

# BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SOUTHERN	)	Application No. 09-09-022
CALIFORNIA EDISON COMPANY (U 338-E)	)	
for a Certificate of Public Convenience and	)	(Filed September 30, 2009)
Necessity for the Alberhill System Project	)	· · · · · · · · · · · · · · · · · · ·
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AMENDMENT TO THE APPLICATION OF SOUTHERN CALIFORNIA EDISON
COMPANY (U 338-E) FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND
NECESSITY: ALBERHILL SYSTEM PROJECT

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Dated: March 12, 2010

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I.

# **INTRODUCTION**

Pursuant to Commissioner Grueneich's ruling dated March 3, 2010 directing caption modification, Southern California Edison Company (SCE) submits this Amendment to the Application of Southern California Edison Company for a Certificate of Public Convenience and Necessity: Alberhill System Project (Amendment).

II.

# **DEPOSIT FOR COSTS**

Pursuant to Rule 2.5 of the Commission's Rules of Practice and Procedure, SCE is enclosing with this Amendment a filing fee of \$75.00. Additionally, SCE has complied with Rule 2.5 by sending a first deposit in the amount of \$71,867.00 to the Commission's Energy Division on September 30, 2009 and a second deposit in the amount of \$71,867.00 on January 28, 2010. SCE is enclosing the third and final deposit in the amount of \$85,766.00 with this Amendment.

# III.

# LOCATION OF ITEMS REQUIRED BY PUBLIC UTILITIES CODE SECTION 1003, COMMISSION RULES, AND GENERAL ORDER 131-D

The Public Utilities Code, the Commission's Rules of Practice and Procedure, and the Commission's General Orders require various items of information to be submitted with an application for a Certificate of Public Convenience and Necessity (CPCN). The table below lists the items, the authority which dictates the submittal, and references where the information is included in SCE's filing. SCE submitted some of the required items in its Application for a Permit to Construct (PTC) and Proponents Environmental Assessment (PEA), filed on September 30, 2009.

Requirement	Authority	Testimony or Appendix	PEA
A detailed description of the	G.O. 131-D, IX.A.1.a; Rule 3.1(a);		Chapter 3
proposed project	Public Utilities Code 1003(a)		
A project map	G.O. 131-D, IX.A.1.b; Rule 3.1(c)		Chapters 1, 2, 3, 4
A purpose and need statement	G.O. 131-D, IX.A.1.c; Rule 3.1(c)		Chapter 1
Project Implementation Plan	Public Utilities Code 1003(b)	Appendix A - Project Plan (attached hereto)	
Design, Construction Management and Cost Control Plan	Public Utilities Code 1003(e)	Appendix A - Project Plan (attached hereto)	
A detailed statement of the estimated cost	G.O. 131-D, IX.A.1.d; Rule 3.1(f); Public Utilities Code 1003(c)	Cost Testimony 1	
Route selection including comparison with alternative routes	G.O. 131-D, IX.A.1.e		Chapter 2
A project schedule showing the program of right-of-way acquisition and construction	G.O. 131-D, IX.A.1.f	Appendix A - Project Plan (attached hereto)	
Governmental agency consultations	G.O. 131-D, IX.A.1.g		Appendix J
PEA	G.O. 131-D, IX.A.1.h		Submitted with PTC

<sup>&</sup>lt;sup>1</sup> SCE is currently finalizing its detailed statement of the estimated cost and will serve its cost testimony for the Alberhill System Project.

			Application
EMF Field Study	G.O. 131-D, Section X.A	Appendix F to PTC Application	
Notice of Application	G.O. 131-D, XI.A	Appendix D to PTC Application	
Articles of Incorporation	CPUC Information and Criteria List Appendix B, 2.2; Rule 2.2, Public Utilities Code 1004	Appendix B (attached hereto)	
Financial Statement; Statements and/or exhibits showing financial ability of applicant to render service; Annual Report and/or Proxy Statement	CPUC Information and Criteria List Appendix B, 2.3; Rule 3.1(g) and (1); Rule 2.3	Appendix A to PTC Application	
Names/addresses of all utilities, corporations, persons or entities with which the proposed project is likely to compete	Rule 3.1(b)	Appendix C (attached hereto)	
Names of cities and counties within which service will be rendered	Rule 3.1(b)	Appendix B to PTC Application	
List identifying the permits required	Rule 3.1(d)	Appendix D (attached hereto)	
Annual Revenue Requirement <sup>2</sup>	Rule 3.1(h); Public Utilities Code 1003(d)		

IV.

