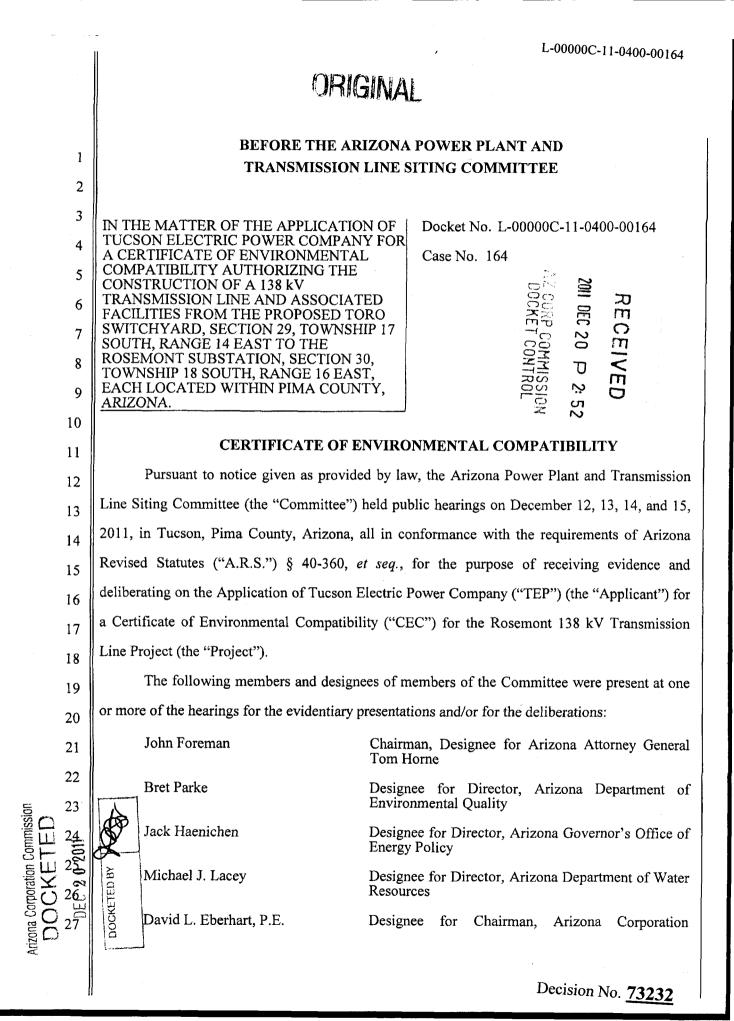
	Page 5 of 7	Docket No. L-00000C-11-0400-00164
1	7.	The Application to Intervene filed by Pima County is hereby granted.
2		CONCLUSIONS OF LAW
3	1.	Tucson Electric Power Company is a public service corporation within the meaning of
4	Article XV of	The Arizona Constitution and A.R.S. §§ 40-252, 40-253, and 40-360, et seq.
5	2.	The Commission has jurisdiction over Tucson Electric Power Company and the
6	subject matter	of this Application.
7	3.	Notice of the proceeding has been given in the manner prescribed by law.
8	4.	The Commission, having reviewed and considered the applications for rehearing and
9	the filings of	the interested parties, concludes that it is in the public interest to vacate Decision No.
10	73074 and ap	prove the Certificate of Environmental Compatibility issued by the Arizona Power Plant
11	and Transmis	sion Line Siting Committee subject to the modifications described herein.
12		<u>ORDER</u>
13	IT IS 7	THEREFORE ORDERED that Decision No. 73074 is hereby vacated.
14	IT IS	FURTHER ORDERED that the Certificate of Environmental Compatibility issued by
15	the Arizona P	ower Plant and Transmission Line Siting Committee is hereby approved as modified by
16	this Order.	
17	IT IS	FURTHER ORDERED that the Application to Intervene filed by Pima County is
18	hereby grante	d.
19	IT IS	FURTHER ORDERED that this decision shall become effective immediately.
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Decision No.

