BEFORE THE ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE

LS-535

IN THE MATTER OF THE APPLICATION OF TUCSON ELECTRIC POWER COMPANY IN CONFORMANCE WITH THE REQUIREMENTS OF A.R.S. § 40-360, ET SEQ., FOR A CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY AUTHORIZING THE 138 KILOVOLT (KV)SOUTHWEST TUCSON RELIABILITY PROJECT, WHICH INCLUDES THE CONSTRUCTION OF A NEW 138 KV TRANSMISSION LINE WITHIN THE CITY OF TUCSON AND UNINCORPORATED PIMA COUNTY, ARIZONA.	DOCKET NO. L-00000C-26-0407-00269 LS CASE NO. 269 PREHEARING CONFERENCE

At: Phoenix, Arizona

Date: October 27, 2026

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REPORTER'S TRANSCRIPT OF PROCEEDINGS

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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, commencing at 3:04 p.m. on October 27, 2026, with all participants appearing via videoconference.

BEFORE: Adam Stafford, Chairman

APPEARANCES:

For the Applicant:

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APPEARANCES: (continued)

Also present:

Renee Darling, Sonoran Land Resources
Deb Vining, TEP
Erin Mendoza, TEP
Rachel Smith,
Tod Brewer, Assistant to Chairman Stafford

CHMN STAFFORD: Let's go on the record.

Now is the time set for the prehearing conference on the application of TEP for a certificate of environmental compatibility for the Southwest Tucson Reliability Project, Docket No. L-00000C-26-0407-00269, or Line Siting Case 269.

Start with appearances starting with the applicant.

MS. GRABEL: Thank you, Mr. Chairman. Meghan Grabel from Osborn Maledon on behalf of Tucson Electric Power Company. With me from my firm is Elias Ancharski.

With us from the company is in-house counsel Megan Hill as well as Deb Vining on our siting team, Erin Mendoza, also in our regulatory and compliance team, I think. And then with us from our outside consulting firm is Renee Darling. Oh, I'm sorry, Sam, I missed you too. In-house with TEP is Sam Egan.

CHMN STAFFORD: Okay. No Clark today?

MS. GRABEL: No Clark today. He's unfortunately at a funeral.

CHMN STAFFORD: And next, City of Tucson, Mr. Borman.

MR. BORMAN: Thank you. On behalf of the City of Tucson, my name is Bradford Borman.

Once again I apologize that I'm not able to get my camera to work right now. I'm still going to work on it.

CHMN STAFFORD: All right. I have not seen any other requests to intervene. Is that correct?

MS. GRABEL: That is correct.

CHMN STAFFORD: Okay. The City of Tucson is a party by right. They filed a timely notice. They are a party.

I would ask the parties do they agree that March 17, 2027, is the time for the committee to act in compliance with the statute?

MS. GRABEL: Yes.

MR. BORMAN: Yes.

CHMN STAFFORD: All right. Ms. Grabel, so confirm, you've got the lodging arranged for the out-of-town committee members at the DoubleTree by Hilton Tucson Downtown Convention Center?

MS. GRABEL: That is correct.

CHMN STAFFORD: And have you reserved rooms for the entire committee including the chairman and the court reporter?

MS. GRABEL: We have. People do need to make their own reservations, and my understanding is that there were not as many people making reservations as we

wanted. We asked Mr. Brewer to reach out a couple of times, so hopefully everybody that needed a room has one.

CHMN STAFFORD: Okay. I believe Member Comstock will not be there. And I believe Member Mercer lives in the area. So that's two that won't be needing hotel rooms.

Has the applicant complied with the notice to affected jurisdictions as required by the procedural order?

MS. GRABEL: Yes, we have. We published -- the notice to affected jurisdictions were mailed on September 28, 2026, and that was to Arizona State Land Department, Arizona Department of Transportation, Pima County, and the City of Tucson.

We also mailed courtesy copies to the Bureau of Land Management, the Pascua Yaqui Tribe, and Tohono O'odham Nation.

CHMN STAFFORD: All right. And the applicants have complied with the posting and publishing requirements?

MS. GRABEL: We have.

CHMN STAFFORD: What -- did you publish the notice of hearing in?

MS. GRABEL: The notice of hearing was published in the Arizona Daily Star on September 23

and 27.

