

Decision 10-12-039 December 16, 2010

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Southern California Edison
Company (U338E) for a Permit to Construct
Electrical Facilities With Voltages Between
50 kV and 200 kV: Mascot Substation Project.

Application 09-11-020
(Filed November 25, 2009)

**DECISION ADDRESSING THE SOUTHERN CALIFORNIA EDISON
COMPANY APPLICATION FOR A PERMIT TO CONSTRUCT
THE MASCOT SUBSTATION PROJECT**

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**DECISION ADDRESSING THE SOUTHERN CALIFORNIA EDISON
COMPANY APPLICATION FOR A PERMIT TO CONSTRUCT
THE MASCOT SUBSTATION PROJECT**

1. Summary

This decision grants Application 09-11-020 by Southern California Edison Company (SCE) for a permit to construct the proposed project known as the Mascot Substation Project (Proposed Project), pursuant to General Order 131-D, in unincorporated Kings County, California. Approval of this Application allows SCE to construct additional transmission capacity serving the City of Hanford and unincorporated Kings County to ensure that customer electrical demand can be met safely and reliably.

The Proposed Project includes:

1. Construction of a new 66/12 kilovolt (kV) distribution substation.
2. Construction of three new 66 kV subtransmission line segments to serve the new Mascot Substation.
3. Construction of four new 12 kV distribution circuits, and
4. Facilities to connect the new substation to SCE's existing telecommunication system.

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.

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

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 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 Proposed Project will provide additional transmission capacity serving the City of Hanford and the surrounding areas of unincorporated Kings County to ensure customer electrical demand is met safely and reliably. In conjunction with the filing of Application (A.) 09-11-020 (Application), SCE filed its Proponent's Environmental Assessment (PEA).

The electrical needs of the Cities of Hanford and unincorporated Kings County (the Electrical Needs Area) are currently served from SCE's Hanford Substation, located in Hanford, California. SCE installed a 16.8 megavolt ampere (MVA) transformer bank at the Hanford Substation as a contingency measure and will reconductor the 12 kilovolt (kV) bus at Hanford to increase capacity until the Mascot Project is operational.

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.

3. The Proposed Project

SCE states that general forecast planning indicates that if a 1 in 10-year heat storm had occurred in 2008, the projected peak electric demand would have exceeded operating limits at Hanford Substation. SCE states that it installed a transformer bank at the Hanford Substation as a contingency measure, but in order to meet the forecasted electrical demands in the City of Hanford and the surrounding areas of unincorporated Kings County, and to ensure that safe and reliable service is available to serve customer electrical demand in those areas, the Mascot Substation is necessary.

When completed, the Proposed Project will ensure that safe and reliable electric service is provided to meet customer electrical demand during normal conditions as well as periods of extreme heat.

The Proposed Project includes the following:

1. Construction of a new 66/12 kV distribution substation on an approximately 5-acre site located at the southwest corner of the intersection of 7 1/2 Avenue and Grangeville Boulevard in unincorporated Kings County;
2. Construction of three new 66 kV subtransmission line segments to serve the new Mascot Substation;
3. Construction of four new 12 kV distribution circuits; and
4. Construction of facilities to connect the new substation to SCE's existing telecommunication system, including overhead telecommunication lines and underground duct banks.

The estimated cost of the project is \$33 million.³ The construction period is scheduled to begin in July 2011 and completed by May 2012.

³ Application at II-2.

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.⁴ The Application itself was noticed in the Commission's Daily Calendar on November 30, 2009. No party filed a protest.

5. Requirements for a PTC

GO 131-D defines an electric "power line" as one designed to operate between 50 kV and 200 kV,⁵ and Section III.B requires utilities to first obtain Commission authorization, in the form of a PTC, before beginning construction of a power line. PTC applications for power lines 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).⁶ 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;⁷
2. Show compliance with the provisions of CEQA related to the Proposed Project, including the requirement to meet various public notice provisions;⁸ and
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.⁹

⁴ Application at II-12.

⁵ Section I.

