Midtown Reliability Project

CLARK BRYNER – PRINCIPAL PROGRAM MANAGER, TRANSMISSION LINE SITING

AGENCY BRIEFING

October 19, 2023

Tucson Electric Power

INTRODUCTIONS

Please type into the chat:

- Name
- Organization
- Title/Role

Invited Representatives:

- Arizona Department of Transportation (ADOT)
- Banner Health
- Davis-Monthan Air Force Base
- Metropolitan Pima Alliance
- Pima Association of Governments
- THRIVE in the 05
- Tucson Airport Authority
- Tucson-Pima County Historical Commission
- Union Pacific Railroad
- University of Arizona
- Pima County
  - County Administrator's Office
  - Department of Transportation
  - Development Services
  - Energy
  - Facilities
  - Natural Resources, Parks, and Recreation
  - Regional Wastewater Reclamation
  - Sustainability and Conservation
- City of Tucson
  - City Manager
  - Climate and Sustainability
  - Department of Transportation
  - Energy
  - Historic Preservation
  - Parks and Recreation
  - Planning and Development Services
  - Public Information
  - Tucson Water

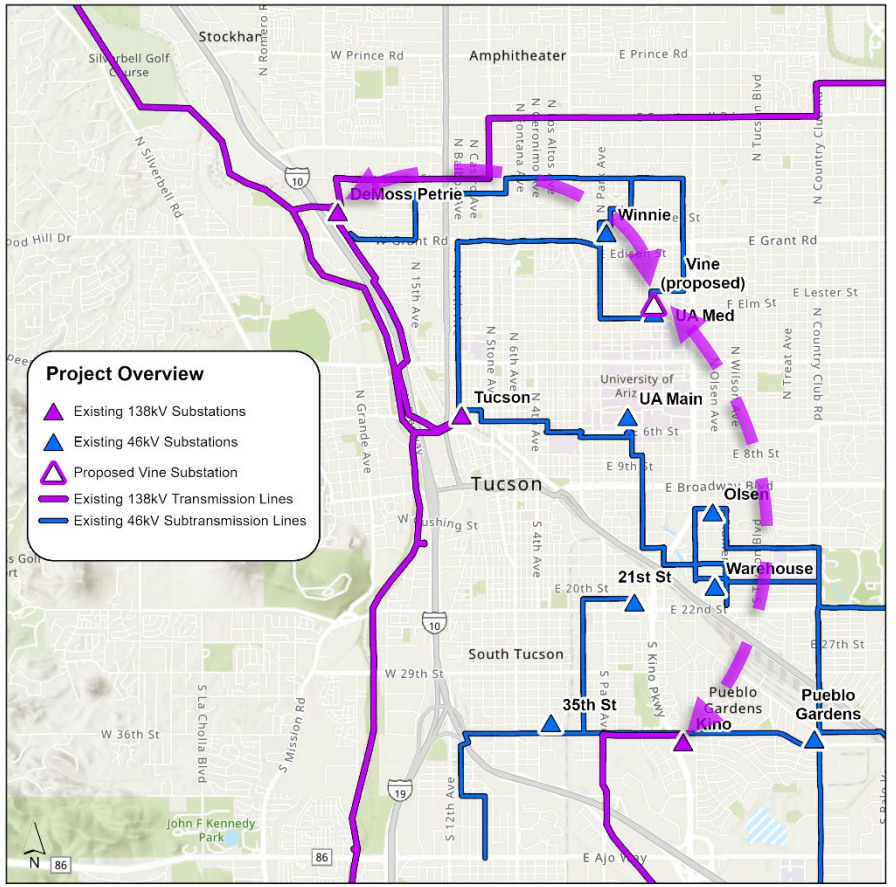
AGENDA

1. Project Overview
2. Required Approvals
3. Planning and Siting Process
4. Evaluation Criteria and Survey Results
5. Next Steps
6. Project Schedule
7. Questions and Answers

Project Overview

Components of the Midtown Reliability Project

- Vine Substation
- 138 kilovolt (kV) Transmission Line
- Distribution System Upgrades
- Retirement of Aging Assets