73232

1 THE CEC ISSUED BY THE SITING COMMITTEE IS 2 **INCORPORATED HEREIN AND IS APPROVED AS MODIFIED BY ORDER OF THE** 3 ARIZONA CORPORATION COMMISSION 4 5 COMMISSIONER CHAIRMAN 6 COMMISSIONER COMMISSIONER COMMISSIONER 8 IN WITNESS WHEREOF, I, ERNEST G. JOHNSON, 9 Executive Director of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this 10 Commission to be affixed at the Capital, in the City of Phoenix, this 12th day of June 2012. 11 12 ERNEST G. JOHNSON 13 **Executive Director** 14 DISSENT: _____ 15 DISSENT: _____ 16 17 18 19 20 21 22 23 24 25 26 27 28 Decision No. 73232

1 2	SERVICE LIST FOR: TUCSON ELECTRIC DOCKET NO. L-00000C-11-0400-00164	POWER COMPANY
3	Original and thirty-one (31)	
4	copies of the foregoing filed this day of <u>June</u> , 2012 with:	
5	Docket Control	
6	Arizona Corporation Commission 1200 West Washington Street	
7	Phoenix, Arizona 85007	
8	Copies of the foregoing mailed this, day of <u>June</u> , 2012 to:	
9		
10	Jason D. Gellman ROSHKA DeWULF & PATTEN, P.L.C.	Elizabeth Webb P.O. Box 952
11	One Arizona Center 400 East Van Buren Street, Suite 800	Vail, Arizona 85641
12	Phoenix, Arizona 85004-2262 Attorneys for Tucson Electric Power Co.	Patrick J. Black FENNEMORE CRAIG
13	Lawrence V. Robertson, Jr.	3003 North Central Avenue, Suite 2600 Phoenix, Arizona 85012-2913
14	Attorney at Law PO Box 1448	Attorneys for Rosemont Copper Co.
15	Tubac, Arizona 85646	Scott Wakefield RIDENOUR, HIENTON & LEWIS, P.L.C
16	Robert J. Metli MUNGER CHADWICK, P.L.C.	201 North Central Avenue, Suite 3300 Phoenix, Arizona 85004-1052
17	2398 East Camelback Road, Suite 240 Phoenix, Arizona 85016	James D. Copeland
18	Attorneys for Save Our Scenic Santa Ritas Association, Sky Island Alliance, Center for	District Ranger UNITED STATES DEPARTMENT
19	Biological Diversity and Tucson Audubon Society	OF AGRICULTURE Forest Service
20	Laura Berglan	303 Old Tucson Road Nogales, Arizona 85621
21	OFFICE OF ATTORNEY GENERAL TOHONO O'ODHAM NATION	
22	P.O. Box 830 Sells, Arizona 85634	
23	Attorneys for Tohono O'odham Nation	
24	Marcus Jerden TUCSON ELECTRIC POWER CO.	
25	88 East Broadway Blvd. Tucson, Arizona 85702	
26	Marshall Magruder	
27	P.O. Box 1267 Tubac, Arizona 85646	
28		



Commission Jeff McGuire Appointed Member, Agriculture representing Interests Patricia Noland Appointed Member, representing General Public Michael Palmer Appointed Member, representing General Public **David Richins** Appointed Member, representing Incorporated Cities and Towns Appointed Member, representing Counties F. Ann Rodriguez Paul Walker Appointed Member, representing General Public

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The Applicant was represented by: J. Matthew Derstine and Jason D. Gellman of Roshka, 9 DeWulf & Patten, PLC, and Marcus G. Jerden of UniSource Energy Corporation for TEP. The 10 following parties were granted intervention pursuant to A.R.S. § 40-360.05: Patrick J. Black and 11 Norman D. James of Fennemore Craig, P.C. for intervenor Rosemont Copper Company; 12 Lawrence V. Robertson, Jr. and Robert J. Metli, for intervenors Save the Scenic Santa Ritas 13 14 Association, Sky Island Alliance, Center for Biological Diversity and Tucson Audubon Society 15 collectively; Laura Berglan for intervenor Tohono O'odham Nation through its Office of Attorney General; and Marshall Magruder, in propria persona. 16

At the conclusion of the hearings – after considering the Application, the evidence and exhibits presented, the legal requirements of A.R.S. §§ 40-360 to 40-360.13, and upon motion duly made and seconded – the Committee voted 11 to 0 to grant the Applicant, its successors and assigns, this CEC for the construction of the Project (Case No. 164).

The Project as approved consists of a new single-circuit 138kV transmission line that is approximately 13.2 miles in length from the proposed Toro Switchyard, located on the west end of Section 29, Township 17 South, Range 14 East to the Rosemont Substation (to be owned and operated by Rosemont), Section 30, Township 18 South, Range 16 East, in Pima County, Arizona. The transmission structures will be double-circuit-capable monopole structures, with typical heights of 75 to 150 feet; with taller structures at major road and/or line crossings not to exceed 199 feet. The corridor width for the entire Project route is 500 feet.

