July 10, 2006

Ms. Julia Souder  
Office of Electricity Delivery and Energy Reliability  
Room 8H-033  
U.S. Department of Energy  
1000 Independence Avenue, SW  
Washington, D.C. 20585

Re: Comments on the Preliminary Draft Energy Corridor Maps, EPAct Section 368

Dear Ms. Souder:

Arizona Public Service Company ("APS") appreciates the opportunity to comment on the "Preliminary Draft Maps of Potential Energy Corridors" made available to the public in early June, 2006. APS spoke at the Public Scoping Meeting held in Phoenix, Arizona on November 3, 2005, filed comments in response to the Notice of Intent to prepare a draft Programmatic Environmental Impact Statement ("PEIS") implementing Section 368 of the Energy Policy Act of 2005 (P.L. 109-58) ("2005 EPAct"), and has provided additional information to the Departments of Energy, Interior and Agriculture ("Departments") for the preparation of the PEIS.

APS, the largest electric utility in Arizona, serves more than 1 million customers in one of the fastest growing areas of the country. APS’s service territory covers 11 of the state’s 15 counties and many of our transmission lines cross federal lands, as well as state, tribal and privately owned lands. APS anticipates that trend to continue well into the future, especially in light of the significant portion of the west that constitutes federal or tribal lands. APS has worked successfully with various federal agencies in the past to develop utility corridors that have been incorporated into the agencies’ Resource Management Plans and is hopeful that such a successful partnership will continue.
OVERVIEW

APS is encouraged by the efforts taken by the PEIS team. It is clear that the team has accomplished much toward the completion of the PEIS. As the process moves forward, APS urges the Departments to:

- Carry forward all existing utility corridors and consider whether they can be widened;
- Evaluate all existing high voltage transmission and pipeline routes for designation as utility corridors;
- Consider and coordinate with corridors already designated by states on state or other land;
- Designate alternative routes around state or tribal land;
- Expand the proposed corridor width to at least one mile, but preferably 2-5 miles, to facilitate the siting of multiple facilities in a single corridor without adversely impacting safety or reliability; and
- Consider including corridors for distribution facilities of at least 69kV on federal lands to facilitate serving load centers that may be surrounded by federal lands.

APS has addressed most of these issues in its prior comments and in testimony submitted by Robert Smith, APS Manager of Transmission Planning, to the House Subcommittees on Water and Power and on Forests and Forest Health. Mr. Smith’s filed written statement is attached and is incorporated by reference. APS also supports the comments filed by the Edison Electric Institute (“EEI”). Because those comments address many of the above-referenced concerns, we will not restate all of them here. Instead, we ask that the Departments give the attached comments serious consideration and we highlight certain key issues and concerns in the following paragraphs.

Also attached is a map again indicating those locations where APS believes corridors are needed for future transmission lines. APS noted that a number of the corridors we identified were not included on the preliminary maps. Because federal lands encompass much of the northern and eastern borders of Arizona, it will be critical that utility corridors be designated across those lands to facilitate the development of the west’s resources. For example, federal and tribal lands run across almost the entire northern border of Arizona. To access renewable and clean coal resources in Wyoming and other northern states, Arizona will need to bring those resources in across transmission lines crossing those federal lands.
COMMENTS

A. *All Existing Designated Utility Corridors Should be Retained with at Least the Same Corridor Width.*

The preliminary maps provided by the Departments do not appear to include already existing designated utility corridors as corridors to be carried forward. APS strongly believes that utility corridors already included in Resource Management Plans or otherwise designated previously should be carried forward, with at least the same corridor width already designated, without the need for PEIS review. APS encourages the Departments to clarify that already designated corridors are being carried forward and that the maps included in the PEIS are for *additional* corridors. APS also urges the Departments to consider whether any existing designated corridors can be widened and, if so, only the *widening* of the corridors should be considered in the PEIS process.

B. *Existing Transmission Facility and Pipeline Routes should be Designated as Corridors*

Existing transmission facilities and pipelines often provide excellent locations for the siting of additional energy infrastructure provided there is sufficient room to accommodate the added facilities. APS urges the Departments to designate as utility corridors all transmission elements identified and referenced in the November 7, 2005 "Report to Congress: Corridors and Rights-of-Way on Federal Lands," by the U.S. Department of Agriculture, U.S. Department of the Interior, U.S. Department of Energy, and the Council on Environmental Quality.

C. *Coordination of Federal Lands Corridors with State and Tribal Preferences and the Need for Wider Corridors and Alternative Routes*

The attached comments by Mr. Smith on behalf of APS discuss the need for corridors wider than 3,500 feet to provide the flexibility needed to avoid environmentally sensitive areas, address engineering, technical and vegetation management constraints, and allow lines to be built with sufficient separation to meet the Western Electric Reliability Council reliability requirements and reduce the risk of simultaneous outages of multiple lines.

Additional support for wider corridors, as well as for alternative routes or corridors, is raised by the need for the siting of transmission lines to be coordinated across federal, state and tribal lands. Because transmission lines often cross federal as well as state and/or tribal lands, a utility must work with all impacted agencies to identify an appropriate route or routes. The preliminary maps issued by the Departments, however, identify corridors only on certain federal lands that simply terminate when they intersect state or tribal lands. Without corridors of sufficient width or the availability of alternative routes around state and tribal lands, it will be difficult to site future energy infrastructure. APS therefore strongly urges the Departments to (1) designate corridors of at least one mile in width,
and preferably 2-5 miles, (ii) designate alternative corridors around state or tribal lands to facilitate siting, and (iii) coordinate their efforts with the impacted states and tribes.

Perhaps the concerns being raised regarding the designation of wider corridors stems from a fundamental misunderstanding of what a "corridor" means with respect to the siting of a transmission line. APS typically has worked with the Bureau of Land Management ("BLM"), for example, to identify corridors of at least one mile in width for a single transmission line (wider for multiple lines). That does not mean, however, that the entire one-mile width ultimately is used for the construction of the transmission line. Instead, APS works within that corridor to identify a route designed to minimize impacts and avoid sensitive areas. With proper planning, the actual right of way ultimately granted and used for construction and operation of the transmission line is only a portion of the wider "corridor." In most cases less than 200 feet of right-of-way is required for a single transmission line. Without the wide corridor, however, APS would not have the flexibility required to work with the BLM or another federal land agency to minimize impacts. Like EEI, APS encourages the Departments to clarify the definition of energy corridors.

D. Use of Highways and Other Linear Features for Corridors Provide Further Support for Wider Corridors

APS appreciates that the Departments have identified highways as possible locations for energy corridors. APS often has sited transmission lines along highways and other linear features (such as the Central Arizona Project) in order to minimize the impact on the environment and the communities in which the lines are located. APS is concerned, however, that corridors already containing such large linear features could be limited to 3,500 feet in width. If the highway or other linear feature is considered the center line of the corridor, for example, the ability to site a transmission line will have been severely restricted.

Thank you again for the opportunity to provide comments on the preliminary corridor maps. APS looks forward to working with you and the Departments as preparation of the PEIS continues. If you have any questions or need any additional information, please feel free to contact me.

Sincerely,

Arizona Public Service Company

[Signature]

By Karilee S. Ramaley

Cc: Robert D. Smith, APS
    Paul E. Herndon, APS