CHMN STAFFORD: Okay. And you had, what, eight signs?

MS. GRABEL: I thought we had six signs, but that is in notice of hearing 4 -- exhibit -- Prehearing Exhibit 4.

CHMN STAFFORD: You have eight on there.

MS. GRABEL: Do you see eight? Maybe I'm miscounting.

CHMN STAFFORD: Unless they didn't all go up.

MS. GRABEL: What's that?

CHMN STAFFORD: Unless all eight didn't get put up for some reason.

MS. GRABEL: No, I probably just miscounted.

CHMN STAFFORD: Okay. And you put it on the project website as well?

MS. GRABEL: Yes, sir.

CHMN STAFFORD: All right. And you've had the application and notice at the library and the community center for this one; right?

MS. GRABEL: Yes. I'm trying to look at what libraries they're in. But, yes. The Southwest Library on -- Road and the Drexel Heights Community.

(Reporter clarification.)

MS. GRABEL: Southwest Library at 6855 South Mark Road and the Drexel Heights Community on San Joaquin Avenue in Tucson.

CHMN STAFFORD: You have -- I have six prehearing exhibits. Would you like to talk us through those, please?

MS. GRABEL: Certainly.

Prehearing Exhibit 1 is the map of the proposed project.

Prehearing Exhibit 2 is the notice to affected jurisdictions.

Prehearing Exhibit 3 is the example of the signage that was posted.

Prehearing Exhibit 4 is a map of where we posted the signs.

Prehearing Exhibit 5 is a proposed tour itinerary.

And Prehearing Exhibit 6 is a proposed form of CEC.

CHMN STAFFORD: All right. I'm assuming the parties had an opportunity to review the agenda. Are there any objections or additions?

MR. BORMAN: There is no objection from us.

MS. GRABEL: Neither from us.

CHMN STAFFORD: All right. So the hearing will start on Wednesday, November 4, at one p.m. at the Corporation Commission's offices in Tucson; correct?

MR. BORMAN: Okay.

MS. GRABEL: Yes, that's correct.

CHMN STAFFORD: And you'll have sign-in forms for public comment?

MS. GRABEL: We will.

CHMN STAFFORD: Which we will start on the 4th at 5:30.

MS. GRABEL: Yes, we will.

CHMN STAFFORD: Now, I believe DPS provides security for that building. Have you confirmed with them that they'll be available after hours for the public comment?

MS. GRABEL: We will confirm if we haven't already.

CHMN STAFFORD: All right. And I assume that the Commission's A/V team will be handling this hearing. Have you made the arrangements with them?

MS. GRABEL: We have. We've been in touch with Mike Valladao at the ACC.

CHMN STAFFORD: All right. Now, how long do you think this hearing will last? We have it booked from the 4th through the 6th.

MS. GRABEL: My hope is that we can get it finished on the 5th. We think it's a pretty clear-cut case. Obviously, the City of Tucson has intervened and is a party of right. We are trying to work -- I sent them a stipulation that I hope will be helpful prior to this prehearing conference, and I intend to follow-up with Mr. Borman today or tomorrow if he's available. So worst-case scenario, we'll probably end on Friday.

CHMN STAFFORD: Okay.

MR. BORMAN: And if I may, this is Brad Borman speaking again. We did receive from Ms. Grabel the information that she referenced. Even if we would not reach an agreement, we do not intend to put forth a witness or introduce any testimony or exhibits. And whatever cross we might possibly have would be fairly limited. So even if that doesn't work out, I don't think our participation will extend this proceeding very long at all.

CHMN STAFFORD: All right. Thank you. And so then the next question about the filing exchange, the witness summaries and written testimony, I have seen the -- I've gotten my copy of the exhibits from the applicant.

Mr. Borman, you said you will have no witnesses or exhibits?

Ms. Hill?

MS. HILL: Thank you, Mr. Chairman. I just wanted to make a comment about what Mr. Borman said.

Unfortunately, we're not yet sure if the City is actually going to advocate for a portion of this being undergrounded and --

CHMN STAFFORD: That's coming up on the list. We'll get to that.

MS. HILL: Yeah, but what I wanted to say is as a result, we don't know if we're going to have to continue the hearing after we get through the first part in order to have additional hearing so that we can be ready for it. And so I just want to be clear that that would be the hold-up to finishing on Friday.

