

Decision 11-01-041 January 27, 2011

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company, a California corporation, for a Permit to Construct the Hollister 115kV Power Line Reconductoring Project pursuant to General Order 131-D (U39E).

Application 09-11-016
(Filed November 23, 2009)

**DECISION GRANTING PACIFIC GAS AND ELECTRIC COMPANY
A PERMIT TO CONSTRUCT THE HOLLISTER
115 KILOVOLT POWER LINE RECONDITIONING PROJECT**

1. Summary

This decision grants Application 09-11-016 by Pacific Gas and Electric Company (PG&E) for a permit to construct the Proposed Project known as the Hollister 115 kilovolt (kV) Power Line Reconductoring Project (Proposed Project) to prevent service interruptions and improve transmission capacity and reliability for the greater San Juan Bautista and Hollister areas of San Benito County and the northeastern portion of Monterey County.

PG&E proposes a 16-mile long power line reconductoring project, specifically to (1) replace most of the existing towers, together with related conductors and wire, on an approximately seven-mile long section of the existing double-circuit Moss Landing-Salinas-Soledad 115 kV power line, (2) rebuild an approximately nine-mile section of the Hollister No. 1 115 kV single-circuit power line as a double-circuit line, as well as relocate approximately 1.3 miles of this power line out of the San Benito River floodplain, and (3) upgrade the

Hollister Substation by relocating two existing poles, updating the relay settings, and changing the 115 kV bus conductors.

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

This proceeding is closed.

2. Background

Pacific Gas and Electric Company (PG&E) is an investor-owned public utility providing both electricity and natural gas service in northern and central California. For electricity service, it serves approximately five million customers through an interconnected and integrated system that generates, transmits, and distributes electric energy over a 70,000 square mile service territory.

The Proposed Project is primarily located in San Benito County near the cities of Hollister and San Juan Bautista and the Hollister Tower Segment extends into the northeastern portion of Monterey County. The project will use existing right of way across open space and agricultural lands, with a new right of way for the river crossing.

The objective of the Proposed Project is to build electrical facilities necessary to maintain safe and reliable electric service to customers and serve the forecasted electrical demand in the northeastern portion of Monterey County and the northwestern portion of San Benito County. The primary population center in the project area is the city of Hollister, with a population of 40,415.²

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

² See Draft Mitigated Negative Declaration (Draft MND) published November 16, 2010, page 3.12-1.

In working with Commission staff, PG&E made revisions to several of its Applicant Proposed Measures, revised its air quality analysis, and provided geology studies to supplement its original filing. Of particular note, PG&E provided the Commission with changes to the project description, including the addition of 28 new power poles on September 30, 2010 and then on November 5, 2010, revised the project description to remove the additional poles.

The construction period is expected to begin in March 2011, and take approximately 15 months to complete.

3. The Proposed Project

PG&E owns and operates a 115 kilovolt (kV) overhead electric power line system in San Benito and Monterey Counties near the cities of Hollister and San Juan Bautista. Both the communities of Hollister and San Juan Bautista are currently served by the Hollister Substation.

In the existing power line system configuration, the Hollister Substation is supplied by two 115 kV power lines, the Hollister Nos. 1 and 2 115 kV power lines, that begin as a section of the double-circuit Moss Landing–Salinas–Soledad 115 kV power line. In the event of an outage on either the Hollister Nos. 1 or 2 power line, all of the Hollister load would be served from the remaining line, neither of which PG&E asserts is able to reliably serve the entire existing load. Overloading of either line could result in outages to both residential and commercial customers and could lead PG&E to institute rolling black-outs. The Proposed Project will correct this problem and help meet future demand, maintain compliance with applicable grid reliability criteria set by the California

Independent System Operator (CAISO), and make it easier for PG&E to maintain the power line system.³

The Proposed Project includes replacing the conductors and wiring (reconductoring) on two segments of this system, the Hollister Tower Segment, which is approximately seven miles long, and the Hollister Pole Segment, which is approximately nine miles long. PG&E's proposal to reinforce the power line system serving the Hollister area consists of the following components:

