

APACHE COUNTY COMMUNITY DEVELOPMENT

P. O. Box 238
St. Johns, Arizona 85936
Phone: (928) 337-7526

**PLANNING AND ZONING COMMISSION
MINUTES FOR August 26, 2025
Special Work Session**

Commissioners

District I

Carey Dobson
Bobby Fite
Brad Jarvis

District II

Kay Hauser
Dan Muth, Chair

District III

Brad Peterson, Vice-Chair
Bob Pollock
Travis Johnson

Alternate

Michael Bragiel

Staff Members in attendance

Matthew Fish, Director
Shanna Pearce, Plan Reviewer
Roxanne Gillespie, Appraiser III

Christopher Resare, Chief Deputy Attorney
Sarafina Farb, Permit Tech

Special Work Session

Call to Order

Chair Dan Muth called the special work session to order at 4:00 p.m. (MST)

Presentation from Salt River Project (SRP) and Tucson Electric Power (TEP)

Mr. Buchanan Davis of SRP provided a presentation on the growing demand, how renewable energy fits into SRP's energy portfolio and the potential benefits to Apache County.

Mr. Fish asked how frequent changes in administration affect long-range planning. Mr. Davis responded that SRP plans on a 20- to 40-year horizon, designing a diverse and resilient portfolio over time.

Mr. Bragiel inquired about the timeline for deployment of small modular nuclear reactors ("mini-nukes"). Mr. Davis stated that SRP has applied for a site selection grant, with projected deployment in the mid-2040s.

Mr. Fish asked about the advantages of wind compared to solar. Mr. Davis explained that neither is superior; wind and solar complement each other, with one often available when the other is not.

Mr. Fish further asked whether SRP would wait until a Conditional Use Permit (CUP) was approved prior to entering into a renewable energy agreement. Mr. Davis stated that there are no guarantees, but such approval may improve the likelihood of agreement.

Mr. Peterson asked what price per megawatt would exceed SRP's acceptance. Mr. Davis replied that he did not know but provided general criteria considered in evaluating projects. He offered to gather and provide additional information for the Commission and staff.

Mr. Steven Eddie of TEP presented on how renewable energy fits into TEP's portfolio. He reviewed the history of energy development in Apache County, discussed the benefits of repowering to natural gas, and emphasized TEP's commitment to providing the most competitive cost for customers.

Mr. Pollock asked about the possibility of nuclear energy. Mr. Eddie responded that TEP is not currently pursuing nuclear projects but explained that site selection grants could allow for long-term consideration, though such projects would likely take decades to develop.

Discussion of amending the Apache County Comprehensive Plan

The Commission and staff discussed options for addressing renewable energy citing within the Comprehensive Plan, specifically whether to create an overlay district or to establish preferred zones.

Mr. Resare explained that an overlay district would provide more regulatory authority, whereas preferred zones would serve as policy guidance. He noted that under either approach, applications could still be reviewed on a case-by-case basis.

Mr. Peterson asked Mr. Davis about transmission line capacity.

Mr. Peterson confirmed we're discussing the potential for stacking projects around your system and TEP and for clarification, in order to tie into your transmission lines, do entities need to sell directly to you, or simply be compliant with cycling, balancing, and related requirements?

Mr. Davis advised that it's a complicated process, but in short, the Federal Energy Regulatory Commission (FERC) is involved. My understanding is that the entity that builds the transmission infrastructure initially maintains control of that capacity. Once that capacity is released, however, an open bid process is administered by FERC. Other entities can then bid, tie into the lines, and potentially transmit power to other states or

regions. As long as the original builder—in this case SRP, TEP, or APS—retains and uses that capacity, then they control it.

Mr. Peterson added that in terms of capacity, you can only push so much water through a pipe. How many megawatts can you actually push through a line?

Mr. Davis replied that's something utilities are actively evaluating. There are methods to increase line capacity, such as adding a second circuit or upgrading equipment like capacitors. We are exploring these options, though it's difficult to predict the exact increases they may provide. Still, assessing opportunities to expand transmission capacity is a priority.

The Commission expressed their views and discussed the pros and cons of creating an overlay district vs. preferred zones and regulation vs. policy.

The Commission reached consensus to place an item on the October agenda for discussion and possible action on whether to establish an overlay district or preferred zones.

No formal action was taken.

Continued discussion of the proposed amendments to the Apache County Renewable Energy Systems Ordinance Article 4 Section 436

The Commission continued its review of the proposed amendments to the Renewable Energy Systems Ordinance. Commissioners discussed the importance of maintaining flexibility within the ordinance to allow consideration of projects on a case-by-case basis.

Mr. Fish informed the Commission that he was researching outside resources to assist staff with re-writing the ordinance and was reviewing renewable energy ordinances from other counties for comparison.

Mr. Resare reviewed applicable statutory structure and requirements and emphasized that the ordinance should not be overly broad but instead should include enforceable provisions.

Setting a date for the next Special Work Session

The Commission reached consensus that no additional special work sessions would be scheduled. Staff was directed to provide a report at the September work session comparing Navajo County's ordinance to Apache County's ordinance, and to prepare recommended changes for consideration at the October public meeting.

Mr. Fish addressed concerns regarding Commissioner Travis Johnson's recusal from any Renewable Energy conversations and explained his role as the Director of Community Development and his involvement with applicants and the public.

No formal action was taken.

Adjournment

Chair Dan Muth adjourned the special work session at 5:15 p.m. MST.