BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SOUTHERN CALIFORNIA EDISON COMPANY (U338E), for a Permit To Construct Electrical Facilities: Lockhart Substation Project.	Application 11-05-006 (Filed May 5, 2011)

DECISION GRANTING SOUTHERN CALIFORNIA EDISON COMPANY A PERMIT TO CONSTRUCT THE LOCKHART SUBSTATION PROJECT

1. Summary

This decision grants Application 11-05-006 by Southern California Edison Company for a permit to construct the proposed project known as the Lockhart Substation Project (Proposed Project), pursuant to General Order 131-D, in the Mojave Desert, California.

As the Lead Agency for environmental review, we find the Final Mitigated Negative Declaration prepared for the Proposed Project meets the requirements of the California Environmental Quality Act.[1]

This proceeding is closed.

2. Background

Southern California Edison Company (SCE) is an investor-owned public utility operating an interconnected and integrated electric utility system that generates, transmits, and distributes electric energy in portions of Central and

[1] Public Resources Code Section 21000, *et seq*.

Southern California.[2] In addition to its California properties, SCE separately or jointly owns facilities in Nevada, Arizona, and New Mexico that produce power and energy for use in California.

The estimated cost of the Proposed Project is $73.4 million, expressed in nominal dollars.

The proposed project would assist the State of California in meeting the state's Renewables Portfolio Standards and Greenhouse Gas emissions reduction requirements, including the requirements set forth in Senate Bill (SB) 1078 (California Renewables Portfolio Standard Program), Assembly Bill (AB) 32 (California Global Warming Solutions Act of 2006), and SB XI-2, signed into law on Tuesday April 12, 2011, raising California's renewables portfolio standard to 33%. It is anticipated that the proposed project will qualify for stimulus funds available through the American Recovery and Reinvestment Act (ARRA).

3. The Proposed Project

The Proposed Project includes:

1. **Lockhart Substation.** Construction of the new 220 kilovolt (kV) Substation to loop in the existing Coolwater-Kramer No. 1 220 kV transmission line and to provide two 220 kV line positions to terminate two new 220 kV generation tie lines (gen-ties) owned by the Abengoa Mojave Solar Project (AMSP).
2. **Transmission Lines.** Loop the existing Coolwater-Kramer No. 220 kV transmission line into the new Lockhart

[2] SCE's service territory is located in 15 counties in Central and Southern California, consisting of Fresno, Imperial, Inyo, Kern, Kings, Los Angeles, Madera, Mono, Orange, Riverside, San Bernardino, Santa Barbara, Tulare, Tuolumne and Ventura Counties, and includes approximately 179 incorporated communities and outlying rural territories. SCE also supplies electricity to certain customers for resale under tariffs filed with the Federal Energy Regulatory Commission.

Substation. The transmission loop will require construction of approximately 3,000 feet of new transmission line segments (comprised of two line segments of approximately 1,500 feet each) creating the new Lockhart-Kramer and Coolwater-Lockhart 220 kV transmission lines.

3. **Generation Tie Line Connections:** Connect the two AMSP-built gen-ties into the SCE-owned Lockhart Substation. This work involves construction of two single spans of conductors between the Lockhart switchrack and the last AMSP-owned tower(s).
4. **Distribution Facilities:** Connect the existing Hutt 12 kV distribution circuit out of the Hutt Poletop Substation to the 12 kV rack inside the new Lockhart Substation. A range of approximately 200-400 feet of two 5-inch underground conduits (along with conduits for telecom) would be installed from the proposed riser pole west of the proposed Lockhart Substation to the 12 kV rack to provide a path for the required station light and power. Provide temporary power for the construction of both the proposed Lockhart Substation and the AMSP facilities.
5. **Telecommunications Facilities:** Install fiber optic communication cables, associated poles, conduits, and other telecommunication facilities, including construction of a telecommunications room at Tortilla Substation, to provide diverse path routing of communications required for the AMSP interconnection, and to provide communications redundancy at the two AMSP power blocks. Work would also include installing communication paths between the Victor, Roadway, Tortilla, Kramer, Lockhart, and Coolwater Substations by means of stringing cable on existing transmission line poles and on seven replacement poles, constructing new interset poles, placing segments of cable in existing underground conduit, and placing cable in new underground conduit. Approximately 85 miles of fiber-optic cable is proposed.