- Replacement of approximately 36 of 38 existing towers with new lattice steel towers (LSTs) and installation of one new LST in the seven-mile section of the existing double-circuit Moss Landing-Salinas-Soledad 115 kV power line, beginning at the Lagunitas Switches and extending north to a point near the Anzar Junction.
- Replacement of single-circuit wood poles with double-circuit tubular steel poles (TSPs) and light-duty steel (LDS) poles along an existing nine-mile section of the Hollister No. 1 115 kV power line. This segment would begin near the northern end of the tower segment and extend east to the Hollister Substation.
- Relocation of an approximately 1.3-mile segment of the 115 kV Hollister No. 1 line out of the San Benito floodplain (the existing river alignment) to a new river crossing approximately 3,000 feet to the north, with structures located on dry banks of the river. This would require installation of 21 new steel poles, including four 92-foot tall TSPs, topping 17 of the existing poles within the 1.3-mile segment so that existing distribution remains to serve local users, and removing the eight remaining existing poles within the 1.3-mile segment.
- Installation of a 477 kemil (circular wire gauge size = 1,000 circular mils) steel-supported aluminum conductor (SSAC) on both the tower and pole segments.

³ See Proponent's Environmental Assessment (PEA), Exhibit A to the application, Chapter 1 at 2.

- Upgrade of the Hollister Substation, including relocation of two existing poles, updating relay settings, and changing the 115 kV bus conductors.

Except for the changed river crossing, the Proposed Project lies within existing utility easements and entails modifying existing facilities within an existing utility corridor. It also takes advantage of existing access roads needed to construct and maintain the power line system.

The existing tower structures on the Hollister Tower Segment are roughly 70 years old and in need of replacement to ensure continuing reliability of the lines. PG&E will replace the old lattice towers with new structures that will utilize “raptor-friendly” design with greater spacing between the conductors and steel supports to reduce avian interactions and mortalities. A crane or helicopter will be used to take down the existing towers and remove them from the project area.

With the completion of the Proposed Project, the Hollister Nos. 1 and 2 115 kV lines will each have a capacity of approximately 220 megawatts (MW), which current projections indicate will likely be sufficient to reliably serve the Hollister area for the next 30 years.⁴

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

⁴ *Id.*

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 CEC [California Energy Commission], 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.
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.

PG&E represents that it has complied with the above applicable notice requirements.

Notice of the Application itself also appeared in the Commission's November 24, 2009 Daily Calendar. No protests were received.

Based on the above discussion, we find that the Application was properly noticed, and an evidentiary hearing is not necessary.

5. Requirements for a PTC

As discussed above, GO 131-D, Section I, defines an electric “power line” as one designed to operate between 50 and 200 kV. Section III.B of GO 131-D requires utilities to first obtain Commission authorization, in the form of a PTC, before beginning construction of a power line.

Under GO 131-D, Section IX.B.1.f, 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 compliance with the California Environmental Quality Act (CEQA). PTC applications must, however:

- 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. (Section IX.B.1);
- 2) show compliance with the provisions of CEQA (Public Resources Code Section 21000, *et seq.*) related to the proposed project, including the requirement to meet various public notice provisions (Section IX.B.2-5); 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 (Section X).

These requirements are discussed separately below.

6. Proposed Facilities Description

The subject application describes the facilities proposed and includes a map of the project in an attached PEA.

