

Decision 08-10-008 October 2, 2008

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company (U39E) for a Certificate of Public Convenience and Necessity Authorizing the Construction of the EBMUD Camanche 230 kV Transmission Line Project.

Application 08-04-040
(Filed April 30, 2008)

**DECISION GRANTING A CERTIFICATE OF
PUBLIC CONVENIENCE AND NECESSITY**

1. Summary

This decision grants the request of Pacific Gas and Electric Company for a certificate of public convenience and necessity to construct, operate and maintain the Camanche 230 kilovolt Transmission Line Interconnection Project (Interconnection Project). The Interconnection Project was requested by the East Bay Municipal Utility District (EBMUD) in order to interconnect the new Mokelumne Aqueduct/Camanche Pumping Plant and the associated EBMUD electric substation currently being constructed as part of the Freeport Regional Water Project.

2. Background

On April 30, 2008, Pacific Gas and Electric Company (PG&E) filed this application seeking a certificate of public convenience and necessity (CPCN) authorizing the construction of the Interconnection Project in order to accommodate a request by EBMUD to construct an interconnecting electric

transmission line to the Camanche Pumping Plant and the associated EBMUD electric substation currently being constructed as part of the Freeport Regional Water Project (FRWP). The application describes the proposed facilities and states that the related costs will be borne by EBMUD in accordance with PG&E's Detailed Interconnection Study, dated November 22, 2005, and the Agreement to Perform Tariff Schedule Related Work, dated June 16, 2006.

The Freeport Regional Water Authority (FRWA) was created as part of a joint power agreement between the Sacramento County Water Agency and EBMUD to increase service reliability, reduce water shortages during droughts, and facilitate a long-term water supply in central Sacramento County. The FRWP, which achieves the identified needs of the FRWA, has been approved by the FRWA.

The FRWP will carry water from an intake facility on the Sacramento River to Sacramento County Water Agency's water treatment plant and to EBMUD's Mokelumne Aqueducts. The Camanche Pumping Plant and electrical substation, being constructed by the FRWA, will be located just west of the Camanche Reservoir dike, on EBMUD property in northern San Joaquin County. The facilities require electrical power by January 1, 2009. PG&E's existing Rancho Seco-Bellota 230 kilovolt (kV) No. 2 Transmission Line is located near the Camanche Pumping Plant's electric substation site and has the capacity to serve the new electrical load. PG&E has agreed to construct and own a new transmission line and related facilities up to the pull-off structure at EBMUD's electric substation.

There were no responses to the application. This matter is uncontested.

3. Requirements for a CPCN

By General Order (GO) 131-D, PG&E's construction of the Interconnection Project cannot be begin without the Commission having first found that the facilities are necessary to promote the safety, health, comfort, and convenience of the public, and that they are required by the public convenience and necessity.¹

An application for a CPCN must comply with the filing requirements of this Commission's Rules of Practice and Procedure and must also include the following:²

- a. A detailed description of the proposed transmission facilities, including the proposed transmission line route and alternative routes, if any; proposed transmission equipment; such as tower design and appearance, heights, conductor sizes, voltages, capacities, substations, switchyards, etc.; and a proposed schedule for certification, construction, and commencement of operation of the facilities;
- b. A map of suitable scale of the proposed routing showing details of the right-of-way in the vicinity of settled areas, parks, recreational areas, scenic areas, and existing electrical transmission lines within one mile of the proposed route;
- c. A statement of facts and reasons why the public convenience and necessity require the construction and operation of the proposed transmission facilities;
- d. A detailed statement of the estimated cost of the proposed facilities;

¹ GO 131-D, Section III.A.

² GO 131-D, Section IX.A.

- e. Reasons for adoption of the route selected, including comparison with alternative routes, including the advantages and disadvantages of each;
- f. A schedule showing the program of right-of-way acquisition and construction;
- g. A listing of the governmental agencies with which proposed route reviews have been undertaken, including a written agency response to applicant's written request for a brief position statement by that agency. (Such listing shall include The Native American Heritage Commission (NAHC) which shall constitute notice on California Indian Reservation Tribal governments.) In the absence of a written agency position statement, the utility may submit a statement of its understanding of the position of such agencies; and
- h. A Proponents' Environmental Assessment (PEA) or equivalent information on the environmental impact of the project in accordance with the provisions of the California Environmental Quality Act of 1970 (CEQA), Public Resources Code Sections 21000 *et seq.*, and the guidelines for implementation of CEQA, California Administrative Code Sections 15000 *et seq.* If a PEA is filed, it may include the data described in Items a through g above.