Required Approvals

138 kV Transmission Line

- Certificate of Environmental Compatibility (Arizona Corporation Commission)

Vine Substation

- Special Exception Land Use Permit (City of Tucson)

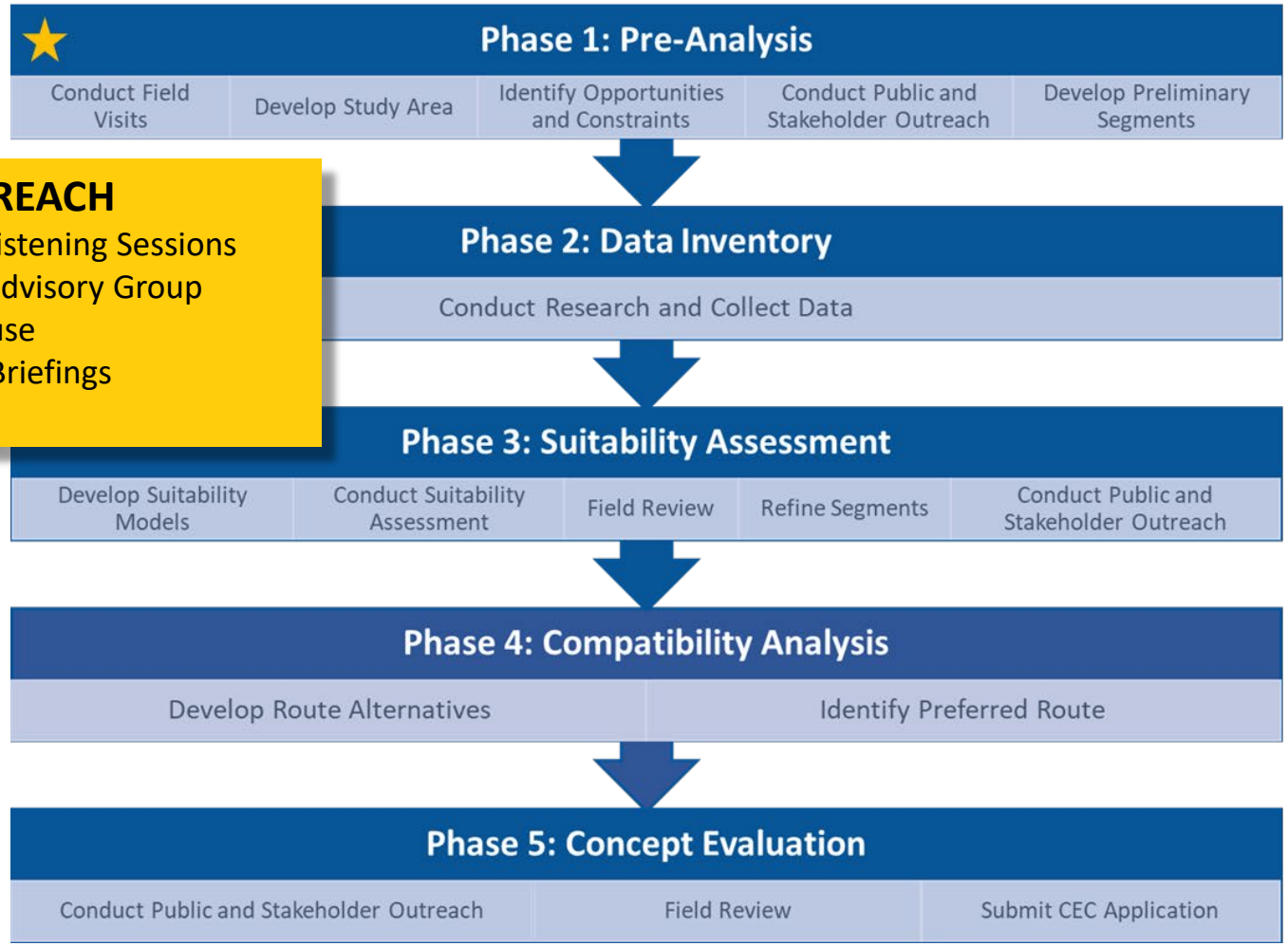
Distribution System Upgrades & Retirement of Aging Assets