The Proposed Project, located in the northeastern portion of Monterey County, begins at the Lagunitas Switches of the Moss Landing-Salinas-Soledad

115 kV power line and then extends north on that line to a point near the Anzar Junction in San Bonito County, then connects to the Hollister No. 1 115 kV line and travels on that line east to the Hollister Substation. The Proposed Project would generally traverse the existing PG&E right-of-way, across open space and agricultural lands and passing a few scattered residences along the alignment. The new river crossing would be located in a new right-of-way and would primarily traverse through agricultural rangeland. By using a new river crossing, PG&E will be able to relocate an approximately 1.3-mile segment of the Hollister No. 1 line out of the San Benito River floodplain to a new crossing approximately 3,000 feet to the north, with structures located on dry banks of the river.⁵

On the existing double-circuit Moss Landing-Salinas-Soledad power line, PG&E will replace approximately 36 of the 38 existing towers with new lattice steel towers and install one new tower. On the Hollister No. 1 power line, PG&E will replace 154 single-circuit wood poles with 135 new double-circuit light-duty steel poles and install 30 additional new tubular steel poles and at the new river crossing install 21 new steel poles, including four 92-foot tall tubular steel poles outside of each bank of the river channel. In addition, PG&E will install steel-supported aluminum conductors on both the tower and pole segments.

For the realignment of the power line out of the floodplain, approximately 17 wood poles would be shortened by removing the existing power line and cutting down the excess length to the level of the lower distribution line. This

⁵ See draft MND at pages 2-4 and 2-5 and Figure 2-1.

will allow the existing distribution line to continue to serve nearby customers. The remaining eight existing poles in the floodplain would be removed.

At the Hollister Substation, PG&E's upgrade will include relocation of two existing poles, an update of relay settings, and a change of the 115 kV bus conductors.

PG&E included a list of governmental agencies that were contacted regarding the project. These agencies include: the United States Fish and Wildlife Service, the California Department of Fish and Game, the California Department of Transportation and its District Five Office and Division of Aeronautics, the California Department of Public Health, the California Water Resources Control Board, the Air Resources Board, the California Energy Commission, the Monterey Bay Unified Air Pollution Control District, the Central Coast Regional Water Quality Control Board, the Native American Heritage Commission, and the Planning Commissions and Board of Supervisors for Monterey and San Benito Counties.

7. Environmental Review and EMF Compliance

CEQA requires that the Commission consider the environmental consequences before acting upon or approving the Project.⁶ 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 project as a whole.⁷ Here, the Commission is the lead agency. The actions and steps taken for environmental

⁶ California Code of Regulations, Title 14, Chapter 3 (CEQA Guidelines), Section 15050(b).

⁷ CEQA Guidelines, Section 15050(b).

review of the Project, in accordance with GO 131-D and CEQA, are discussed below.

7.1. Proponent's Environmental Assessment

Pursuant to GO 131-D, Section IX.B.1.e, the Application must include a PEA. PG&E filed its PEA in this proceeding on November 23, 2009. This PEA describes the environmental setting, regulations, and Applicant Proposed Measures (APMs) for minimizing potential effects and evaluates potential environmental impacts that could result from construction and operation of the Project. With implementation of the APMs, the PEA finds that potential impacts would be less than significant. The PEA filed by PG&E contains a project description and maps and diagrams in Section 2.0.

PG&E's APMs were incorporated into the Proposed Project's design and construction plans to minimize potential environmental impacts.

7.2. Draft IS/MND

As the next step in the environmental review, the Commission's Energy Division reviewed the PEA, notified PG&E on December 23, 2009 that its application was deemed complete, and then began analysis and preparation of an Initial Study (IS) to address the environmental issues related to the project. On November 16, 2010, the Energy Division released a Draft Initial Study/Mitigated Negative Declaration (IS/MND) for a 30-day public review period.

The Draft IS/MND found that approval of the Proposed Project will have either no, or less than significant, environmental impacts in the following areas: agriculture and forestry resources; air quality and greenhouse gas emissions; geology, soils, and seismicity; land use and planning; mineral resources;

population and housing; public services; recreation; and utilities and service systems.

The Draft IS/MND also found that, with mitigation incorporated, approval of the project would result in no, or less than significant, impacts in the areas of: aesthetics; biological resources; cultural resources; hazards and hazardous materials; hydrology and water quality; noise; and transportation and traffic.

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

As required by CEQA, the Draft IS/MND included a 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. PG&E 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.⁸

7.4. Electric and Magnetic Fields

The Commission has examined EMF impacts in several previous proceedings.⁹ 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

⁸ CEQA Guideline Section 15074(d).