Applications for a CPCN must also describe the measures taken or proposed by the utility to reduce the potential exposure to electric and magnetic fields (EMF) generated by the proposed facilities, in compliance with Commission order.³

4. Discussion

PG&E has complied with the above stated GO 131-D requirements for a CPCN as described above and discussed below.

³ GO 131-D, Section X.A.

4.1. Project Description

The Interconnection Project will begin at a tap on PG&E's existing Rancho Seco-Bellota 230 kV No. 2 Transmission Line approximately 350 feet north of the access road to the plant facilities and less than one-half mile from the Camanche Pumping Plant's electric substation site. The tap structure will consist of four legs approximately 70 feet tall with horizontal beams approximately 50 and 70 feet tall, connecting to the existing line in the span between two existing towers.⁴ Switches and lightening arresters will be installed on this tap structure. From the tap location, the line will run in a slight southeasterly direction for approximately 2,100 feet across land that is mostly annual grassland or scattered blue oak woodland. The line will then turn southerly for approximately 250 feet, crossing over the existing dirt access road and terminating with the EBMUD substation.⁵ Approximately 2,350 feet of new overhead 230 kV transmission line, conductor type 1113 AAC "Marigold," on four tubular steel poles ranging from 70 to 95 feet tall will run between the Camanche Pumping Plant's electric substation and PG&E's existing Rancho Seco-Bellota 230 kV No. 2 transmission Line.

The proposed Interconnection Project will be located entirely on property owned by EBMUD. State Route 12 is approximately 3,000 feet south of the Camanche Pumping Plant site, and the Camanche Reservoir dike access road is just east of the site. The nearest residence is more than 1,500 feet from the

⁴ See Exhibit B, Figure 2. Exhibits discussed in this decision are those attached to PG&E's application.

⁵ See Exhibit B, Figure 1; *see also* Project Vicinity Map attached as Exhibit D.

Camanche Pumping Plant site and approximately 1,000 feet from the transmission line.⁶

Project construction will take place over an approximately five-month period with completion and operation targeted for January 1, 2009, and will involve a workforce of 6 to 30 people at any one time.

Also, the Addendum to the FRWP Final Environmental Impact Report/Statement⁷ (FEIR/S), issued in April 2006 (2006 Addendum)⁸ at pages 2-12 through 2-14, and the Addendum to the FEIR/S, issued in April 2008 (2008 Addendum)⁹ at pages 2 through 5, contain detailed descriptions of the electrical transmission line and facilities that will be constructed, the construction plan and alternatives that were not selected.

PG&E provided an Interconnection Project proposed schedule for right-of-way acquisition, certification, construction, and commencement of operation, which was included by PG&E as Exhibit C to the application.

4.2. Map of the Project

PG&E provided a map of the Interconnection Project showing residences and a recreation area within one mile of the Project.¹⁰ A detailed route map is

⁶ See Exhibit D.

⁷ FRWA prepared environmental documentation under CEQA and the National Environmental Policy Act for the FRWP. Because the water supply for the FRWP will be provided under contract with the U.S. Bureau of Reclamation, documentation for the project was prepared concurrently in the form of a combined Environmental Impact Report/Environmental Impact Statement.

⁸ Exhibit A.

⁹ Exhibit B.

¹⁰ Exhibit D.

attached at Exhibit Figure 1. No parks or scenic areas are located within one mile of the proposed route.

4.3. Need for the Project

PG&E states that the Interconnection Project is necessary to supply power to the Camanche Pumping Plant as part of the FRWP. The FRWA has determined that the FRWP is needed to protect long-term sustainable yield of the groundwater basin in central Sacramento County by supplying the surface water necessary to fulfill the water supply program and to respond to forecasted water shortages due to drought, maintenance of existing Mokelumne River basin supply, and/or catastrophic events, which will be exacerbated by increased flows for senior water-right holders, resource protection, and increasing population. PG&E must interconnect in order to power the Camanche Pumping Plant and related facilities.

We find that the Interconnection Project is necessary to promote the safety, health, comfort, and convenience of the public and that it is required by the public convenience and necessity.

4.4. Estimated Cost

PG&E estimates that the total construction cost for the Interconnection Project will be \$4,743,600. Operation and maintenance costs will be paid for by EBMUD in either a monthly payment of \$20,645 per month or a one-time payment of approximately \$2,324,364.

All costs will be borne by EBMUD in accordance with PG&E's Detailed Interconnection Study, dated 11/22/05, and the Agreement to Perform Tariff Schedule Related Work, dated 6/16/06. PG&E's ratepayers should not and will not bear any of the capital costs or operation and maintenance costs related to the Interconnection Project. Therefore, cost is not an issue in this application.