4. Notice and Procedural Issues

Due process requires that affected parties be provided adequate notice and opportunity to be heard, such that they can timely protest and participate in the Commission's environmental review and analysis of the Proposed Project. For permits to construct (PTCs), the utility must comply with notice requirements described in General Order (GO) 131-D, Section XI.A. In pertinent part, Section XI.A requires the following forms of notice:

1. By direct mail to:
    a. The planning commission and the legislative body for each county or city in which the proposed facility would be located, the California Energy Commission (CEC), the State Department of Transportation and its Division of Aeronautics, the Secretary of the Resources Agency, the Department of Fish and Game, the Department of Health Services, the State Water Resources Control Board, the Air Resources Board, and other interested parties having requested such notification. The utility shall also give notice to the following agencies and subdivisions in whose jurisdiction the proposed facility would be located: the Air Pollution Control District, the California Regional Water Quality Control Board, the State Department of Transportation's District Office, and any other State or Federal agency which would have jurisdiction over the proposed construction; and
    b. All owners of land on which the proposed facility would be located and owners of property within 300 feet of the right-of-way as determined by the most recent local assessor's parcel roll available to the utility at the time notice is sent; and
2. By advertisement not less than once a week, two weeks successively, in a newspaper or newspapers of general circulation in the county or counties in which the proposed

facilities will be located, the first publication to be not later than ten days after filing of the application; and

3. By posting a notice on-site and off-site where the project would be located.

SCE represents that it has complied with all applicable notice requirements. The Application itself was noticed in the Commission's Daily Calendar on May 6, 2011. No party filed a protest.

5. Requirements for a PTC

GO 131-D, Section III.B requires utilities to first obtain Commission authorization, in the form of a PTC, before beginning construction of an electric substation with a high side voltage exceeding 50 kV. PTC applications for new substations need not include a detailed analysis of purpose and necessity, a detailed estimate of cost and economic analysis, a detailed schedule, or a detailed description of construction methods (beyond that required for California Environmental Quality Act (CEQA) compliance).[3] However, GO 131-D requires PTC applications to:

1. Include a description of the proposed facilities and related costs, a map, reasons the route was selected, positions of the government agencies having undertaken review of the project, and a PEA or information equivalent thereto;[4]
2. Show compliance with the provisions of CEQA related to the Proposed Project, including the requirement to meet various public notice provisions;[5] and

[3] Section IX.B.1.f.

[4] Section IX.B.1.

[5] Section IX.B.2-5.

3. Describe the measures to be taken or proposed by the utility to reduce the potential for exposure to electric and magnetic fields (EMF) generated by the Proposed Project.[6]

6. Proposed Facilities Description

The application describes the facilities proposed and related costs. The application includes a property description and a map.[7]

The Proposed Project will help to meet California's Renewables Portfolio Standards.

The application includes a list of governmental agencies that have reviewed the Proposed Project.[8] These agencies include the County of San Bernardino, the City of Barstow, the City of Adelanto, and the City of Victorville, regarding any adverse comments, and the California Native American Heritage Commission regarding the presence of Native American cultural resources. No adverse comments were filed by any governmental body and no Native American cultural resources were identified on the site of the Proposed Project.

7. Environmental Review

CEQA requires that the Commission consider the environmental consequences before acting upon or approving the Proposed Project.[9] Under CEQA, the Commission must act as either the Lead Agency or a Responsible Agency for project approval. The Lead Agency is the public agency with the greatest responsibility for supervising or approving the Proposed Project as a

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[6] Section X.

[7] Section IX.B.1.

[8] Application, Exhibit F.

[9] CEQA Guidelines, Section 15050(b).

whole.[10] Here, the Commission is the Lead Agency. The actions and steps taken for environmental review of the Proposed Project, in accordance with GO 131-D and CEQA, are discussed below.