CHMN STAFFORD: Okay. Now, for the exhibits, are you -- the applicant's exhibits, are you going to have tablets at the hearing, or are you doing binders?

MS. GRABEL: We will. We will have tablets at the hearing. And we will be bringing hard copies in a binder.

CHMN STAFFORD: You only need two hard copies, one for me and one for the court reporter for the record.

MS. GRABEL: Sounds good.

CHMN STAFFORD: All right. Now, I've looked through your exhibits. You have the proposed CEC as your Exhibit 13. Your public outreach summary is Exhibit 9.

I guess my question to the City is do you plan to file any -- or propose any CEC language, conditions, or a draft CEC of your own?

MR. BORMAN: I don't think we plan to submit any draft CEC. And whether or not we submit anything else is, I guess, kind of dependent on how the hearing progresses.

I think right now our position is kind of we just want to make sure there's clarification on a handful of issues. And if the assertions that TEP has made prove to be correct and we can confirm those, I think we would not be in a position to need those.

CHMN STAFFORD: All right. Have you got your tour proposal as Exhibit 8?

MS. GRABEL: Correct.

CHMN STAFFORD: I think we can pretty much plan on doing a tour for this. I think every call -- you're saying it shouldn't take that long, like an hour and a half?

MS. GRABEL: That's correct. I don't think it's going to take that long.

After the discussion we had during the line siting workshop, Mr. Chairman, we decided not to have any kind of verbiage on the bus. We're just going to tell the members of the public where we're going to stop and then we'll have any questions, then, you know, and big highlights when we actually stop, we can take questions then.

CHMN STAFFORD: That will work. That's probably the cleanest way to do it.

MS. GRABEL: Agreed.

CHMN STAFFORD: All right. So the tour, we'll take -- we'll do that on Thursday morning.

And are there any other issues regarding the hearing itself?

MS. GRABEL: We will have food provided for the committee members during lunch. We'll provide lunch. There will breakfast at the hotel, and we'll have snacks just so you can let people know.

CHMN STAFFORD: Okay. And then, just so you know, on Wednesday at two o'clock we have to take a break because I have a prehearing conference for another case. And then --

MS. GRABEL: So do I.

CHMN STAFFORD: Yeah. And then on Friday, we'll have to stop again. I think it's 2:00 or 3:00, I'm

not sure, I'll have to look. If we're not done, then we'll have to stop and take another break and do a different prehearing conference on another matter so.

MS. GRABEL: Sounds good.

CHMN STAFFORD: And I'm going to ask the parties what's the status of the attempt to narrow any of the issues at the hearing?

MS. GRABEL: As I mentioned, Mr. Chairman, I did prepare a stipulation for the City's consideration, and hopefully if they agree to that, their participation will be minimal as Mr. Borman suggested it could be.

CHMN STAFFORD: Okay.

MR. BORMAN: And I can confirm that we just received it shortly before this prehearing conference. I haven't had a chance to talk to my client about it and review it in depth, but I hope to be able to do that and talk to Ms. Grabel tomorrow about this.

CHMN STAFFORD: All right. And then so witnesses' exhibits, the applicant's got three witnesses. You're going to present them in three different panels?

MS. GRABEL: We are.

CHMN STAFFORD: So you got 20 exhibits including the associated subparts for a couple of them.

MS. GRABEL: That's right.

CHMN STAFFORD: How long do you think it

will take you for your direct case barring -- not including questions from committee members?

MS. GRABEL: Right. It would be nice if we could wrap up on Monday prior to public comment. If not, perhaps a little bit more after the Tuesday presentation. But with only three witnesses, and we do think it's a pretty cut-and-dry -- it's a rather easy case. Most of it is -- like 80 percent if not more is existing infrastructure, which I think you'll see on the tour. So hopefully it will be easy for the committee.

CHMN STAFFORD: Okay.

MS. GRABEL: One of the less controversial projects.

CHMN STAFFORD: All right. Now, I guess before the hearing, I don't know if you need to do a spreadsheet, but there's only a certain segment that's going to be contested, so to speak, or at issue, I guess, between the parties?

MS. GRABEL: That's correct. It's only the portion of Valencia Road that is within the City of Tucson's jurisdiction. So if you look at the project map, it's kind of the bottom, right portion of Valencia Road.

CHMN STAFFORD: Okay. Good, I read the map correctly, then.

