

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ENERGY DIVISION

RESOLUTION G-3393

November 30, 2006

R E S O L U T I O N

Resolution G-3393. Pacific Gas & Electric Company (PG&E). This Resolution approves PG&E's Advice Letter 2743-G/2859-E seeking approval under Public Utilities Code Section 851 to consent to Shiloh I Wind Project LLC's (Shiloh) use of PG&E's exclusive easement to construct, use, and maintain an access road. This resolution has been prepared pursuant to a pilot program specified in Resolution ALJ-186 granting expedited treatment to utility proposals meeting certain requirements.

By Advice Letter 2743-G/2859-E. Filed on July 11, 2006.

SUMMARY

This Resolution approves PG&E's Advice Letter 2743-G/2859-E seeking approval under Public Utilities Code Section 851 to consent to Shiloh I Wind Project LLC's (Shiloh) use of PG&E's exclusive easement to construct, use, and maintain an access road. Advice Letter 2743-G/2859-E was processed pursuant to Resolution ALJ-186, Appendix B, Section III.A.1.c, providing for expedited action for transactions where the Commission is a Responsible Agency under the California Environmental Quality Act (CEQA). This Resolution is effective immediately.

BACKGROUND

Utilities proposing to sell, lease, dispose of, or otherwise encumber property necessary or useful to the performance of its duties to the public must comply with PU Code Section 851. Ordinarily, such a proposal would entail a full Application to the Commission, including a review pursuant to CEQA or a demonstration that such a review is not necessary. The Commission has initiated a pilot program per Resolution ALJ-186 that provides for an expedited process for certain transactions meeting criteria specified in the ALJ Resolution. For

proposals that meet the requirements, an Advice Letter may be filed demonstrating the applicability of the pilot program to the utility's proposal and requesting an expedited review of the Advice Letter, resulting in a Resolution confirming that the proposal meets the requirements of Resolution ALJ-186 and granting approval to the proposed project.

On September 22, 2005, PG&E filed Advice Letter 2714-E requesting Commission approval under Public Utilities Code 851 to consent to Shiloh I Wind Project LLC's use of PG&E's exclusive easement for the installation of an electric distribution line. The Project is part of a larger wind energy project planned by Shiloh which involves the development and construction of up to 120 wind turbines to generate approximately 180 megawatts of electricity. On January 12, 2006, the Commission issued Resolution E-3970, approving Advice Letter 2714-E.

Shiloh determined that a road easement was secondary to their need for an easement to install an electric distribution line. As a result, Shiloh elected to pursue a road easement in a separate filing so as not to potentially risk their primary objective in Advice Letter 2714-E by combining it with a lesser requirement.

Shiloh intends to construct, use, and maintain an access road to support the operation and maintenance of the Shiloh I Wind Project. Therefore, PG&E requests Commission approval under Public Utilities Code 851 to consent to Shiloh's use of PG&E's easement area to construct, use, and maintain an access road on PG&E's easement property in Solano County.

The property is located in southeastern Solano County, California, in a rural agricultural area in the Montezuma Hills. The property is designated as Assessors Parcel Number (APN) 0048-060-230. The dominant existing land uses are dry-land farming and livestock grazing. The property currently has existing wind energy projects in use, such as the enXco V Project and the High Winds Project, to meet the regional energy needs by harnessing the renewable wind resources in the Collinsville-Montezuma Hills Wind Resource Area. PG&E has an exclusive easement on the property for its 500 kV transmission line.

In Resolution E-3970, PG&E received Commission approval to grant Shiloh a consent agreement for the use of PG&E's exclusive easement areas to install an electric distribution line as part of a larger wind energy project planned by Shiloh which involves the development and construction of up to 120 wind turbines to

generate approximately 180 megawatts of electricity. As part of Shiloh's wind energy project, Shiloh is requesting a consent agreement to construct, use, and maintain a 16 feet wide, 155 feet long access road across PG&E's exclusive easement. The access road would support the operation and maintenance of the Shiloh I Wind Project currently being constructed in the area.

The Project will not interfere with PG&E's existing facilities.

PG&E is not collecting any fees associated with granting consent to Shiloh's use of PG&E's exclusive easement. PG&E is not granting a property right itself, but merely consenting to permit the landowner to grant a property right. PG&E's consent to allow another party to occupy what would otherwise be PG&E's exclusive easement area does not rise to the level of a right that has any realizable economic value to PG&E.

Solano County has conducted a CEQA review and issued a Notice of Determination and Final EIR. Although Solano County concluded that the Project, and all activities associated with the Project, will have a significant impact on the environment, the Final EIR identifies and addresses all the potential significant impacts, including visual and biological resources, noise, air quality, public safety, and transportation. Solano County voted to adopt the Final EIR and grant a permit for the Project on April 12, 2005. Solano County's resolutions are included. Solano County distributed the EIR through the State Clearinghouse (#SCH 2004-072-037).

In Resolution E-3970 issued January 12, 2006, the Commission certified the Final EIR and directed the Energy Division to file a Notice of Determination with the State Clearinghouse, Office of Planning and Research, indicating to that effect.

NOTICE

Notice of AL 2743-G/2859-E was made by publication in the Commission's Daily Calendar. PG&E states that a copy of the Advice Letter was mailed and distributed in accordance with Section III-G of General Order 96-A.