⁶ Section IX.B.1.f.

⁷ Section IX.B.1.

⁸ Section IX.B.2-5.

⁹ Section X.

These requirements are discussed separately below.

6. Proposed Facilities Description

The Application describes the facilities proposed and related costs. SCE included a project description and map in its request.¹⁰

The Proposed Project will meet the objectives of serving projected electrical demand requirements in the City of Hanford and the surrounding unincorporated areas of Kings County located in SCE's service territory in a cost-effective manner while maintaining electrical system reliability, enhancing operational flexibility and minimizing environmental impact. While other alternatives would satisfy the project objectives, they would require longer lines, resulting in greater impacts on air quality, noise level and biological resources.

The Application includes a list of governmental agencies that were contacted regarding the Proposed Project.¹¹ These agencies include the City of Hanford, Kings County, and the California Native American Heritage Commission regarding the presence of Native American cultural resources.

7. Environmental Review

CEQA requires that the Commission consider the environmental consequences before acting upon or approving the Proposed Project.¹² 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

¹⁰ PEA, Section 3.0.

¹¹ Application at 8.

¹² CEQA Guidelines, Section 15050(b).

whole.¹³ 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

SCE included its PEA with the Application, pursuant to GO 131-D, Section IX.B.1.e.¹⁴ The PEA evaluates the environmental impacts that may result from the construction and operation of the Proposed Project. SCE's PEA contains a project description in Section 3.0, and maps and diagrams in Figures 1.1 through 4.15.

The PEA concludes that the Proposed Project will have less than significant, or no impact, to all environmental resource categories. Although SCE does not anticipate significant impacts to any resource category, where potentially adverse impacts may occur, SCE incorporates specific procedures into the project construction plans (Applicant's Proposed Measures) to minimize the environmental impacts.¹⁵

We adopt the Applicant's Proposed Measures (APMs) as part of our approval of the Proposed Project, and require SCE to comply with the APMs and the other mitigation measures contained in the Mitigation, Monitoring, Reporting and Compliance Plan discussed below.

¹³ CEQA Guidelines, Section 15051(b).

¹⁴ The PEA was prepared by SCE with assistance from several consultants as listed in Appendix B of the PEA.

¹⁵ PEA, Table ES.1.

7.2. Draft Initial Study/Mitigated Negative Declaration

As the next step in the environmental review, the Commission's Energy Division (Energy Division) reviewed the PEA. On December 23, 2009, the Energy Division informed SCE by letter that the Application and the PEA were deemed deficient and requested additional information. SCE provided additional data on February 4, 2010 in response to the Energy Division's request. On March 2, 2010, after reviewing the additional data, the Energy Division informed SCE by a letter that the Application and the PEA were complete for purposes of reviewing environmental impacts, and began preparing an Initial Study (IS). The IS determined the Proposed Project will not have a significant adverse impact on the environment, conditioned on certain mitigation measures.

On August 30, 2010, the Energy Division released for public review a Draft IS/Mitigated Negative Declaration (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 air quality, hydrology and water quality, land use planning, mineral resources, population and housing, public services, recreation, utilities and service systems, and geology, soils and seismicity. 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, agricultural and forestry resources, noise, biological resources, cultural resources, hazards and hazardous materials, and transportation and traffic.

7.3. Mitigation, Monitoring, Reporting and Compliance Plan

As required by CEQA, the Draft IS/MND included a Mitigation, Monitoring, Reporting and Compliance Plan (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.¹⁶

7.4. Electric and Magnetic Fields

The Commission has examined EMF impacts in several previous proceedings.¹⁷ 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

¹⁶ CEQA Guideline Section 15074(d).

¹⁷ See D.06-01-042 and D.93-11-013.

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,¹⁸ and included as Appendix A in the Draft IS/MND, addresses the EMF measures that will be taken in connection with the Proposed Project. As no-cost and low-cost options, SCE will utilize subtransmission structure heights that meet or exceed SCE's preferred EMF design criteria. SCE will also use subtransmission line construction that reduces the space between conductors. In addition, SCE will arrange conductors of proposed subtransmission line for magnetic field reduction, place major substation electrical equipment away from the substation property lines, use double-circuit construction that reduces spacing between circuits, and configure the transfer and operating buses with the transfer buses closest to the nearest property line. We adopt the FMP for the Proposed Project and require SCE to comply with it.