MS. GRABEL: You did.

CHMN STAFFORD: The only thing I'm seeing not here is the Commission Staff letter.

MS. GRABEL: Okay. We will go ahead and docket that -- did we get a Staff letter?

CHMN STAFFORD: I don't think they have filed it.

MS. GRABEL: Yeah.

CHMN STAFFORD: It doesn't exist yet. That's what's missing. So I just -- I'm assuming that will make its way onto your -- as Exhibit 21 by the time of the hearing.

MS. GRABEL: Sounds good.

CHMN STAFFORD: All right. Mr. Borman, you said you had zero witnesses and zero exhibits. How long do you estimate for cross-examination?

MR. BORMAN: I would be surprised if it went longer than 10 minutes. If we agree to a stipulation with the company, might be limited to one question.

CHMN STAFFORD: Okay. And, Ms. Grabel, what's the status of any other permits for the projects?

MS. GRABEL: We still need our standard road right-of-way permits. We do have a BLM special use authorization that we need to negotiate and an ASLD land

lease.

CHMN STAFFORD: And then the BLM, is that to cross the Tohono O'odham Nation?

MS. GRABEL: Yes, I think that's right.

CHMN STAFFORD: Okay.

MS. GRABEL: Renee, is that not correct?

I see her shaking her head.

Go ahead. Clarify.

MS. DARLING: I think the question from the Chairman was is that for the BIA authorization? Could you --

MS. GRABEL: It was the BLM authorization, and was that to cross the Tohono O'odham Nation.

MS. DARLING: No. So there's separate BLM lands that are indicated in yellow on the map. And then the Tohono O'odham Nation crossing is within Pima County road right-of-way.

CHMN STAFFORD: Okay.

MS. DARLING: So we don't need a separate authorization for that from the TO.

CHMN STAFFORD: Okay. And you'll need -- you'll need one for the new substation, won't you? Oh, that's county.

MS. GRABEL: It's county.

MS. HILL: I'm sorry. If I may,

Mr. Chairman. So you're talking about the new substation that -- we've already received permitting from Pima County for that is my recollection.

CHMN STAFFORD: Okay. Good. All right.

MS. HILL: So I believe that has already come through.

CHMN STAFFORD: Okay. And then I'm looking at the map and there's the -- I see the existing Midvale Substation, proposed Tucson Estates Substation, and then it says "proposed circuit tie," and there's a little square. Is that an existing or a proposed substation? I'm assuming --

MS. GRABEL: It's a proposed substation. It is not existing.

CHMN STAFFORD: All right. And that is within the City of Tucson, though, is it not?

MS. GRABEL: Yes.

CHMN STAFFORD: All right. And what's -- that's going to require a permit from the City, isn't it?

MS. GRABEL: It depends on what -- go ahead.

MR. BORMAN: Yeah, I tend to believe so, but, again, that's one of the things I think we need to ascertain. I think it would require some level of approval from the City.

CHMN STAFFORD: Right. Because we don't site substations, so.

MS. GRABEL: And just to clarify, Mr. Chairman --

MS. HILL: Sorry. I'll let Ms. Grabel fill in the facts here. I know Mr. Ancharski is very fluent in that.

MS. GRABEL: So, Mr. Chairman, there's not actually a new substation that's being proposed, an existing substation. This has to do with the one pole that is being inserted along the line that currently exists but is not yet energized along Valencia. And so it's just a tie in to the existing substation. It's not an actual substation.

CHMN STAFFORD: Okay. So that box there, the little white square with the black square in the middle, that's an existing substation on the map?

MS. GRABEL: That's correct.

CHMN STAFFORD: All right. Thank you.

MS. GRABEL: No? What's happening? Go ahead, Ms. Hill.

MS. HILL: I can't see the map. I don't have it in front of me. I think Eli has the map in front of him.

Eli, do you want to translate for me?

MR. ANCHARSKI: Yes, certainly. I'm happy to share it, too.

But the proposed circuit tie, that is just, as Meghan mentioned, the one -- the singular pole that will tie in. That will just tie into existing linear transmission infrastructure. There will be -- there's no substation at that point. But it will allow this project to loop into the South Substation which is off the map and further away.