PROTESTS

No protests or comments to PG&E Advice Letter AL 2743-G/2859-E were filed

DISCUSSION

The Energy Division has reviewed PG&E's Advice Letter 2743-G/2859-E and finds that it satisfies the criteria for inclusion in the pilot program specified in Resolution ALJ-186. Additionally, AL 2743-G/2859-E satisfies the filing requirements specified in Section III.B.1.a-k of Resolution ALJ-186 and includes all of the information necessary to provide a satisfactory review of PG&E's seeking of approval consent to Shiloh I Wind Project LLC's use of PG&E's exclusive easement to construct, use, and maintain an access road.

The Energy Division finds that expedited treatment pursuant to Section III.A.1.c of Resolution ALJ-186 is appropriate for AL 2743-G/2859-E and that no reason to deny the approval of Advice Letter 2714-E exists pursuant to Section III.A.2 of Resolution ALJ-186.

COMMENTS

This is an uncontested matter in which the resolution grants the relief requested. Accordingly, pursuant to PU Code 311(g)(2), the otherwise applicable 30-day period for public review and comment is being waived.

FINDINGS

1. On September 22, 2005, PG&E filed Advice Letter 2714-E requesting Commission approval under Public Utilities Code 851 to consent to Shiloh I Wind Project LLC's use of PG&E's exclusive easement for the installation of an electric distribution line.
2. The Project is part of a larger wind energy project planned by Shiloh which involves the development and construction of up to 120 wind turbines to generate approximately 180 megawatts of electricity.
3. On January 12, 2006, the Commission issued Resolution E-3970, approving Advice Letter 2714-E.
4. Shiloh determined that a road easement was secondary to their need for an easement to install an electric distribution line.

5. As a result, Shiloh elected to pursue a road easement in a separate filing so as not to potentially risk their primary objective in Advice Letter 2714-E by combining it with a lesser requirement.
6. Shiloh intends to construct, use, and maintain an access road to support the operation and maintenance of the Shiloh I Wind Project.
7. Therefore, PG&E requests Commission approval under Public Utilities Code 851 to consent to Shiloh's use of PG&E's easement area to construct, use, and maintain an access road on PG&E's easement property in Solano County.
8. The property is located in southeastern Solano County, California in a rural agricultural area in the Montezuma Hills.
9. The property is designated as Assessors Parcel Number (APN) 0048-060-230.
10. The dominant existing land uses are dry-land farming and livestock grazing.
11. The property currently has existing wind energy projects in use, such as the enXco V Project and the High Winds Project, to meet the regional energy needs by harnessing the renewable wind resources in the Collinsville-Montezuma Hills Wind Resource Area.
12. PG&E has an exclusive easement on the property for its 500 kV transmission line.
13. In Resolution E-3970, PG&E received Commission approval to grant Shiloh a consent agreement for the use of PG&E's exclusive easement areas to install an electric distribution line as part of a larger wind energy project planned by Shiloh which involves the development and construction of up to 120 wind turbines to generate approximately 180 megawatts of electricity.
14. As part of Shiloh's wind energy project, Shiloh is requesting a consent agreement to construct, use, and maintain a 16 feet wide, 155 feet long access road across PG&E's exclusive easement.
15. The access road would support the operation and maintenance of the Shiloh I Wind Project currently being constructed in the area.
16. The Project will not interfere with PG&E's existing facilities.
17. PG&E is not collecting any fees associated with granting consent to Shiloh's use of PG&E's exclusive easement.
18. PG&E is not granting a property right itself, but merely consenting to permit the landowner to grant a property right.
19. PG&E's consent to allow another party to occupy what would otherwise be PG&E's exclusive easement area does not rise to the level of a right that has any realizable economic value to PG&E.
20. Solano County has conducted a CEQA review and issued a Notice of Determination and Final EIR.

21. Although Solano County concluded that the Project, and all activities associated with the Project, will have a significant impact on the environment, the Final EIR identifies and addresses all the potential significant impacts, including visual and biological resources, noise, air quality, public safety, and transportation.
22. Solano County voted to adopt the Final EIR and grant a permit for the Project on April 12, 2005.
23. Solano County's resolutions are included. Solano County distributed the EIR through the State Clearinghouse (#SCH 2004-072-037).
24. In Resolution E-3970 issued January 12, 2006, the Commission certified the Final EIR and directed the Energy Division to file a Notice of Determination with the State Clearinghouse, Office of Planning and Research, indicating to that effect.

THEREFORE IT IS ORDERED THAT:

1. The request of the PG&E to consent to Shiloh I Wind Project LLC's (Shiloh) use of PG&E's exclusive easement to construct, use, and maintain an access road, as requested in Advice Letter AL 2743-G/2859-E is approved.

This Resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed and adopted at a conference of the Public Utilities Commission of the State of California held on November 30, 2006; the following Commissioners voting favorably thereon:

STEVE LARSON
Executive Director

MICHAEL R. PEEVEY
PRESIDENT
GEOFFREY F. BROWN
DIAN M. GRUENEICH
JOHN A. BOHN
RACHELLE B. CHONG
Commissioners