1	The route for the Project will be what was labeled the Preferred Route. Starting at the	
2	proposed Toro Switchyard, located approximately 3 miles south of Sahuarita Road and 3.5 miles	
3	east of I-19, the route travels east approximately 1 mile and then southeast paralleling Santa Rita	
4	Road and a water pipeline alignment that is part of Rosemont's mining operations plan. Near the	
5	intersection of Santa Rita and Helvetia roads, the Preferred Route turns northeast and follows the	
6	proposed Rosemont water pipeline alignment as described in the Draft EIS (MB-R3-05-3 dated	
7	September 2011, Figure ES3) for the Rosemont Copper Project over Lopez Pass to the Rosemont	
8	Substation. This route is located on land owned by the Arizona State Land Department ("ASLD")	
9	(which ASLD leases to the Santa Rita Experimental Range ("SRER")), Coronado National Forest	
10	("CNF"), and Rosemont. The length of this route is approximately 13.2 miles.	
11	A location map of the Project is attached as Exhibit A.	
12	CONDITIONS	
13	This Certificate is granted upon the following conditions:	
14	1. Any transfer or assignment of this Certificate shall require the assignee or successor	
15	to assume all responsibilities of the Applicant listed in this Certificate and its	
16	conditions in writing as required by A.R.S. § 40-360.08(A) and R14-3-213(F) of the	
17	Arizona Administrative Code.	
18	2. The Applicant shall comply with all existing applicable statutes, ordinances, master	
19	plans and regulations of any governmental entity having jurisdiction during the	
20	construction and operation of the Project - including the United States, the State of	
21	Arizona or Pima County.	
22	3. If any archaeological site, paleontological site, historical site or an object that is at	
23	least 50 years old is discovered on state, county, federal or municipal land during	
24	the construction or operation of the Project, the Applicant or its representative in	
25	charge shall promptly report the discovery to the Director of the Arizona State	
26	Museum ("Director"), Coronado National Forest, the Cultural Affairs Office and the	
27	Office of the Attorney General of the Tohono O'odham Nation, and in consultation	
	3	

Decision No. <u>73232</u>

with the above entities, shall immediately take all reasonable steps to secure and
maintain the preservation of the discovery, pursuant to A.R.S. § 41-844.

4. If human remains and/or funerary objects are encountered on private land during the course of any ground-disturbing activities relating to the construction or operation of the Project, the Applicant shall cease work on the affected area of the Project and notify the Director, pursuant to A.R.S. § 41-865.

5. The Applicant shall comply with the notice and salvage requirements of the Arizona Native Plant Law (A.R.S. §§ 3-901 et seq.) and shall, to the extent feasible, minimize the destruction of native plants during the construction and operation of the Project.

6. This authorization to construct this Project shall expire unless the transmission line is capable of operation within ten (10) years from the date the Certificate is approved by the Arizona Corporation Commission ("Commission"). However, prior to expiration, the Applicant may request that the Commission extend this time limitation.

7. In the event that the Project requires an extension of the term of this Certificate prior to completion of construction, Applicant shall use reasonable means to notify all landowners, neighborhood associations registered with Pima County and within the Project study area as set forth in the Application, and residents within one mile of the Project corridor, all persons who made public comment at this proceeding who provided a mailing address, and all parties to this proceeding of the request and the date, time and place of the hearing in which the Commission will consider the request for extension.

8. The Applicant shall make every reasonable effort to identify and correct, on a case-specific basis, all complaints of interference with radio or television signals from operation of the transmission lines and related facilities addressed in this Certificate. The Applicant shall maintain written records for a period of five years of all

complaints of radio or television interference attributable to operation, together with
the corrective action taken in response to each complaint. All complaints shall be
recorded to include notations on the corrective action taken. Complaints not leading
to a specific action or for which there was no resolution shall be noted and
explained. Upon request, the written records shall be provided to the Staff of the
Commission.