- No approvals, but dependent on new substation and transmission line

Planning and Siting Process and Timeline

OUTREACH

- Neighborhood Listening Sessions
- Neighborhood Advisory Group
- Public Open House
- Elected Official Briefings
- Agency Briefings



July – November 2023

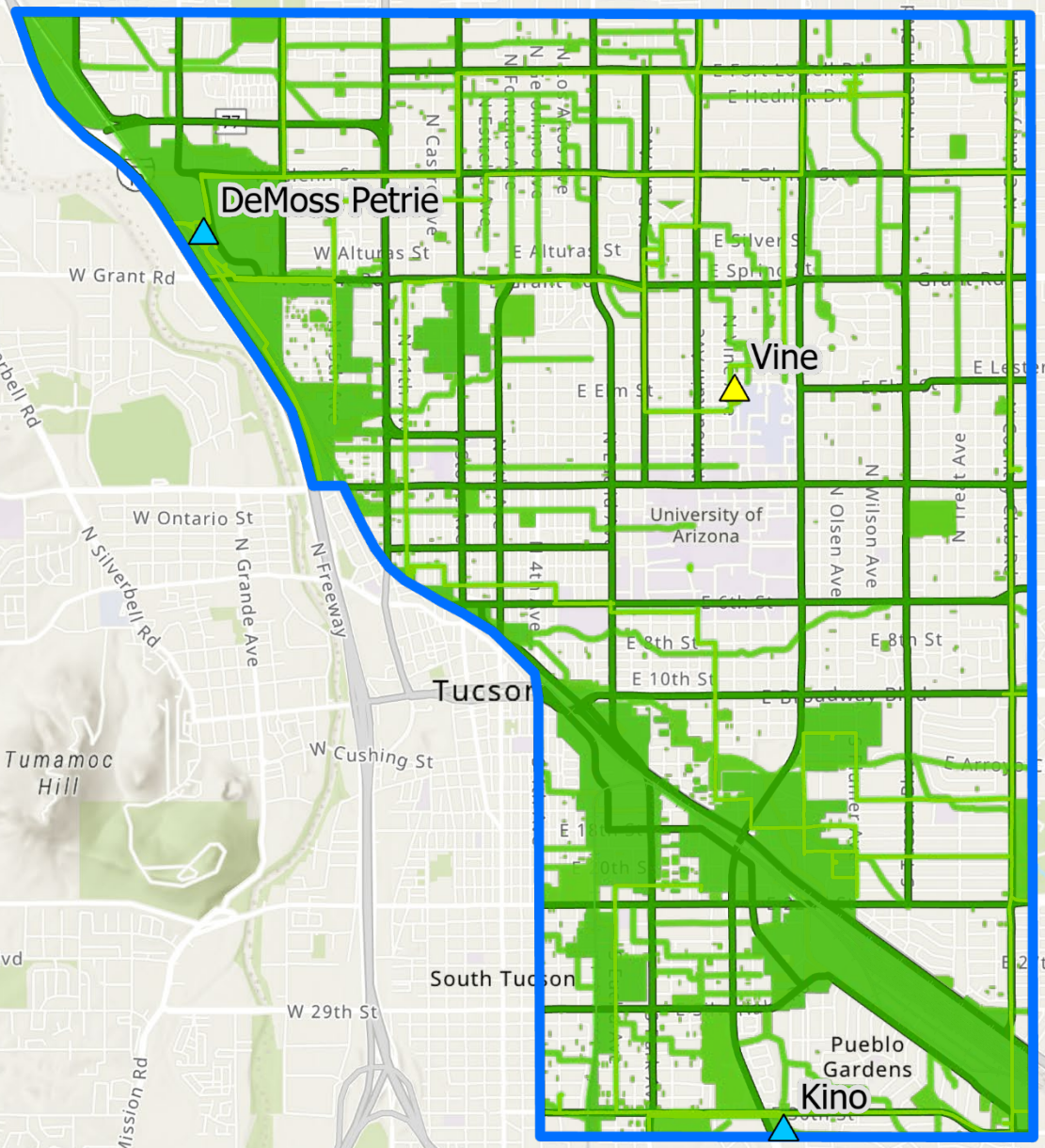
July – November 2023

November 2023 – February 2024

February – March 2024

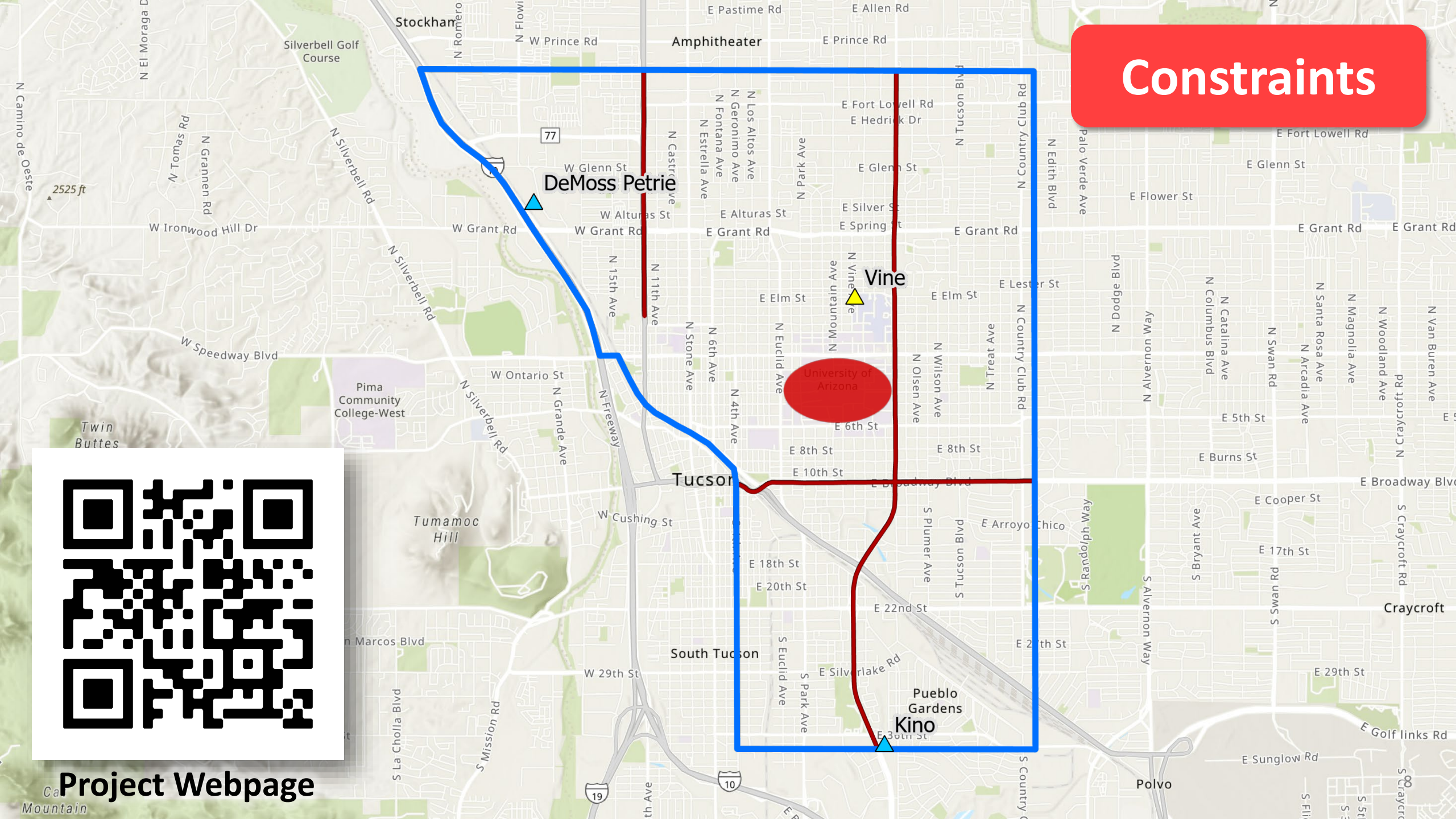
March – July 2024

Opportunities



Project Webpage

Constraints



Project Webpage

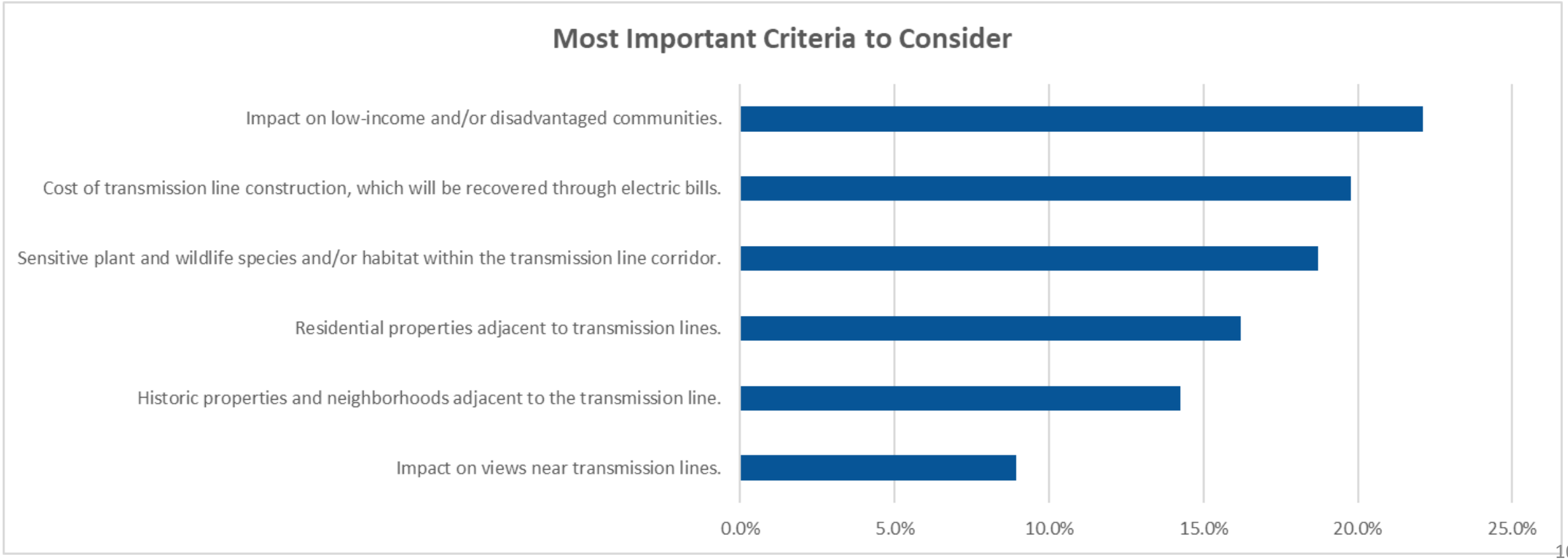
Project Criteria Survey - Results

- Open Aug 31 through Oct 15
- Sent specific link by email to ~55,000 customers in the project notification area
- Available anonymously online
- 2,792 participants
  - 2,566 from email
  - 228 from anonymous link on project webpage

