

PRESIDENTIAL PERMIT

ARIZONA PUBLIC SERVICE COMPANY

ORDER NO. PP-106

BACKGROUND

The Office of Fossil Energy (FE) of the Department of Energy (DOE) has the responsibility for implementing Executive Order 10485, as amended by Executive Order 12038, which requires the issuance of Presidential permits for the construction, connection, operation, and maintenance of electric transmission facilities at the United States international border. In addition, FE administers the section 202(e) authority under the Federal Power Act which requires authorization to export electric energy from the United States.

On June 22, 1995, the Arizona Public Service Company (APS) applied to FE for a Presidential permit to construct a new 34.5-kilovolt (kV) electric transmission facility between the United States and Mexico from a point near San Luis, Yuma County, Arizona, to the international boundary adjacent to San Luis, Sonora, Mexico.

The proposed facility, identified by APS as the "Industrial Park Line," would tap an existing 34.5-kV transmission line owned by the United States Bureau of Reclamation (USBR) and extend south approximately 1000 feet to the U.S./Mexico border in the vicinity of San Luis, Mexico. The existing USBR line extends northwesterly from Western Area Power Administration's (WAPA) Sonora Substation, paralleling the U.S. international border, then turns northerly and extends to a point adjacent to APS' San Luis substation. The tap of the USBR line would occur at a point where it parallels the border north of the industrial park in San Luis, Mexico. In addition, APS will install a larger 34.5-kV transformer in WAPA's Sonora Substation and add a transformer and other equipment within APS' San Luis Substation.

In a related docket, filed July 2, 1995, APS applied for authorization to use the facilities authorized by this permit in the export mode in order to supply electric energy to industrial

customers just across the international border in San Luis, Mexico. This application has been docketed as EA-106.

Notice of the application was placed in the Federal Register on August 16, 1995, (60 FR 42552). No comments, protests or petitions to intervene were received.

The Secretary of State and the Secretary of Defense favorably recommended that the request for a Presidential permit be granted as hereinafter provided.

DECISION

The DOE has assessed the potential environmental impacts associated with the issuance of a Presidential permit and has determined that this action is among those classes of actions not normally requiring preparation of environmental assessment or an environmental impact statement and, therefore, is eligible for categorical exclusion under Appendix B to Subpart D, paragraph B4.12 of the revised DOE Regulations implementing the National Environmental Policy Act of 1969. A memorandum documenting the use of this categorical exclusion has been placed in this Docket.

After a review of the information in the Docket, the DOE determined that the proposed project would not adversely impact the reliability of the U.S. electric power supply system. A staff analysis in support of this determination has also been placed in this Docket.

ORDER

Pursuant to the provisions of Executive Order No. 10485, as amended by Executive Order 12038, and the Rules and Regulations thereunder (Title 10, Code of Federal Regulations, section 205.320 et seq.), permission is granted to the Arizona Public Service Company, in Presidential Permit PP-106, to construct, connect, operate, and maintain electric transmission facilities at the international border of the United States and Mexico, as further described in Article 2 below, upon the following conditions:

Article 1. The facilities herein described shall be subject to all conditions, provisions and requirements of this permit. This permit may be modified or revoked by the President of the United States without notice, or by the DOE after public notice, and may be amended by the DOE after proper application thereto.

Article 2. The facilities covered by and subject to this permit shall include the following facilities and all supporting structures within the right-of-way occupied by such facilities:

One 34.5-kV overhead electric transmission line extending approximately 1000 feet from the international border with Mexico to a tap of the existing USBR 34.5-kV transmission line which extends from WAPA's Sonora Substation and extends northwesterly parallel to the U.S. border with Mexico. The facilities authorized herein will cross the border at approximately 32° 27' 55.40" north latitude and 114° 43' 02.60" west longitude.

These facilities are more specifically shown and described in the application filed on June 22, 1995, and amended by letters dated August 25, September 27, and October 2, 1995.