4.5. Route Selection

The project area is dominated by non-native, grazed annual grassland and other agricultural uses, with some scattered blue oak woodlands and occasional wetland features. The proposed route for the interconnection line was selected because it avoids wetland habitat and removal of mature blue oak trees to the extent feasible, avoids impacts to elderberry (*Sambucus Mexicana*), which is the host plant for the federally threatened valley elderberry longhorn beetle (*Desmocerus californicus dimorphus*), and allows an optimal tap point approximately mid-span on the existing transmission line. The land is located on land owned by EBMUD.

In the review of project alternatives, one alternative location for the Camanche Pumping Plant and related facilities was considered. That alternative was the Brandt site.¹¹ Both sites were roughly the same distance from PG&E's Rancho Seco-Bellota No. 2 230 kV Transmission Line, and neither location raised any significant environmental impacts from the tap line. However, the Brandt site would have required considerable excavation in order to achieve the necessary hydraulic gradient for the pumping plant treatment process.¹² For this reason, and because the Brandt site was not owned by EBMUD, the Camanche site was selected.

The interconnection route proposed in both the FEIR/S and the 2006 Addendum extended from a tap location just north of the access road and paralleled the access road for approximately 2,175 feet, at which point the line

¹¹ See FEIR/S at 2-17 – 2-18; see generally Chapter 2, Project Description, discussion of project alternatives.

¹² See FEIR/S at 2-17.

turned southerly and terminated at the proposed EBMUD substation. That proposed route runs directly through stands of blue oak woodland. In addition, elderberry bushes have been discovered near that tap location which could have been impacted by construction activities. The modified alignment, included in the 2008 Addendum, will begin at a tap location approximately 350 feet north of the previously proposed tap location and will run in a slightly southeasterly direction for approximately 2,100 feet before turning southerly and terminating at the substation. This alignment avoids impacts to the elderberry bushes and requires the removal of fewer mature blue oak trees.

4.6. Schedule

PG&E provided a schedule showing the program of right-of-way acquisition and construction. The proposed schedule in Exhibit C shows right-of-way acquisition in the May 2008 through July 2008 timeframe and construction beginning in August 2008 and ending prior to the January 1, 2009 operational date.

4.7. Contact with Governmental Agencies

Prior to approval of the FRWP, EBMUD conferred with a variety of governmental agencies regarding the proposed location of the various project components, including the location of the Camanche Pumping Plant and related facilities. A list of those agencies consulted is included in the FEIR/S at Chapter 22, attached as Exhibit G to PG&E's application. In March 2002, as part of the environmental review process for the FRWP, the agencies and interested parties listed in the Notice of Preparation (NOP) Service List were sent a NOP and request for comment on the proposed project, including the Camanche Pumping Plant and related facilities. All comments received, and responses to those comments, were included in the FEIR/S.

The NAHC was contacted concerning the FRWP on or about February 2002. The NAHC responded in a letter that a records search failed to indicate the presence of Native American cultural resources in the immediate project area. The FRWP sent letters to Native American contacts listed by the NAHC in March 2002. No responses indicating the presence of Native American cultural resources were received.¹³

4.8. Environmental Review

CEQA requires that the Commission consider the environmental consequences before acting upon or approving the project.¹⁴ The Commission must act as either a Lead or Responsible Agency under CEQA. The Lead Agency is the public agency with the greatest responsibility for supervising or approving the project as a whole.¹⁵ Here, PG&E's Interconnection Project is part of the much larger FRWP. The FRWA is the lead agency under CEQA for the FRWP, and the Commission is therefore a Responsible Agency.

As a Responsible Agency, the Commission must consider the Lead Agency's environmental documents and findings before acting upon or approving the project.¹⁶ The specific activities that must be conducted by a Responsible Agency are contained in the CEQA Guidelines, Section 15096.

The FRWA has completed its environmental review under CEQA and certified the FEIR on April 15, 2004. The 2006 Addendum addressed, among

¹³ All correspondence on this issue was attached to the application by PG&E as Exhibit E.

¹⁴ CEQA Guidelines, Section 15050(b).

¹⁵ Id.

¹⁶ Id.

other things, a change in location of the electrical substation and the Camanche Pumping Plant, and the details concerning the Interconnection Project. The 2008 Addendum addressed minor changes in the transmission line route.

