LINK:
https://ssvec-project-info.powerfulreveal.com/?utm_source=chatgpt.com#accordion-item-what-is-arizona-electric-power-cooperative-(aepco),-and-how-is-its-role-different-from-ssvec's?

What is being proposed, and where?
A developer is proposing a large data center adjacent to the Arizona Electric Power Cooperative (AEPCO) Apache Station generation plant near Cochise, Arizona. The developer intends to acquire land from AEPCO and another nearby landowner. The first phase would total 1.5 gigawatts (GW) of electric load, built in 3 stages. The project is still in the study phase and must clear several approvals before it can move forward.

What is Arizona Electric Power Cooperative (AEPCO), and how is its role different from SSVEC's?
AEPCO is the generation and transmission cooperative that supplies power to SSVEC. The proposed site is adjacent to AEPCO's Apache Station generation plant, and AEPCO would handle the transmission and substation work needed to serve the project. SSVEC is the distribution cooperative that delivers power to homes and businesses in its service territory. If the project moves forward, SSVEC would deliver power to the data center, as it does for every member.

Who decides whether the project moves forward?
Cochise County decides land use through its permitting processes. AEPCO, SSVEC and the developer would need to finalize an Energy Services Agreement, subject to Arizona Corporation Commission (ACC) approval. SSVEC's responsibility is to negotiate terms that protect existing members.

When is the county hearing, and how can I take part?
The hearing date has not been set; it depends on the developer's filings with the county. Public comment is part of the county's rezoning process, and SSVEC encourages members with questions or concerns to take part. SSVEC will share the hearing date with members once it is known.

When would construction start?
The developer's preliminary schedule targets a spring 2027 construction start, with the first stage potentially coming online 3 to 6 months later. Subsequent stages would come online at similar intervals. Timing remains subject to approvals, required load studies and completion of necessary infrastructure.

Could the project grow to 6 GW?
Future phases could bring the project to as much as 6 GW. SSVEC will require the developer

to pay for the upgrades and construction needed to serve the project. Each stage will require engineering studies and necessary system improvements to protect reliable service for existing members before additional load is served.

Is SSVEC for or against the project?
Neither. SSVEC has an obligation to serve and is focused on giving members the facts.

Will this raise my rates?
No. SSVEC will require the developer to pay the costs associated with serving this project, meaning members would not bear the cost. The project could also provide some financial benefits to members, depending on the final agreement and ACC approval.

How does the proposed data center relate to SSVEC's recent announcement about future rates?
SSVEC recently informed members that a future rate increase will likely be required due to rising costs and flat electricity sales. No rate case has been filed at this time and no specific increase has been proposed. SSVEC anticipates filing a rate case in the fall of 2027.

Those financial pressures exist independently of the proposed data center. If the project moves forward, the additional revenue could help reduce future rate pressure and provide financial benefits to members, depending on the final agreement and ACC approval.

Who pays for grid upgrades?
The developer would pay for all upgrades to serve the project. SSVEC will require it to pay the costs of power supply, infrastructure and other project costs. SSVEC will require that the final agreement include protections against shifting project-related costs and financial risks to existing members. Those protections remain under negotiation and subject to ACC approval.

Will SSVEC have to rezone or build on any of its own property?
No. SSVEC will not need to rezone any of its own property. The transmission and substation additions would be at AEPCO’s Apache Station, and the developer would pay for all upgrades and construction.

What if the data center leaves early or never reaches full load?
SSVEC is negotiating protections to ensure existing members will not pay any project-related costs should the data center close early or use less electricity than planned. Several protections are under discussion, including financial guarantees, deposits and minimum payments. A rate-stability reserve is also being discussed. Final terms remain subject to the negotiated agreement as well as ACC approval.

Would business and agricultural members benefit?
Possibly. These members might benefit from system improvements, increased financial stability and reduced pressure on future rates. Specific benefits would depend on the final agreement as well as ACC approval.

What community benefits are being discussed?
Community benefits could include education funding through the SSVEC Foundation, a residential bill offset and a rate-stability reserve. None are final and all are subject to the Energy Services Agreement and ACC approval.

How will SSVEC protect service reliability?
Before each stage of the project, engineering and load studies must be conducted to identify any improvements needed to protect reliable service for existing members. Those improvements must be in place before each stage of the data center comes online. SSVEC will require this as part of the final agreement with the developer.

What about water use?
SSVEC's understanding is that the proposed data center would not require groundwater for industrial cooling. The site sits within the Willcox Active Management Area, and the developer would have to comply with applicable groundwater-use rules and permitting requirements. The developer would be responsible for outlining its water-use needs and securing appropriate approvals.

What about noise and light?
The proposed site is next to AEPCO's Apache Station, an existing generation plant that has operated there for decades. Noise and lighting for any new facility would be governed by county zoning and permit requirements, and the developer would have to address those standards in its filings.

What about environmental impacts, including on the sandhill cranes that roost in the area?
SSVEC understands how much the sandhill cranes mean to members and the communities it serves. Wings Over Willcox and the cranes it celebrates are an important part of the region's identity and economy.

The Apache Station Wildlife Viewing Area is on AEPCO property, and questions about potential impacts on the cranes and the viewing area will be addressed through the county's rezoning and permitting process and by the developer as plans are filed. SSVEC encourages members with concerns to take part in that public process.

Does the data center get a say in the co-op?
Yes. The developer would have one membership vote, just like every other SSVEC member. Purchasing more electricity would not give the developer additional voting rights.

What happens if the rezoning is denied?
If required land-use approvals or ACC approval of the proposed Energy Services Agreement are not obtained, the project would not proceed as proposed. SSVEC's service to its members would remain unchanged.

Resources
Press Release from SSVEC :
https://ssvec-project-info.powerfulreveal.com/wp-content/uploads/PR-SSVEC-Responds-to-Tombstone-Resources-Filing.pdf

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