⁹ See D.06-01-042 and D.93-11-013.

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 four percent of the total budgeted project cost that results in an EMF reduction of at least 15 percent (as measured at the edge of the utility right-of-way).

There are currently no applicable regulations related to EMF levels from power lines or substations. PG&E's proposed Transmission Magnetic Basic Field Management Plan states that there are no-cost EMF reduction measures that would be implementable for the Proposed Project and there are low-cost measures that would be applied to priority residential areas. This plan proposes to arrange the phases of the new 115 kV line in the pole segment for a minimum magnetic field at the edge of the right-of-way, and to raise the height of four towers in the residential land use area by five feet. We adopt the proposed Transmission Magnetic Basic Field Management Plan and require PG&E to comply with it.

7.5. Public Notice and Review

On November 16, 2010, the Energy Division filed a Notice of Completion with the Governor's Office of Planning and Research (State Clearinghouse), published a Notice of Intent to Adopt a Mitigated Negative Declaration, and released the Draft IS/MND for a 30-day public review period. In accordance with Section 15105(b) of the CEQA Guidelines, the public review and comment period began on November 17, 2010, and ended on December 17, 2010. A public information meeting was held on December 2, 2010 in Hollister, California.

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.

No individuals spoke at the public information meeting. Comment letters on the Draft IS/MND were timely received from: the California Department of Fish and Game, Central Region (CDFG); the California Department of Transportation, District 5 (CalTrans); the U.S. Fish and Wildlife Service, Ventura Office (USFWS); and PG&E. Those 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 January 4, 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, and includes a final version of the MMRCF.

Although minor modifications 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.¹⁰

In response to CDFG's comments, the Final IS/MND and MMRCPP have been modified to reflect that as of May 2010, the California tiger salamander has been listed as State threatened and, therefore, PG&E may be required to obtain an Incident Take Permit from CDFG and, if an approved conservation bank is not established prior Proposed Project construction that can service mitigation needs for the Proposed Project, then at the discretion of the USFWS and CDFG funds may be (a) set aside in escrow toward the establishment of a regional California tiger salamander mitigation bank, or (b) paid to establish a California tiger salamander conservation program locally or in another region, for the purpose of acquiring suitable habitat. Revisions are also made to include specific cites to CDFG's jurisdiction with regard to protecting birds and to require the use of natural-fiber, biodegradable meshes, and coir rolls for erosion control and landscaping specifications.

The Final IS/MND does not make any revisions in response to comments from CalTrans. The report references language in the Draft IS/MND that already requires PG&E to obtain an encroachment permit from CalTrans for any construction activities that would occur over a State roadway.

The USFWS's responsibilities include administering the Endangered Species Act of 1973. The agency's comments on the Draft IS/MND focus on the

¹⁰ Specifically, the modifications to the Draft IS/MND were made to the language in Mitigation Measures 3.4-1, 3.4-3, 3.4-5 and 3.11-1 in the MMRCPP.

impacts to migratory birds, particularly the golden eagle, and state that with the recently developed permit regulations for bald and golden eagles, and the potential for nesting birds and/or federally listed birds to occur in the project area, coordination with the CDFG and observance of CDFG guidelines is not sufficient. USFWS recommends PG&E seek further coordination with USFWS's Division of Migratory Birds to ensure all appropriate steps are taken to avoid project related impacts to migratory birds. These requests are included as requirements of Mitigation Measure 3.4-5.

In PG&E's comments, the applicant requests ten clarifications and corrections, including corrections to four project maps in the Draft IS/MND. PG&E indicates that it has significant issues with a portion of Mitigation Measure 3.4-1 and the specific concern is addressed in the Final IS/MND by allowing for USFWS and CDFG approved options. Finally, PG&E takes issue with language that assigns it a responsibility to develop a filing and tracking system for mitigation monitoring and this language is changed to make it solely the Commission's responsibility.