9. Within 120 days of the Commission decision granting this Certificate, Applicant will post signs in or near public rights-of-way giving notice of the Project corridor to the extent authorized by law. The Applicant shall place such signs in prominent locations at reasonable intervals so that the public is notified along the full length of the Project until the transmission structures are constructed. To the extent practicable, within 45 days of securing easement or right-of-way for the Project, the Applicant shall erect and maintain signs providing public notice that the property is the site of a future transmission line. Such signage shall be no smaller than a normal roadway sign. The signs shall advise:

(a) That the site has been approved for the construction of Project facilities;

- (b) The expected date of completion of the Project facilities;
- (c) A phone number for public information regarding the Project;
- (d) The name of the Project;

- (e) The name of the Applicant; and
- (f) The website of the Project.
- 10. Applicant or its assignees shall design the transmission lines to incorporate reasonable measures to minimize impacts to raptors.
- 11. Applicant shall use non-specular conductor and dulled surfaces for the Project's transmission line structures.
- 12. Before construction on this Project may commence, the Applicant shall file a construction mitigation and restoration plan ("Plan") with ACC Docket Control,

intervenors, and the Coronado National Forest. Where practicable, the Plan shall specify the Applicant's plans for construction access and methods to minimize impacts to wildlife and to minimize vegetation disturbance outside of the Project right-of-way particularly in drainage channels and along stream banks, and shall revegetate, unless waived by the landowner, native areas of construction disturbance to its preconstruction state outside of the power-line right-of-way after construction has been completed. The Plan shall specify the Applicant's plans for coordination with the Arizona Game and Fish Department ("AGFD") and the State Historic Preservation Office ("SHPO"). The Applicant shall use existing roads for construction and access where practicable and the Plan shall specify the manner in which the Applicant makes use of existing roads.

13. Applicant shall follow any published guidelines adopted by AGFD or the United States Fish and Wildlife Service ("USFW") for handling contacts during the construction and operation of the Project with any species designated as endangered. Applicant also shall follow any published and adopted guidelines for handling contacts with any species of greatest conservation need as designated by AGFD. If no published and adopted guidelines exist, the Applicant shall use reasonable care to avoid any harm to individuals of the designated species. If the avoidance of harm to individuals is not possible, the Applicant shall contact AGFD and USFW to obtain any appropriate permits and guidance for removing the individual members of the species contacted from the area of the Project.

14. With respect to the Project, Applicant shall participate in good faith in state and regional transmission study forums to coordinate transmission expansion plans related to the Project and to resolve transmission constraints in a timely manner.

15. The Applicant shall provide copies of this Certificate to the United States Forest Service, Bureau of Land Management, Pima County, the Arizona State Land Department, SHPO and AGFD. 16. Before construction commences on this Project, the Applicant shall provide known homebuilders, neighborhood associations registered with Pima County within the study area as set forth in the Application, and developers of record who are building upon or developing land within one mile of the center line of the Certificated route of the transmission line, a written description of the Project. The written description shall identify the location of the Project and contain a pictorial description of the type of transmission line being constructed. The Applicant also shall encourage the developers and homebuilders to include this information in the developers' and homebuilders' homeowners' disclosure statements.

17. Applicant will follow the latest Western Electricity Coordinating Council/North American Electric Reliability Corporation Planning standards as approved by the Federal Energy Regulatory Commission, and National Electrical Safety Code construction standards.

18. The Applicant shall submit a self-certification letter annually, identifying progress made with respect to each condition contained in the Certificate, including which conditions have been met. Each letter shall be submitted to the Docket Control of the Commission and intervenors on March 1 beginning in 2013. Attached to each certification letter shall be documentation explaining how compliance with each condition was achieved, including any required actions pursuant to the United States Forest Service – Coronado National Forest Record of Decision. Copies of each letter along with the corresponding documentation shall be submitted to the Arizona Attorney General, and the Arizona Governor's Office of Energy Policy (or its successor organization). The requirement for self-certification shall expire on the date the Project is placed into operation.

19. Within one hundred twenty (120) days of the Commission decision approving this Certificate, the Applicant shall make good faith efforts to commence discussions with private landowners, on whose property the Project corridor is located, to