7.1. Proponent's Environmental Assessment (PEA)

SCE included PEA-equivalent information with the Application, pursuant to GO 131-D, Section IX.A.1.h.[11] The PEA-equivalent information evaluates the environmental impacts that may result from the construction and operation of the Proposed Project. SCE's PEA-equivalent information was accepted by the Commission's energy division as adequate for purposes of complying with the CEQA and the related environmental review on April 27, 2011.[12]

SCE concludes that the Proposed Project will have less than significant, or no impact, to all environmental resource categories.

7.2. Draft Initial Study/Mitigated Negative Declaration (Draft IS/MND)

As the next step in the environmental review, the Commission's Energy Division (Energy Division) reviewed the PEA-equivalent information. On April 27, 2011, the Energy Division informed SCE by letter that the Application was deemed complete for purposes of reviewing environmental impacts, and began preparing an IS. The IS determined the Proposed Project will not have a significant adverse impact on the environment, conditioned on certain mitigation measures.

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[10] CEQA Guidelines, Section 15051(b).

[11] The sources of the PEA-equivalent information are listed at Application, at 4-6.

[12] Application, Appendix H.

On May 16, 2011 the Energy Division released for public review a Draft IS/ MND for the Proposed Project. The Draft IS/MND found that approval of the Proposed Project will have no environmental impact in the areas of agricultural resources, mineral resources, population and housing, noise, public services, and utilities. The Draft IS/MND also determined that, with mitigation incorporated, approval of the Proposed Project will result in less than significant impacts in the areas of aesthetics, air quality, biological resources, cultural resources, geology and soils, hazards and hazardous materials, hydrology and water quality, land use planning, and transportation and traffic.

7.3. Mitigation, Monitoring, Reporting and Compliance Plan (MMRCP)

As required by CEQA, the Draft IS/MND included an MMRCP. The MMRCP describes the mitigation measures, specifically details how each mitigation measure will be implemented, and includes information on the timing of implementation and monitoring requirements. The Commission also uses the MMRCP as a guide and record of monitoring the utility's compliance with its provisions. SCE has agreed to and shall comply with each measure and provision of the MMRCP. The Commission adopts the MMRCP as part of its approval of the Proposed Project.[13]

The Energy Division shall supervise and oversee the construction of the Proposed Project insofar as it relates to monitoring and enforcement of the mitigation measures described in the MND. Upon review of SCE's compliance with the MMRCP, the Energy Division will provide SCE with Notices to Proceed with Construction during various phases of the project as applicable under the

[13] CEQA Guideline Section 15074(d).

MMCRP. The Energy Division may designate outside staff to perform on-site monitoring tasks. The Commission project manager (Energy Division, Environmental Projects Unit) shall have the authority to issue a Stop Work Order on the entire project, or portions thereof, for the purpose of ensuring compliance with the mitigation measures described in the MND. Construction may not resume without a **Notice to Proceed** issued by the Energy Division.

7.4. Electric and Magnetic Fields (EMFs)

The Commission has examined EMF impacts in several previous proceedings.[14] We found the scientific evidence presented in those proceedings was uncertain as to the possible health effects of EMFs and we did not find it appropriate to adopt any related numerical standards. Because there is no agreement among scientists that exposure to EMF creates any potential health risk, and because CEQA does not define or adopt any standards to address the potential health risk impacts of possible exposure to EMFs, the Commission does not consider magnetic fields in the context of CEQA and determination of environmental impacts.

However, recognizing that public concern remains, we do require, pursuant to GO 131-D, Section X.A, that all requests for a PTC include a description of the measures taken or proposed by the utility to reduce the potential for exposure to EMFs generated by the Proposed Project. We developed an interim policy that requires utilities, among other things, to identify the no-cost measures undertaken, and the low-cost measures implemented, to reduce the potential EMF impacts. The benchmark established for low-cost measures is 4% of the total budgeted project cost that results in an

EMF reduction of at least 15% (as measured at the edge of the utility right-of-way).

The Field Management Plan (FMP) contained in the Application[15] addresses the EMF measures that will be taken in connection with the Proposed Project. As no-cost and low-cost options, SCE will ensure that the major switching components in the Lockhart Substation meet or exceed the recommended setback distances from the substation fence or property line. We adopt the FMP for the Proposed Project and require SCE to comply with it.

7.5. Public Notice and Review

On May 16, 2011, the Energy Division published a Notice of Intent to Adopt a MND (NOI), and released the Draft IS/MND for a 30-day public review and comment period.