# ADDITIONAL INFORMATION REGARDING THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR

In its Protest to SCE's Application for a Permit to Construct, the Division of Ratepayer Advocates requested that SCE be required to submit information on the status of the California Independent System Operator's (CAISO) evaluation of the Alberhill System Project. On December 16, 2009, the CAISO Board of Governors found that the Alberhill System Project is a necessary and cost-effective long-term transmission addition to the CAISO Controlled Grid. The CAISO Board of Governors also directed SCE to continue with the design, licensing and

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<sup>&</sup>lt;sup>2</sup> Because a majority of the facilities that comprise the Project are electric transmission facilities, the reasonableness of costs and the associated ratemaking for the portions of the Project that are FERC-jurisdictional are within the exclusive jurisdiction of FERC. Any rate changes associated with the CPUC jurisdictional portion of the Project will be addressed in SCE's future General Rate Case.

construction of the Alberhill System Project. Meeting minutes and supporting documentation can be found on the CAISO's website at <a href="http://www.caiso.com/247f/247f89e5248d0.html">http://www.caiso.com/247f/247f89e5248d0.html</a>.

V.

# **CONCLUSION**

SCE respectfully requests the Commission to issue a CPCN for the Alberhill System Project.

Respectfully submitted,

STEPHEN E. PICKETT BETH GAYLORD LAURA RENGER

/s/ Laura Renger

By: LAURA RENGER

Attorneys for SOUTHERN CALIFORNIA EDISON COMPANY

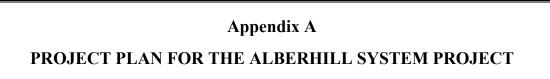
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Dated: March 12, 2010



# ALBERHILL SYSTEM PROJECT

# PROJECT PLAN

## 1.0 INTRODUCTION

This document, the Project Plan for the Alberhill System Project (Project), is submitted in support of Southern California Edison's (SCE) application a Certificate of Public Convenience and Necessity (CPCN) to the California Public Utilities Commission (CPUC). This Project plan includes materials required by California Public Utilities (PU) Code Section 1003 or indicates by reference where such material can be found in the Project CPCN application, Proponent's Environmental Assessment (PEA), or elsewhere.

# 2.0 PROJECT SCOPE

The scope of the Project, including the preliminary engineering and design information required by PU Code Section 1003 (a), may be found in the Chapter 3.0 of the Project PEA.

### 3.0 OBJECTIVES AND GOALS

The objectives of the Project may be found in Section 1.4 the Project PEA. During the Project execution (final engineering, procurement, and construction) phase, SCE goals include:

- Completing Project engineering, procurement, and construction activities by the scheduled operating date.
- Ensuring sufficient resources are planned and available to perform work.
- Managing project budget and providing cost control and oversight.
- Complying with applicable design, construction, and safety standards.

## 4.0 PROJECT IMPLEMENTATION PLAN

## 4.1 Introduction

The Project will be managed on a Project Management matrix basis. Given the large project scope, cost, long material lead time, and the extended construction period, procurement of major long-lead time materials must be authorized to begin prior to regulatory approval. Extensive support will be required at the start of final engineering and will continue through the end the Project. Construction can not begin until regulatory approval is received. Any required permits identified in the regulatory approval process, must also be obtained before construction can begin in the affected areas.

#### 4.2 Project Management Team

The Project Manager has the overall responsibility and commensurate authority for successful completion of the Project. Responsibilities include: planning, obtaining regulatory approvals, scheduling, cost (management, planning and control), executing (final engineering, procurement, and construction), and the overall quality of the Project. All personnel assigned to the project functionally report to the Project Manager.

During the life of the Project, the Project Management Team (PMT) will consist of a number of specialized teams and support personnel with special areas of expertise. Because of the changing nature of Project needs as it progresses through the development, regulatory approval, and construction phases, the PMT will also change to meet the Project needs.

The PMT is responsible for the successful implementation of the Project. It is responsible for tracking costs, scope changes, schedules, and construction performance. The team will have regular meetings to discuss project status, review performance, and identify any special needs or significant concerns.

# 4.3 Project Construction Management Plan

The complexities of the Project may necessitate the use of alternative construction management approaches. The construction management option to be selected will be based on SCE's need to optimize its use of limited "in-house" resources and expertise in the most effective manner. The major construction management approaches under consideration are:

- 1. SCE performs engineering, design, and manages construction using SCE and contractor labor; or,
- 2. SCE develops "Engineering, Procurement, and Construction (EPC)" specifications which are the basis for selecting and managing an EPC contractor to perform engineering, design, and construction.

SCE construction management personnel and the PMT will review SCE and contractor costs and progress on a regular basis. Table A-1 "Project Schedule", identifies the preliminary design, construction, completion, and operational dates for each of the major project components.

# 5.0 COST ESTIMATE

SCE is currently finalizing its detailed statement of the estimated cost and will serve its cost testimony for the Alberhill System Project.