1		identify the specific location for the Project's right-of-way and placement of poles.
2	20.	The Applicant will pursue reasonable efforts to work with private landowners on
3		whose property the Project right-of-way will be located, to mitigate the impacts of
4		the location, construction, and operation of the Project on private land.
5	21.	Applicant will retain a qualified biologist to monitor all ground clearing and
6		disturbing construction activities that may affect sensitive species or habitat. The
7		biological monitor will be responsible for ensuring that proper actions and
8		conservation measures are taken if a special status species is encountered, including
9		completion of pre-construction surveys if necessary. If Sonoran desert tortoises are
10		encountered during construction, the Applicant will follow the Guidelines for
11		handling Sonoran desert tortoises from the AGFD.
12	22.	The Applicant shall avoid or minimize impacts to properties listed, or eligible for
13		listing, on the National Register of Historic Places and sites including shrines,
14		ceremonial sites, and burials significant to the Tohono O'odham Nation.
15	23.	Applicant shall not commence construction on the Project until a Record of
16		Decision is issued by the United States Forest Service - Coronado National Forest
17		regarding the Rosemont Copper Company Mining Plan of Operations, which
18		approves the Proposed Action, or any Alternative Action (other than the No Action
19		Alternative) described in the Environmental Impact Statement for the Rosemont
20		Mining Plan of Operations.
21	24.	Applicant shall make all reasonable efforts to comply with the recommendations,
22		mitigation measures and actions to reduce or prevent environmental impact that are
23		applicable to the Project and included in the Record of Decision issued by the
24		United States Forest Service - Coronado National Forest for the Rosemont Mining
25		Plan of Operations.
26	25.	Applicant will retain a qualified archaeologist to monitor all ground clearing and
27		disturbing construction activities that may affect historical or cultural sites that are

listed, or eligible for listing, on the National Register of Historic Places. The
archaeologist will be responsible for ensuring that approved mitigation measures are
implemented according to a treatment plan approved by State Historic Preservation
Office after consultation with the Cultural Affairs Office of the Tohono O'odham
Nation.

26. Applicant shall consult with the Tohono O'odham Cultural Affairs Office during any construction activities on, or within, 100 feet of known prehistoric cultural resource sites that are eligible for the National Register of Historic Places, as identified in Table E-3 of the Application, with the addition of Huerfano Butte.

No.	Site Number	Description	CL Length through Site	Route
1	AZ EE:1:80(ASM)	Historic mining town of Helvetia	1830'/560m (P, 2) 2823'/860m (1, 3)	P, 1, 2, 3
2	AZ EE:1:99(ASM)	Prehistoric artifact scatter with thermal features and tools	817'/249m (P, 1) 846'/258m (2, 3, 4)	P, 1, 2, 3 4
3	AZ EE:1:242(ASM)	Prehistoric artifact scatter with thermal features and tools	512'/156m	2, 3, 4
4	AZ EE:1:245(ASM)	Prehistoric artifact scatter with thermal features and tools	545'/166m	2, 3, 4
5	AZ EE:1:392(ASM)	Prehistoric artifact scatter with thermal features and tools	700'/213m	P, 1
6	AZ EE:1:446(ASM)	Prehistoric habitation site (multiple room blocks)	262'/80m	P, 2
7	AZ EE:1:450(ASM)	Historic CCC-constructed Box Canyon Road	50'/15m (P, 1) 107'/31m (4)	4
8	AZ EE:1:452(ASM)	Prehistoric resource processing	184'/56m	2, 3
9	AZ EE:1:454(ASM)	Prehistoric artifact scatter	604'/184m	4
10	AZ EE:1:455(ASM)	Prehistoric artifact scatter with features	358'/109m	2, 3, 4

No.	Site Number	Description	CL Length through Site	Route ¹	
11	AZ EE:1:423(ASM)	Historic mine and road	1207 [?] /368m (spannable to north of centerline)	P, 1, 2, 3	
12	AZ EE:1:431(ASM)	Historic road	Parallels CL for approximately 1654'/504m.	P, 1, 2, 3	
13		Historic mining town of New Rosemont	891'/272m (spannable west of centerline)	P, 1, 2, 3	
1 "P"	indicates Preferred ro	ute; numbers indicate Altern	native routes 1 through 4.	<u></u>	
	FINDIN	GS OF FACT AND CONC	CLUSIONS OF LAW		
			gs of fact and conclusions of		
	5	e	ne need for an adequate, ec	onomical	
	reliable supply of electric power.				
	2. The condition	The conditions placed on the Project in the CEC by the Committee effectively			
		minimize the impact of the Project on the environment and ecology of the state.			
	·	The Project is in the public interest because the Project's contribution to meeting			
		the need for the adequate, economical and reliable supply of electric power			
	outweighs the	outweighs the minimized impact of the Project on the environment and ecology of			
	the state.				
	DATED this _	19th day of December, 201	1.		
			ONA POWER PLANT AN		
		TRANSMI	SSION LINE SITING CON	MMITTE	
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			toro		
	Hon. John Foreman, Chairman				
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			Decision	No. <u>732</u>	