The Draft IS/MND was distributed to federal, state and local agencies; property owners within 300 feet of the Proposed Project; and other interested parties (identified in the Draft IS/MND). A Public Notice of the Proposed Project also was published in the local newspaper, announcing the availability of the Draft IS/MND. The 30-day public review and comment period ended on June 15, 2011.

Comment letters on the Draft IS/MND were received from Native American Heritage Commission; Lahontan Regional Water Quality Control Board; Department of Toxic Substance Control; Mojave Desert Air Quality Management District; California Department of Fish and Game; and SCE Those

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[14] *See* D.06-01-042 and D.93-11-013.

[15] Appendix G.

comments and the Commission's responses to those comments are contained in the Final MND.

7.6. Final MND

A Final MND was prepared pursuant to CEQA guidelines, and released by the Energy Division on July 15, 2011. The Final MND addresses all aspects of the Draft IS/MND, includes the comments received on the Draft IS/MND and the responses to those comments by the Lead Agency (Energy Division), and includes a final version of the MMRCP.

Although a few revisions were made to clarify and revise certain mitigation measures described in the Draft IS/MND, the Final MND does not identify any new significant environmental impacts, and does not omit any existing mitigation measures, from those identified in the Draft IS/MND.

Before granting the Application, we must consider the Final MND.[16] We have done so and find that the Final MND (which incorporates the Draft IS/MND) was prepared in compliance with and meets the requirements of CEQA. We further find that on the basis of the whole record, there is no substantial evidence that the Proposed Project will have a significant effect on the environment and that the Final MND reflects the Commission's independent judgments and analysis.[17] We adopt the Final MND it in its entirety, and incorporate it by reference in this decision approving the Proposed Project.

The Final MND concludes that the Proposed Project will not have a significant adverse impact on the environment, because the mitigation measures

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[16] CEQA Guideline Section 15004(a).

[17] CEQA Guideline Section 15074(b).

described therein, and agreed to and incorporated by SCE into the Proposed Project, will ensure that any potentially significant impacts that have been identified with the Proposed Project will remain at less than significant levels.

The IS/Draft MND and the Final MND will be received into the record of this proceeding as reference exhibits A and B, respectively.

7.7. Conclusion

Based on the analysis of the Initial Study, the Draft and Final MNDs, and the mitigation measures identified therein and incorporated into the Proposed Project, the Commission finds that the Proposed Project will not have a significant impact on the environment. We have reviewed the Application and, after considering all of the above requirements, find it complete and in compliance with GO 131-D.

We conclude that granting this PTC is in the public interest and the Application should be approved. Our order today adopts the Final MND (which incorporates the Draft IS/MND), subject to the conditions therein, and authorizes work on the Proposed Project to begin. Before commencing construction of the Proposed Project, SCE must have in place all required permits, easements or other legal authority for the project site.

8. Waiver of Comment Period

No protests were filed to the Application and no hearing was held. Today's decision grants the relief requested in an uncontested matter. Accordingly, pursuant to Rule 14.6(c)(2), the otherwise applicable 30-day period for public review and comment is waived.

9. Assignment of Proceeding

Michel Peter Florio is the assigned Commissioner and Karl J. Bemesderfer is the assigned Administrative Law Judge in this proceeding.

Findings of Fact

1. SCE's Application for a PTC conforms to GO 131-D.

2. The Proposed Project includes (1) construction of the Lockhart Substation (2) looping the existing Coolwater-Kramer No. 1 220 kV transmission line into the new Lockhart Substation; (3) connecting two AMSP-built gen-tie lines into the SCE-owned Lockhart Substation; (4) connecting the existing Hutt 12 kV distribution circuit out of the Hutt Poletop Substation to the 12 kV rack inside the new Lockhart Substation; and (5) installation of new fiber-optic cables, associated poles, conduits and other telecommunications facilities, including construction of a telecommunications room at Tortilla Substation, to provide diverse path routing of communications required for the AMSP interconnection, and to provide telecommunications redundancy at the two AMSP power blocks.

