



California Public Utilities Commission 505 Van Ness Ave., San Francisco

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PRESS RELEASE

Docket #: A.06-08-010

CPUC ISSUES PROPOSED DECISIONS IN SUNRISE TRANSMISSION LINE PROCEEDING

SAN FRANCISCO, October 31, 2008 - The California Public Utilities Commission (CPUC) today released an Administrative Law Judge Proposed Decision and a Commissioner's Alternate Proposed Decision regarding San Diego Gas and Electric Company's (SDG&E) proposed 150-mile Sunrise Powerlink Transmission Project.

The Proposed Decision sponsored by an Administrative Law Judge (ALJ) denies the Sunrise application, stating that the line is not needed to meet California's current renewable requirements, and that, if constructed, it could result in very significant costs to ratepayers and extensive environmental damage. Among other things, the ALJ's proposed decision states SDG&E's service area will not experience a reliability need or "shortfall" until 2014, and the shortfall may be met more economically and more reliably with generation-based alternatives.

The Alternate Proposed Decision sponsored by Commissioner Dian M. Grueneich, the assigned Commissioner in the Sunrise proceeding, approves, with conditions, the Final Environmentally Superior Southern Route for Sunrise that is described in the Final Environmental Impact Report/Environmental Impact Statement. This route avoids Anza-Borrego Desert State Park and all tribal lands. The Alternate Proposed Decision also concludes that Sunrise is not needed to meet California's current 20 percent by 2010 renewables requirement, but that it will be needed to meet California's greenhouse gas (GHG) reduction goals by facilitating renewable procurement at 33 percent levels.



The Alternate Proposed Decision finds that if Sunrise is used to deliver renewable power at 33 percent levels it will generate over \$100 million per year in ratepayer benefits. Thus, the Alternate Proposed Decision requires SDG&E to prepare a “Sunrise Compliance Plan” for CPUC approval that will ensure that substantial amounts of Imperial Valley renewables will be delivered on the line. If SDG&E agrees to the condition, it will be permitted to engage in pre-construction activities prior to the CPUC’s approval of its compliance plan, but it may not engage in any activities that could result in a material physical impact to the environment.

In describing the Alternate Proposed Decision, Commissioner Grueneich said, “It is critical that we focus on our GHG goals. If Sunrise can deliver the Imperial Valley renewables promised by SDG&E, we can go a long way toward meeting those goals and provide hundreds of millions of dollars in ratepayer benefits.”

Oral argument in the proceeding will be held in the CPUC’s Auditorium at 505 Van Ness Ave., San Francisco, on November 7, 2008, at 10:30 a.m. Parties in the proceeding may also file comments on the Proposed Decisions and/or Alternate Proposed Decision by November 20, 2008, and reply comments by November 25, 2008.

The CPUC’s first opportunity to vote on the ALJ Proposed Decision and the Alternate Proposed Decision is December 4, 2008. Any Commissioner may draft another Alternate Proposed Decision presenting differing conclusions or opinions for consideration by the full CPUC. Within 30 days after a decision is issued by the CPUC, parties can apply for rehearing.

For further information on the CPUC’s decision-making process, please call the CPUC Public Advisor at (866) 849-8390 or (415) 703-2074 or email public.advisor@cpuc.ca.gov.

Electronic copies of the ALJ Proposed Decision and the Alternate Proposed Decision are available at www.cpuc.ca.gov/PUC/hottopics/1energy/a0512014.htm.



For more information on the CPUC, please visit www.cpuc.ca.gov.

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