Before granting the Application, we must consider the Final MND.¹¹ 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

¹¹ CEQA Guideline Section 15004(a).

judgments and analysis.¹² 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 PG&E 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 Draft IS/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

Based on the analysis of the IS, 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

¹² CEQA Guideline Section 15074(b).

construction of the Proposed Project, PG&E must have in place all required permits, easements or other legal authority for the project site.

9. Waiver of Comments on Proposed Decision

This is an uncontested matter where the decision grants the relief requested. Therefore, comments on the proposed decision of the assigned Administrative Law Judge (ALJ) in this matter are waived in accordance with Section 311(g)(2) of the Public Utilities Code and Rule 14.6(c)(2) of the Commission's Rules of Practice and Procedure. .

10. Assignment of Proceeding

Michael R. Peevey is the assigned Commissioner and Christine M. Walwyn is the assigned ALJ in this proceeding.

Findings of Fact

1. PG&E's Application for a PTC conforms to GO 131-D.
2. The Proposed Project would be a 16-mile long power line reconductoring project, specifically to (1) replace most of the existing towers, together with related conductors and wire, on an approximately seven-mile long section of the existing double-circuit Moss Landing-Salinas-Soledad 115 kV power line and (2) rebuild an approximately nine-mile section of the Hollister No. 1 115 kV single-circuit power line as a double-circuit line, as well as relocate approximately 1.3 miles of this power line out of the San Benito River floodplain, and (3) upgrade the Hollister Substation by relocating two existing poles, updating the relay settings, and changing the 115 kV bus conductors.
3. The Proposed Project will use existing easements and access roads except for a new right-of-way at the river crossing.

4. The Proposed Project will improve transmission reliability and provide sufficient peak period transmission voltage.

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

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 Draft IS/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. PG&E 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. PG&E represents that it has complied with the notice requirements for PTCs described in GO 131-D, Section XI.
2. This decision affirms the preliminary categorization of this proceeding as ratemaking and that no evidentiary hearings are 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 Final MND (which incorporates the Draft IS/MND and includes the MMRCPP and EMF Field Management Plan) should be adopted in its entirety.
7. Possible exposure to EMF has been reduced by the no-cost and low-cost measures PG&E will undertake to phase the new 115 kV line in the pole segment for a minimum magnetic field at the edge of the right-of-way and raise the height of four towers in the residential land use area by five feet.
8. PG&E should obtain all necessary permits, easement rights or other legal authority for the project site prior to commencing construction.
9. PG&E's Application for a PTC should be approved, subject to the mitigation measures set forth in the Final MND.
10. Application 09-11-016 should be closed.
11. 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. Pacific Gas and Electric Company (PG&E) is granted a Permit to Construct the Hollister 115 kilovolt (kV) Power Line Reconductoring Project, specifically to (1) replace most of the existing towers, together with related conductors and wire, on an approximately seven-mile long section of the existing double-circuit Moss Landing-Salinas-Soledad 115 kV power line and (2) rebuild an approximately nine-mile section of the Hollister No. 1 115 kV single-circuit power line as a double-circuit line, as well as relocate approximately 1.3 miles of this power line out of the San Benito River floodplain, and (3) upgrade the Hollister Substation by relocating two existing poles, updating the relay settings, and changing the 115 kV bus conductors, subject to PG&E's compliance with the mitigation measures set forth in the Final Mitigated Negative Declaration and Mitigation Monitoring Plan.

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. Pacific Gas and Electric Company shall have in place, prior to commencing construction, all of the necessary easements rights, or other legal authority, for the Project site.

5. This decision affirms the preliminary categorization of this proceeding as ratemaking and that no evidentiary hearings are necessary.

6. Application 09-11-016 is closed.

This order is effective today.

Dated January 27, 2011, at San Francisco, California.

MICHAEL R. PEEVEY

President

MICHEL PETER FLORIO

CATHERINE J.K. SANDOVAL

Commissioners

Commissioner Timothy Alan Simon, being necessarily absent, did not participate.