Project Criteria Survey - Results

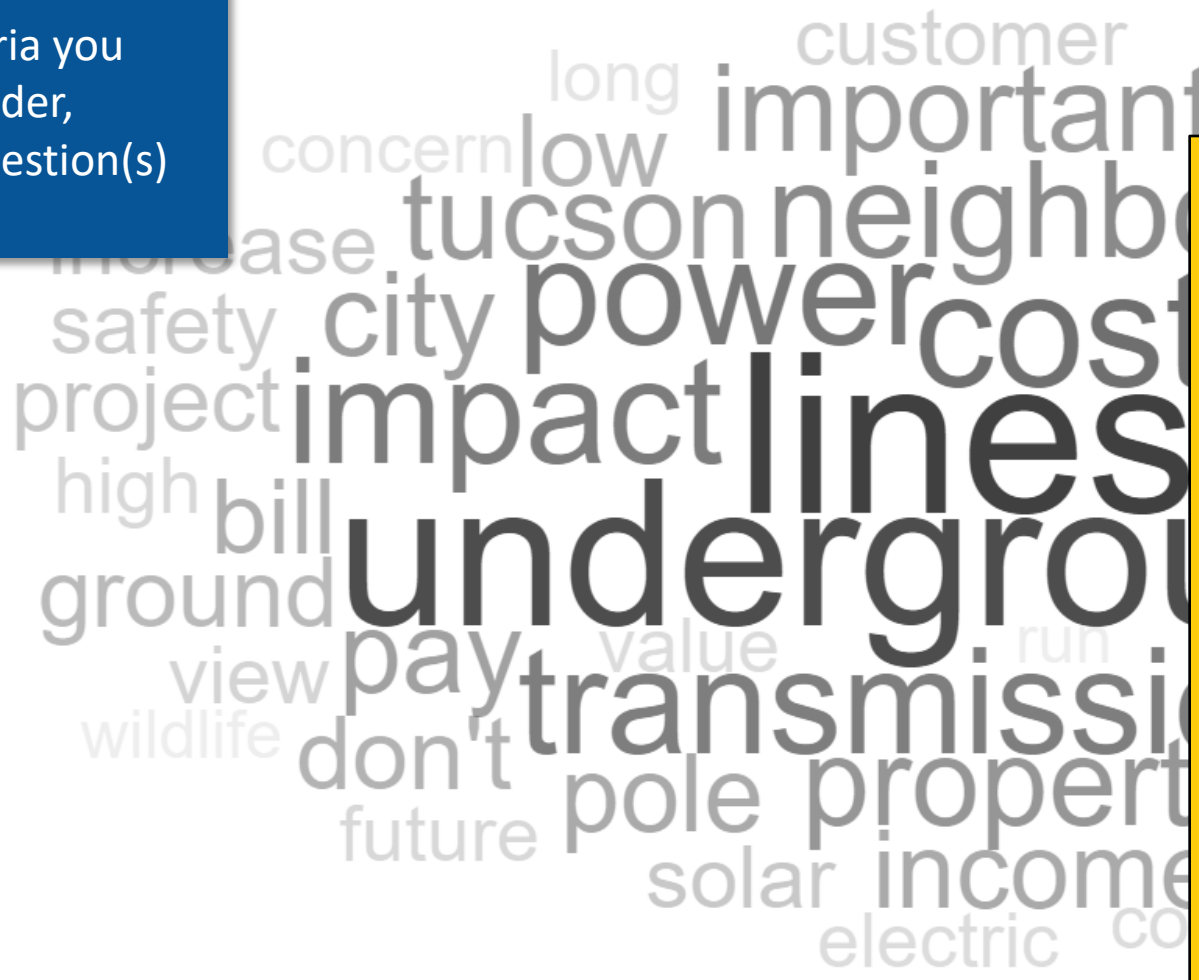
Survey Question

In your opinion, which criteria are most important in considering the route of the proposed transmission line for the Midtown Reliability Project? Select up to TWO (2).



Project Criteria Survey - Results

Survey Question
If there are other criteria you would like TEP to consider, please share your suggestion(s) in the box below:



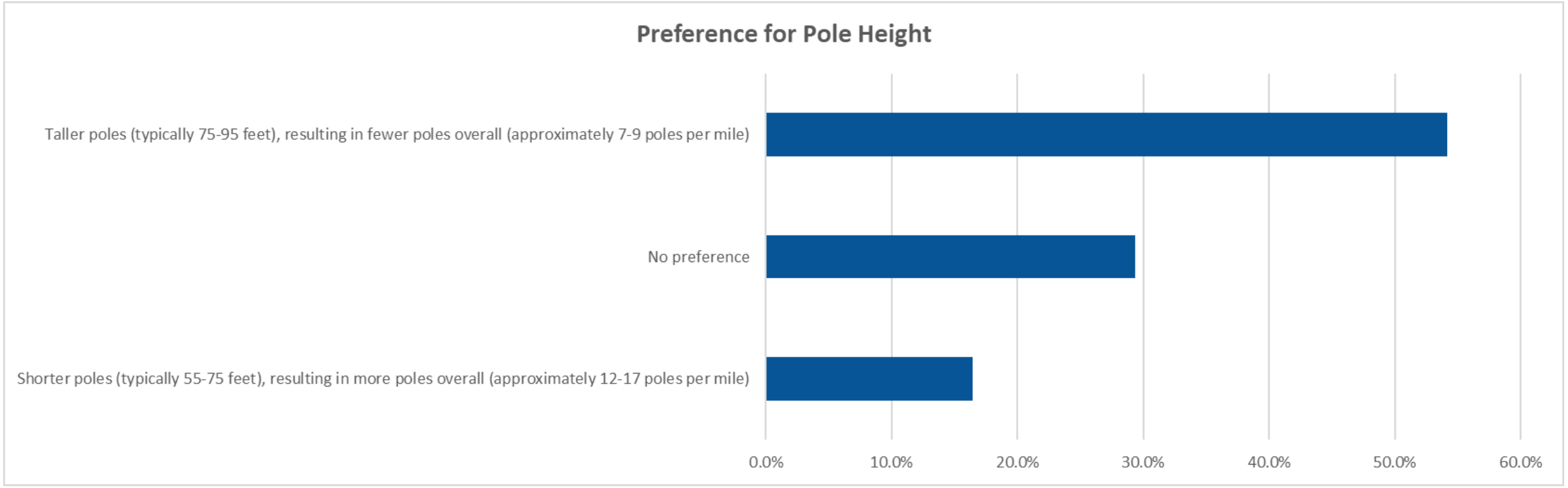
Other Criteria to Consider:

- Health and Safety
- Reliability and Maintenance
- Transit Impacts – Pedestrian, Public Transit, and Traffic
- Use of Existing Utility Corridors
- Avoidance of Gateway Corridors
- Impact on Future Land Uses
- Impact on Native Lands
- Impact on Water
- Length of the Project
- Overall Environmental Impact
- RFI/Communications Interference

Project Criteria Survey - Results

Survey Question

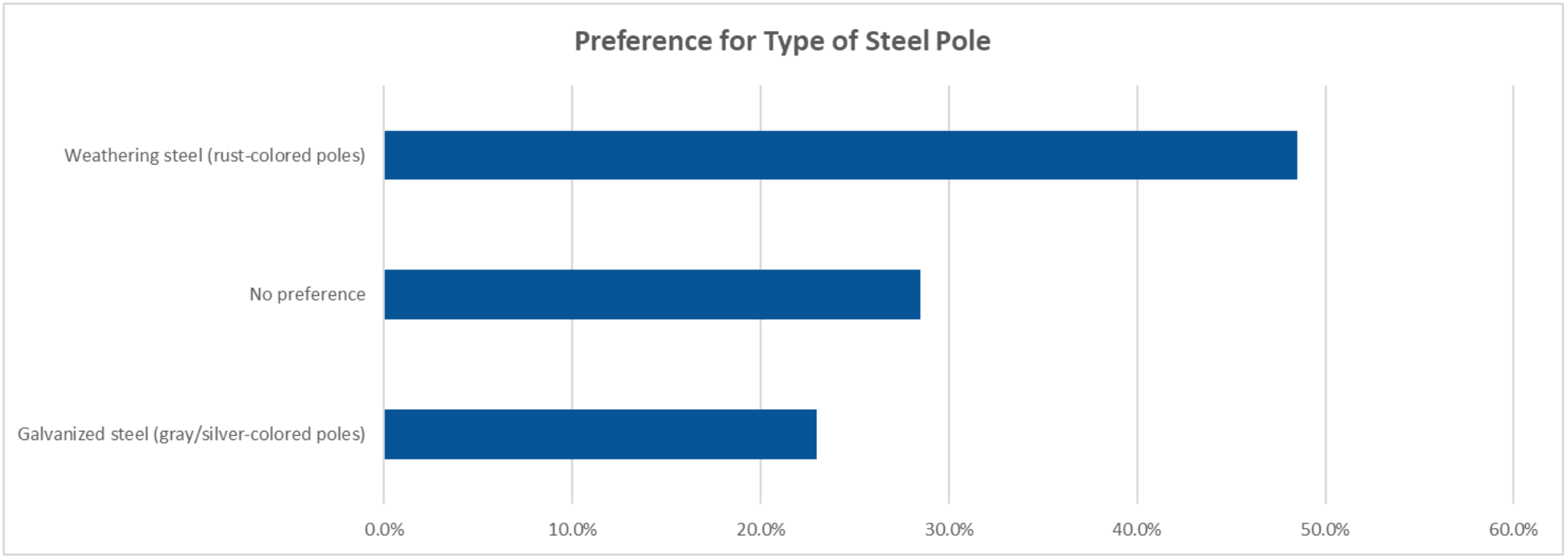
Please indicate your preference for pole height and number of poles per mile:



Project Criteria Survey - Results

Survey Question

Please indicate your preference for the type of steel pole used:



Project Criteria Survey - Results

Survey Question
If there is anything else you would like to tell us about the Midtown Reliability Project, please use the box below:

ACC – Policy on Underground Transmission

The Commission does not have jurisdiction over the undergrounding of electric transmission lines. A.R.S. § 40-360(10).

Installing electric transmission lines underground is much more expensive than building them above ground. Underground transmission lines also can be more costly and challenging to maintain and repair.

As a general matter, utilities under the Commission's jurisdiction should avoid incurring these higher costs unless underground installation of a transmission line is necessary for reliability or safety purposes, or to satisfy other prudent operational needs. Installing a transmission line underground for other reasons, such as stakeholders' preferences, would add unnecessarily to costs recovered through rates.

Third parties. including cities. customers, and neighborhood groups. seeking to fund the underground construction of a transmission line may do so, among other ways, by forming an improvement district for underground utilities as provided in A.R.S. § 48-620 et. seq.

Docket - ALS-00000A-22-0320

Proposed Evaluation Criteria

1. Impact on low-income and/or disadvantaged communities.
2. [b] Cost of transmission line construction, which will be recovered through electric bills.
3. [b] Sensitive plant and wildlife species and/or habitat within the transmission line corridor.
4. [a] Residential properties adjacent to transmission lines.
5. [ab] Historic properties and neighborhoods adjacent to the transmission line.
6. [ab] Impact on views near transmission lines.

- [b] Impact on the total environment
- [b] Noise emission levels and interference with communication signals
- [b] Existing development plans
- [b] Engineering feasibility and challenges
- [ab] Compliance with applicable ordinances, master plans and regulations
- [a] Health and safety impacts
- Transit Impacts (Pedestrian, Public Transit, Traffic)
- [a] Use of existing utility corridors
- Impact on native lands

[a] Identified, in part, through comments on past Kino-DMP Project
[b] Required per ARS 40-360.06

Next Steps

Public/Stakeholder Input

- Opportunities and constraints
- Route evaluation criteria

Develop preliminary segments

Public Open House / Meeting

November 16, 2023

6:00 – 8:00pm

Doubletree – Reid Park

445 S Alvernon Way

Tucson, AZ 85711

Project Schedule*

- Q3 ‘23-Q2 ‘24 – Transmission Line Planning and Siting
- Q2 2024 – CEC Application Submittal
- Q3 2024 – Line Siting Hearing
- Q3 2024 – ACC Open Meeting
- Q4 2024 – Vine Substation SELUP Application Submittal
- Q1 2025 – Zoning Examiner Hearing
- Q2 2027 – Transmission Line/Vine Substation In-Service
- 2027-2037 – Distribution System Upgrades and 46kV Retirements

* Target schedule, subject to change

More Project Information

For more project information please visit the project webpage:

www.tep.com/midtown

Here, you will find:

- Project details
- A print copy of this presentation
- Frequently asked questions & answers

How to Comment

- Mail a comment form or a letter to:

  P.O. Box 711

  ATTN: Midtown Reliability

  Mail Stop CB200

  Tucson, AZ 85701-0711

- Send comments to midtownreliability@tep.com
- Visit the project webpage and fill out an online comment form
- Call 1-833-523-0887 and leave a voicemail message

Q&A Session

Please use the raise hand feature in MS Teams

or

Type your question into the chat