3. The existing lines to be modified are located in either SCE-owned rights-of-way or public street rights-of-way, and include installing communications paths between the Victor, Roadway, Tortilla, Kramer, Lockhart and Coolwater Substations by means of stringing cable on existing transmission line poles and on seven replacement poles, constructing new interset poles, placing segments of cable in existing underground conduit, and placing cable in new underground conduit.

4. The Proposed Project will enhance compliance with California's new Renewables Portfolio Standards.

5. No protests were filed to the Application.

6. The Final MND (which incorporates the Draft IS/MND) related to the Proposed Project conforms to the requirements of CEQA.

7. The Final MND identified no significant environmental impacts of the Proposed Project that could not be avoided or reduced to non-significant levels with the mitigation measures described therein.

8. On the basis of the whole record, there is no substantial evidence that the project will have a significant effect on the environment.

9. The MMRCP, included as part of the Final MND, specifically describes the mitigation measures to be taken.

10. SCE agrees to comply with the mitigation measures described in the Final MND.

11. The Commission considered the Final MND in deciding to approve the Proposed Project.

12. The Final MND reflects the Commission's independent judgment.

13. Based on the mitigation measures included in the Final MND, the Proposed Project will not have a significant impact upon the environment.

14. The Proposed Project includes no-cost and low-cost measures (within the meaning of D.93-11-013, and D.06-01-042) to reduce possible exposure to EMF.

Conclusions of Law

1. SCE represents that it has complied with the notice requirements for PTCs described in GO 131-D, Section XI.

2. The Application is uncontested and evidentiary hearings are not necessary.

3. The Commission is the Lead Agency for compliance with the provisions of CEQA.

4. A Draft IS/MND analyzing the environmental impacts of the Proposed Project was processed in compliance with CEQA.

5. A Final MND on the Proposed Project was processed and completed in compliance with the requirements of CEQA.

6. The Draft IS/MND and the Final MND (which includes the MMRCP and EMF Field Management Plan) should be adopted in their entirety.

7. Possible exposure to EMF has been reduced by the no-cost and low-cost measures SCE will include in the Proposed Project that are specified in Appendix C of the Final MND, pursuant to D.93-11-013, and D.06-01-042.

8. SCE should obtain all necessary permits, easement rights or other legal authority for the project site prior to commencing construction.

9. SCE's Application for a PTC should be approved, subject to the mitigation measures set forth in the Final MND.

10. The requirement for a 30-day period for public review and comment should be waived, pursuant to Rule 14.6(c)(2).

11. A.11-05-006 should be closed.

12. This order should be effective immediately so that construction of the Proposed Project can begin.

O R D E R

IT IS ORDERED that:

1. Southern California Edison Company is granted a Permit to Construct the Lockhart Substation Project, including (1) construction of the Lockhart Substation (2) looping the existing Coolwater-Kramer No. 1 220 kilovolt (kV) transmission line into the new Lockhart Substation; (3) connecting two Abengoa Mojave Solar Project (AMSP) - built gen-tie lines into the SCE-owned Lockhart Substation; (4) connecting the existing Hutt 12 kV distribution circuit out of the Hutt Poletop Substation to the 12 kV rack inside the new Lockhart Substation; and (5) installation of new fiber-optic cables, associated poles, conduits and other telecommunications facilities, including construction of a telecommunications

room at Tortilla Substation, to provide diverse path routing of communications required for the AMSP interconnection, and to provide telecommunications redundancy at the two AMSP power blocks.

2. The Final Mitigated Negative Declaration (which incorporates the Draft Initial Study/Mitigated Negative Declaration) is adopted pursuant to the requirements of the California Environmental Quality Act, Public Resources Code §§ 21000 *et seq*.

3. The Mitigation Monitoring, Reporting and Compliance Plan, included as part of the Final Mitigated Negative Declaration, is adopted.

4. The Permit to Construct is subject to Southern California Edison Company's compliance with the mitigation measures set forth in the Final Mitigated Negative Declaration and Mitigation Monitoring, Reporting and Compliance Plan.

5. Southern California Edison Company shall have in place, prior to commencing construction, all of the necessary easements rights, or other legal authority, to the Lockhart Substation Project sites.

6. The comment period for today's decision is waived.

7. Application 11-05-006 is closed.

This order is effective today.

Dated _____, at San Francisco, California.