RICE Units - Zoning Examiner Hearing Talking Points

Case C9-18-03 TEP Irvington Campus – Irvington Road, I-2 & I-2 to Planned Area Development (PAD) Zone (Ward 5) [link to materials]

Background: Existing conditions on the RICE site do not entirely meet development standards, so Tucson Electric Power ("TEP") is requesting a special zoning designation—a Planned Area Development ("PAD")—with rules and standards tailored to the site's generation purposes. In particular, TEP wants to see "development standards and land use regulations that are appropriate for a regional 345-acre power generating project that must have *the flexibility to adapt* to innovative industry changes quickly."

What happens at this meeting: The purpose of the Zoning Examiner meeting is to obtain information from all parties and interested persons to develop the record and a recommendation for the Mayor and City Council. The Zoning Examiner will develop a preliminary recommendation within 5 days of closing the hearing, and will develop the final recommendation within 14 days after the hearing.

After this, any person has 14 days following the Zoning Examiner's public hearing to request a public hearing before the Mayor and Council. Ultimately, the Mayor and Council will vote whether to authorize the change in zoning, subject to any special conditions they require. A change in zoning requires ¾ of all members of the governing body to vote in favor if there is a written protest by a property owner who owns 20% or more of the area within the property in any one of the following quadrants that is located within 150 feet of the rezoning site.

The standard for whether to approve a Planned Area Development (PAD) zone: whether the PAD is in compliance with the General Plan and applicable sub-regional and neighborhood plans.

What TEP wants in a rezoning: Planned Area Development or "PAD," meaning that they want specific exceptions to the standard zoning rules. They want exceptions to:

- Maximum building height (even though the existing 250 ft stack will remain, and the new towers will only be 150 ft); current building height limit is 140'
- Airport Environs Zone height restrictions
- Vehicle/bicycle parking and loading standards
- Landscaping/screening requirements
- Pedestrian access and circulation standards
- On-site vehicular circulation/PAAL standards (TEP PAD Application at p.8.)

¹ Tucson Unified Development Code Section 3.5.1 covers the Zoning Examiner procedure; see (J) specifically for the Mayor and Council process.

Talking Points

The Zoning Examiner should recommend that the rezoning application be denied. TEP's request for rezoning contradicts the Tucson General Plan's call for:

- (1) Increased renewable energy sources;
- (2) Recruiting, retaining and expanding Tucson's key economic sectors in renewable energy;
- (3) Increasing or promoting environmentally sensitive industry; and
- (4) "...[N]o compromise on principles of equity, fairness, justice, prosperity, livability, and environmental integrity."

TEP should not be rewarded for having previously failed to comply with development standards.

This rezoning will NOT increase renewable energy sources: The Zoning Examiner should not confuse this project with clean, renewable power from wind and solar. The RICE units are fossil-fuel based generating units that will create significant greenhouse gas emissions. TEP claims that these units are part of larger goal for 30% renewable energy by 2030, but this particular plant represents a prime opportunity to choose renewable resources instead of building brand new fossil-fuel reliant projects.

The City's General Plan ("Plan Tucson") sets Energy & Climate Readiness Policies call for an increase in low carbon and renewable energy sources.² TEP's plans for the Irvington Campus contradict that goal by planning to build an expensive new fossil-fuel plant instead of opting for a renewable energy source. TEP claims that the RICE units are the most cost-effective option to incorporate intermittent renewables, but they did not even consider clean alternatives to the RICE units.

Utility-scale battery storage can provide the fast acting support that TEP needs to incorporate intermittent renewables like wind and solar even faster than gas units. By pairing batteries with solar resources, utilities can use tax credits to reduce their costs. The prices for solar-plus-storage and wind-plus-storage systems have been plummeting, leading to record-breaking low prices in energy projects in other states. Colorado recently beat a record that Arizona held for the lowest-cost solar-plus-storage project. The median project in Colorado's energy solicitation was 20% lower than TEP's NextEra solar-plus-storage project. Despite this, TEP didn't even consider the cost of a combined renewable plus storage project in place of its RICE units. We covered this issue in Sierra Club comments in response to TEP's long-term resource planning proceeding before the ACC. This rezoning would enable TEP to get away with speaking about its commitment to renewables without actually making them follow through with those commitments.

This rezoning will NOT expand Tucson's renewable energy sector. Tucson's General Plan calls for improving the Economic Environment by expanding key economic sectors, including renewable energy. Like mentioned above, TEP is missing an opportunity here to choose renewables over fossil fuels. That has implications for the amount of renewables Arizona will get, and it also has implications for Arizona's economy and workforce. By choosing RICE units over a renewable alternative, TEP is not advancing

² Tucson General Plan Energy & Climate Readiness Policy 4: "Increase the use of low carbon and renenewable energy sources, high fuel efficiency vehicles, and non-motorized transportation.

Tucson's plans to develop its renewable energy sector and its renewables workforce. Instead, this rezoning would allow TEP to make new investments in the outdated fossil fuel industry.

This rezoning will enable more air pollution and will NOT address the vulnerability of the community's public health or quality of life. Tucson's General Plan requires the City to develop a high quality of life³ and to address the vulnerability of the community's health, safety, economy, and natural resources to climate change. This rezoning would hurt that policy by enabling TEP to build a new, significant source of air pollution.

TEP noted in its Air Quality Permit application, the planned generating units will increase emissions of carbon monoxide, both fine and coarse particulate matter, and volatile organic compounds. Cleaner alternatives, like paired renewable and storage systems would meet these goals without continuing to subject its neighbors to air pollution. This rezoning request should not be approved when cleaner alternatives are available.

The rezoning will facilitate continued environmental injustice. There are significant environmental justice issues with this plant as the impact area has an 85% minority population and a 63% of the residents are low-income. This is contrary to the Tucson General Plan outcomes which indicate there will be "...no compromise on principles of equity, fairness, justice, prosperity, livability, and environmental integrity."

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³ Jobs & Workforce Development Policy 1: "Recognize and enhance the three interrelated building blocks of a strong economy: a high quality of life and vibrant urban environment, a skilled and talented workforce, and a diversified, high-wage job market."