Article 3. The facilities described in Article 2 above shall be designed and operated in accordance with the applicable criteria established by the Western Systems Coordinating Council and consistent with that of the North American Electric Reliability Council. The facilities shall be operated only to supply radial load and may not be operated as a synchronous tie with Comision Federal de Electricidad, the national electric utility of Mexico.

Article 4. No change shall be made in the facilities covered by this permit or in the authorized operation of these facilities unless such change has been approved by the DOE.

Article 5. The Arizona Public Service Company shall at all times maintain the facilities covered by this permit in a satisfactory condition so that all requirements of the National Electric Safety Code in effect at the time of construction are fully met.

Article 6. The operation and maintenance of the facilities covered by this permit shall be subject to the inspection and approval of a properly designated representative of the DOE, who shall be an authorized representative of the United States for such purposes. The Arizona Public Service Company shall allow officers or employees of the United States, with written authorization, free and unrestricted access into, through, and across any property occupied by these facilities in the performance of their duties.

Article 7. The Arizona Public Service Company shall investigate any complaints from nearby residents of radio or television interference identifiably caused by the operation of the facilities covered by this permit. The Arizona Public Service Company shall take appropriate action as necessary to mitigate such situations. Complaints from individuals residing within one-half mile of the center of the transmission circuit are the only ones which must be resolved. The Arizona Public Service Company shall maintain written records of all complaints received and of the corrective actions taken.

Article 8. The United States shall not be responsible or liable for damages to or loss of the property of, or injuries to, persons; for damages to, or loss of the facilities covered by this permit; or for damages to, or loss of the property of, or injuries to the person of Arizona Public Service Company officers, agents, servants or employees, or of others who may be on said premises; any of which may arise from or be incident to the exercise of the privileges granted herein; and the Arizona Public Service Company shall hold the United States harmless from any and all such claims.

Article 9. The Arizona Public Service Company shall arrange for the installation and maintenance of appropriate metering equipment to record permanently the hourly flow of all electric energy transmitted between the United States and Mexico over the facilities authorized herein. The Arizona Public Service Company shall prepare, maintain, and preserve complete and accurate records concerning the transfer of such electric energy; and shall furnish the DOE an annual report, for the previous calendar year, which will be due on or before February 15th of

each year, detailing the transmission of such electric energy, as follows: (1) the gross amount of kilowatt-hours of electric energy transmitted; (2) the maximum hourly rate of transmission in kilowatts; and (3) the consideration paid for such energy during each month.

Article 10. Neither this permit nor the facilities covered by this permit, or any part thereof, shall be transferable or assignable, except in the event of the involuntary transfer of the facilities by the operation of law. In the case of such an involuntary transfer, this permit shall continue in effect for a period of 60 days and then shall terminate unless an application for a new permit pursuant to Title 10, Code of Federal Regulations, section 205.323, has been received by the DOE. Upon receipt by the DOE of such an application, this existing permit shall continue in effect pending a decision on the new application. During this decision period, the facilities authorized herein shall remain substantially the same as before the transfer.

Article 11. Upon the termination, revocation or surrender of this permit, the 34,500-volt electric distribution line, which is owned, connected, operated, and maintained by the Arizona Public Service Company and described in Article 2 of this permit, shall be removed within such time as DOE may specify and at the expense of the Arizona Public Service Company. If the Arizona Public Service Company fails to remove such facilities and/or any portion thereof authorized by this permit, DOE may direct that such actions be taken for the removal of the facilities or the restoration of the land associated with the facilities at the expense of the Arizona Public Service Company. The Arizona Public Service Company shall have no claim for damages by reason of such possession, removal or repair.

Article 12. Issuance of this permit, and construction and operation of the transmission facilities herein authorized, are contingent upon approval by the United States Bureau of Reclamation of the modification to USBR property and equipment.

Issued in Washington, D.C. on November 7, 1995.

Anthony J. Como
Director
Office of Coal & Electricity
Office of Fuels Programs
Office of Fossil Energy