SRP Price Road Corridor Project

(Sun Lakes Communities – Executive Committee: Status Update)

<u>Project Summary</u>: Salt River Project ("SRP") plans to build a 230kV transmission line connecting its Knox substation to the Schrader substation located just south of Ocotillo Rd, and east of Arizona Rd. The "Phase 3" route alternatives shown on the attached map include:

- Germann Road northern alignment
- Hunt Hwy southern alignment
- Gila River Indian Community ("GRIC") alignment

In 2013, residents of three Sun Lakes Homeowner Associations decided to form and fund an organization to oppose the proposed Hunt Hwy alignment (the Sun Lakes Communities SRP Legal Fund. or "Legal Fund"). SRP intends to file an application with the Arizona Power Plant and Line Siting Committee ("Line Siting Committee") for authority to construct the transmission line sometime in August, 2014. However, as of this date – no one is certain what proposed route(s), and which route segments, will be included in the application.

<u>Current Status</u>. If SRP finalizes its agreement with the GRIC, the Legal Fund Executive Committee has been informed that the utility does <u>not</u> intend to offer either the Germann Road northern alignment, nor the Hunt Hwy alignment, as possible alternatives for the new transmission line. Instead, it will use the GRIC alignment illustrated in the attached map.. However, SRP will still need Line Siting Committee approval for that segment of the proposed line along the GRIC route that falls outside tribal lands; this includes a north/south alignment along either Arizona Rd, or a nearby railroad right-of –way, to Hunt Hwy. Alternatively, if SRP does not conclude an agreement with the GRIC, then it intends to file an application that includes both the Germann Rd. and Hunt Hwy. alignments as possible alternatives, with <u>no stated preference for either</u>.

Current Options (SRP).

1. (No GRIC Alignment). If the Hunt Hwy. alignment is included in SRP's application along with Germann Rd., then the Legal Fund Executive Committee will remain actively involved in strongly opposing this route based on the extreme impact it would have on the Sun Lakes communities. Based on the evidence and data provided by SRP thus far, the Germann Rd.

alignment would, among other things: (i) have less impact on residents, (ii) include easements and right-of-ways where other transmission lines already exist, (iii) be less expensive, and (iv) impact residents of the City of Chander, Arizona, which stands to gain in terms of economic growth and maintaining a larger tax base. Sun Lakes and its residents, on the other hand, are located outside the City of Chandler and do not benefit from municipal services. The Legal Fund Executive Committee believes that the facts and data support the use of the Germann Rd. alignment over Hunt Hwy.

2. (GRIC Alignment). If the GRIC option becomes viable and SRP files for approval of only the last segment of the route (along Arizona Rd. or the railroad tracks), then the Legal Fund Executive Committee must consider whether to continue its opposition against SRP, because the GRIC alignment will still impact residents who live in Sun Lakes along a portion of Price Road.

SLC Executive Committee¹

The SLC Executive Committee will continue to prepare as if the Hunt Hwy. alignment is still being considered a possible route for SRP's new 230kV transmission line. This includes continuing to meet with SRP and government officials concerning the potential impacts that the Hunt Hwy. alignment, as well as a portion of the GRIC alignment, will have on the Sun Lakes communities. It will continue to collect and disseminate information to the Sun Lakes HOA boards and their members, and continue to coordinate the effort in our collective opposition of the Hunt Hwy alignment. This will include becoming a formal intervenor in legal proceedings before the Line Siting Committee, where SRP will seek approval to construct the new transmission line along a proposed route.

If SRP does finalize an agreement with the GRIC, the SLC Executive Committee will make every effort to ensure that the Line Siting Committee is provided all the information needed to make an informed choice, despite a lack of jurisdiction over tribal lands, and determine whether a new transmission line that traverses mostly over GRIC lands – yet terminates in the City of Chandler – is a superior option to the Germann Rd. alignment, and truly in the "public interest."

¹ Members of the SLC Executive Committee include: Jack Rubino, Charlene Petragallo, Jean Tolar, Kathy Skrei, Bill Gates and John Porter.