7.5. Public Notice and Review

On August 30, 2010, 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

¹⁸ Appendix F.

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 September 30, 2010.

Comment letters on the Draft IS/MND were received from The California Department of Fish and Game, the San Joaquin valley Air Pollution Control District, District 6 Office of the Department of Transportation, and SCE. Those comments and the Commission's responses to those comments are contained in the Final MND.

Although not within the scope of the environmental review, one issue raised at the public meeting held on September 9, 2010, merits noting. At the public meeting, two property owners commented that they were concerned about the possibility of condemnation of their property as part of the land acquisition process for the project site. If it is necessary for SCE to seek temporary or permanent use of these properties for the projects, SCE is expected to follow appropriate procedures prior to instituting court proceedings, including meeting and negotiating with property owners for right-of-way acquisition as indicated in Appendix F of the PEA.

7.6. Final MND

A Final MND was prepared pursuant to CEQA guidelines, and released by the Energy Division on November 1, 2010. 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 MMRCPP.

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. In addition, in response to comments, only a minor change was made to mitigation measure 3.4-4 of the MMRCPP.

Before granting the Application, we must consider the Final MND.¹⁹ 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.²⁰ We adopt the Final MND 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 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 are identified as reference exhibits A and B, respectively, and will be received into the record of this proceeding. The Final MND is available for inspection on the Commission's website at: <http://www.cpuc.ca.gov/PUC/energy/Environment/>.

8. Conclusion

¹⁹ CEQA Guideline Section 15004(a).

²⁰ CEQA Guideline Section 15074(b).

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.

9. Proceeding Category, Need for Hearings

In Resolution ALJ 176-3245, dated December 3, 2009, the Commission preliminarily determined that the category of this proceeding is ratesetting as defined in Commission's Rules of Practice and Procedure (Rules) 1.3(e), and that hearings are not necessary. The parties did not oppose Commission's preliminary categorization of this proceeding and the preliminary categorization and the need for hearing are confirmed.

10. 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.

11. Assignment of Proceeding

Dian M. Grueneich is the assigned Commissioner and Maryam Ebke 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 a new 66/12 kV distribution substation; (2) construction of three new 66 kV subtransmission line segments to serve the new Mascot Substation; (3) construction of four new 12 kV distribution circuits; and (4) construction of facilities to connect the new substation to SCE's existing telecommunication system.
3. The Proposed Project will improve the reliability of SCE's electric system in the City of Hanford and the surrounding areas of unincorporated Kings County.
4. No protests were filed to the Application.
5. The Final MND incorporates the Draft IS/MND.
6. 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.
7. The IS/Draft MND should be identified, marked, and received into the record as Reference Exhibit A, and the Final MND should be identified, marked, and received into the record as Reference Exhibit B.
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 A of the Draft IS/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.09-11-020 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 Mascot Substation Project, including (1) construction of a new 66/12 kilovolt (kV) distribution substation on an approximately 5-acre site located at the southwest corner of the intersection of 7 1/2 Avenue and Grangeville Boulevard in unincorporated Kings County Construction of a new 66/12 kV distribution substation; (2) construction of three new 66 kV subtransmission line segments to serve the new Mascot Substation; (3) construction of four new 12 kV distribution circuits; and (4) construction of facilities to connect the new substation to SCE's existing telecommunication system, including overhead telecommunication lines and underground duct banks.

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 Mascot Substation Project sites.

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

7. Application 09-11-020 is closed.

This order is effective today.

Dated December 16, 2010, at San Francisco, California.

MICHAEL R. PEEVEY
President
DIAN M. GRUENEICH
JOHN A. BOHN
TIMOTHY ALAN SIMON
NANCY E. RYAN
Commissioners