CHMN STAFFORD: Okay, so that square box is not a substation? It's one pole is what you're --

MR. ANCHARSKI: Correct, yeah. And we've used that kind of as a reference point, the proposed circuit tie. It's a defined term in the application just because that is the -- a different situation than just constructing a line or rebuilding portions of another line.

CHMN STAFFORD: Okay. Might want to put that in the legend to make it more apparent because looking at the map --

Now other issues, TEP did not request a finding by the committee pursuant to A.R.S. 40-360.06.d in this case, but it seems that the City has raised that issue in its notice of intent to be a party.

So that is correct, TEP did not request

that finding in that case; correct?

MS. GRABEL: That is correct, Mr. Chairman. And that's one of the things we've proposed in the stipulation is to make that fact clear.

CHMN STAFFORD: Okay. And then, Mr. Borman, the City -- I looked at your notice of intent to be a party because it looks like that portion there where they're adding that pole and energizing that 115kV, that is within the Gateway Corridor Zone?

MR. BORMAN: That is my understanding, yes.

CHMN STAFFORD: Okay. So I guess is it the -- the point of uncertainty, I guess, is whether undergrounding is going to be required for that line because it's an existing line that's going to be reenergized at a higher voltage?

MR. BORMAN: Yeah. I think the question would be whether or not a special exception would be appropriate.

CHMN STAFFORD: Okay. And I've been looking at the application. My understanding is the applicant thinks that because it's an existing set of poles they don't need any additional -- they wouldn't need to remove them and underground the -- they're going to put a, is it, 138kV on the 115 pole? Or is it 230?

MS. GRABEL: So we aren't actually putting

anything on the poles. They're already -- we're using the same conductors, we're using the same poles, we're using the same infrastructure. We're just turning it back on. So, yes, it's currently operated at 115. We're going to operate it at 138, but that doesn't require any new infrastructure.

CHMN STAFFORD: Okay. So you can use the existing poles and conductors?

MS. GRABEL: Correct.

CHMN STAFFORD: You don't have to be -- all right.

All right. Well, I guess if that is an issue, I guess it's not necessary to send notice by certified mail because the City is already a party and they will have -- they're the ones who, in fact, raised the issue.

MR. BORMAN: Yes.

CHMN STAFFORD: I guess that kind of begs the question what's the status of the related litigation regarding CEC 232?

MS. GRABEL: Is that the MRP CEC?

CHMN STAFFORD: Midtown.

MS. HILL: Actually, it's been settled. Between TEP and the City, it's been settled. There was no appeal from -- there was no appeal from the City's

grant of the special exception for the substation, and there was no timely appeal from the Commission's Decision. And so as a result, there's nothing pending that's a direct appeal or an appeal -- an actual appeal of the City's finding of special -- allowance of the overhead crossings.

However, we have some other things going on related to the substation that doesn't have anything to do with the CEC that was brought by private citizens, so we're working through that.

CHMN STAFFORD: Okay. But I guess my main question was that in that one we had a findings of fact and conclusion of law that because the Commission policy against sloughing the costs of undergrounding on to ratepayers, that in order for that requirement -- undergrounding requirement to be enforceable against TEP, the City would have to come up with the cost difference between underground and aboveground. And that matter has been resolved between the City and the utility?

MS. HILL: It has.

MS. GRABEL: It has.

CHMN STAFFORD: Okay. So you got an exemption to cross those roads aboveground, or are you going to -- they're paying to underground it?

MS. HILL: So, yes, well, we are -- we have

three cross -- overhead crossings, and then there is one that will be undergrounded with an extremely large riser, but.

CHMN STAFFORD: Okay. All right. So that one's been resolved, then?

MR. BORMAN: That is consistent with my understanding as well.

CHMN STAFFORD: Okay. All right. Well, I think that's everything on my end.

Is there anything else we need to address? Ms. Grabel?

MS. GRABEL: I do not think so, Mr. Chairman.

CHMN STAFFORD: Mr. Borman?

MR. BORMAN: The City has nothing additional to add.

CHMN STAFFORD: Thank you very much.

Jennifer, you got all the information you need?

THE COURT REPORTER: I do.

CHMN STAFFORD: Thank you very much. We'll see you all on November 4.

With that, we are adjourned.

(Proceedings concluded at 3:27 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.

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Dated at Phoenix, Arizona, October 29, 2026.



JENNIFER HONN, RPR
Arizona Certified Reporter
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