FRWA's environmental review indicates there are no significant environmental impacts associated with the Interconnection Project. Also, the Commission's Energy Division has monitored the project, reviewed the environmental analyses related to the Interconnection Project including additional analyses prepared by FRWA at the Energy Division's request, and indicated it has no CEQA concerns. Thus, we conclude there are no CEQA concerns associated with the Interconnection Project.

4.9. EMF Considerations

PG&E states that, in designing and constructing its transmission lines, it complies with the "EMF Design Guidelines for Electrical Facilities," approved by the Commission in 2007. Because those guidelines exempt transmission projects located exclusively adjacent to undeveloped land from the need to consider no-cost and low-cost magnetic field reduction measures, PG&E has not proposed any such measures for this project.

5. Conclusion

As discussed above, PG&E has complied with the of GO 131-D requirements for an Interconnection Project CPCN. The Interconnection Project is necessary, the route is reasonable, cost is not an issue, and there are no CEQA concerns. The Commission has reviewed the FRWA's environmental documents and finds them adequate for our decision-making purposes under CEQA. The FRWA reasonably concluded that the Interconnection Project will not have significant adverse effects on the environment. The Project should and will be approved.

6. Waiver of Comment Period

This is an uncontested matter in which the decision grants the relief requested. Accordingly, pursuant to Public Utilities Code Section 311(g)(2) and Rule 14.6(c)(2), the otherwise applicable 30-day period for public review and comment is waived.

7. Assignment of Proceeding

Dian M. Grueneich is the assigned Commissioner and David K. Fukutome is the assigned Administrative Law Judge in this proceeding.

Findings of Fact

1. This application is uncontested.
2. As required by GO 131-D, PG&E has provided the following in sufficient detail:
 - a. description of the Project, the proposed transmission equipment and the proposed schedule for certification, construction and commencement of operation of the facilities;
 - b. maps of the proposed routing location showing the right-of-way in the vicinity of settled areas, parks, recreational areas, scenic areas, and existing electrical transmission lines within one mile of the proposed route;
 - c. facts and reasons why the public convenience and necessity require the construction and operation of the proposed transmission facility;
 - d. statement of the estimated cost;
 - e. reasoning for adoption of the route selected, including comparison with an alternative route, and including the advantages and disadvantages of each;
 - f. schedule showing the program of right-of-way acquisition and construction;
 - g. a listing of the governmental agencies with which proposed route reviews have been undertaken;

- h. information on the environmental impact; and
 - i. EMF related considerations.
- 3. The FRWA has determined that the FRWP is needed to protect long-term sustainable yield of the groundwater basin in central Sacramento County.
- 4. The Interconnection Project is necessary to supply power to the Camanche Pumping Plant as part of the FRWP.
- 5. The Interconnection Project is necessary to promote the safety, health, comfort, and convenience of the public. It is required by the public convenience and necessity.
- 6. The modified alignment of the Interconnection Project route, as detailed in the 2008 Addendum, is reasonable.
- 7. All Interconnection Project costs will be borne by EBMUD in accordance with PG&E's Detailed Interconnection Study dated November 11, 2005 and the Agreement to Perform Tariff Schedule Related Work dated June 6, 2006.
- 8. The FRWA is the Lead Agency for the FRWP under CEQA.
- 9. The Commission is a Responsible Agency for the purposes of environmental review of the FRWP under CEQA.
- 10. The FRWA reasonably concluded that the Interconnection Project will not have significant adverse effects on the environment.

Conclusions of Law

- 1. PG&E should be granted a CPCN to construct the Interconnection Project.
- 2. PG&E's ratepayers should not bear any cost of the Interconnection Project.
- 3. The Commission has reviewed the FRWA's environmental documents and finds them adequate for our decision-making purposes under CEQA.

4. In constructing, operating and maintaining the Interconnection Project, PG&E should comply with any applicable mitigation measures identified by the FRWA in its certified FEIR and the 2006 and 2008 Addendums.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Pacific Gas and Electric Company (PG&E) to construct, operate and maintain the Camanche 230 kilovolt Transmission Line Interconnection Project (Interconnection Project), in the manner described in this application, subject to the following conditions:

- a. PG&E shall not recover any costs associated with the Interconnection Project from its ratepayers.
- b. PG&E shall comply with all environmental mitigation measures related to the Interconnection Project.

2. Application 08-04-040 is closed.

This order is effective today.

Dated October 2, 2008, at San Francisco, California.

MICHAEL R. PEEVEY

President

DIAN M. GRUENEICH

JOHN A. BOHN

RACHELLE B. CHONG

TIMOTHY ALAN SIMON

Commissioners