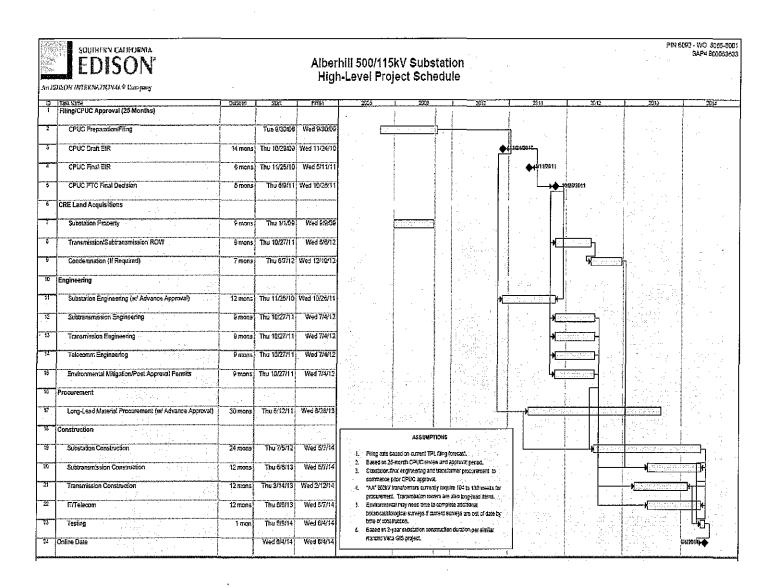
# 6.0 COST CONTROL PLAN

The Project will have a project cost control plan. Depending upon which resource(s) is(are) utilized to perform final engineering, procurement, and construction activities on this Project, a schedule of values consistent with the Work Breakdown Structure (WBS) will serve as the basis for progress payments made to the contractor, or the measure of performance for SCE construction crews. If utilized, the contractor shall submit for SCE's review and approval its payment request, together with all required supporting documentation, for all work performed in the subject period.

The contract price may only be changed by a Filed Change Order or by a Trend approved by the Project Manager. The value of any work covered by a Field Change Order will be determined by one of the following methods:

- Where the work involved is covered by unit prices contained in the Contract Documents, applying the unit prices to the quantities of the items.
- By a mutually agreed upon lump sum itemized and supported by substantiating data.
- Actual Cost of the Work plus a Contractor's fee.

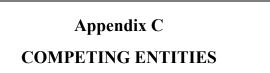
# TABLE A-1 PROJECT SCHEDULE





A certified copy of SCE's Restated Articles of Incorporation, effective March 2, 2006, was filed with the Commission on March 14, 2006 with SCE's Application No. 06-03-020. These Articles are incorporated herein by reference.

A copy of SCE's proxy statement sent to SCE's shareholders, dated March 13, 2009, was sent to the Director of the Energy Division on March 17, 2009, in compliance with Ordering Paragraph No. 1 of Decision No. 88-01-063, Condition No. 5d.



The proposed construction lies entirely within the boundaries of SCE's existing service territory, and as such, it will not compete with any other utility, corporation, or person.

# Appendix D LIST IDENTIFYING THE PERMITS REQUIRED FOR THE ALBERHILL SYSTEM PROJECT

Potential Permit Requirements for the				
Alberhill System Project				
Agency	Jurisdiction	Description of Permit		
FEDERAL				
U.S. Fish and Wildlife Service	Federal Listed, Threatened, and Endangered Species	Consultation for Section 10 of the Federal Endangered Species Act		
CALIFORNIA - STATE				
California Public Utilities Commission	Transmission, substation, generation projects 50 kV and above	Certificate of Public Convenience and Necessity		
California Department of Fish and Game	Manage fish, wildlife, plant resources and habitats	Consultation for Section 2081 of California     Endangered Species Act		
California Department of Transportation, District 8	CA streets and highways Code 660- 711.21 CCR 1411.1-1411.6	Overload Permit     Road/Highway Encroachment/Crossing Permit(as required)		
State Historic Preservation Office	Any archaeological or paleontological work	Cultural Resources Use Permit, Field Use Authorization, or an ARPA Permit (if required)     Consultation for Section 106 of the National Historic Preservation Act		
CALIFORNIA - LOCAL	AND REGIONAL			
Riverside County	County roads and highways, flood control/drainage channels, building permits	Road/Highway Encroachment/Crossing Permit (as required)     Flood Control/Drainage Channel Encroachment/     Crossing Permit (as required)     Grading Permit (as required)     Building Permit (as required)		
Santa Ana Regional Water Quality Control Board, Region 8	Stormwater discharge during construction	Water Quality Order 99-08-DWQ     General Construction Storm Water Permit/SWPPP		
South Coast Air Quality Management District	Fugitive dust emissions	Rule 403 Permit – control of fugitive dust		
Riverside County Habitat Conservation Agency		License/Easement to cross RCHCA lands		
Western Riverside County Regional Conservation Authority	MSHCP	Participating Special Entity (if required)		
Cities	City roads and highways, flood control / drainage channels, lands	Road/Highway Encroachment/Crossing Permit     Flood Control Channel Encroachment/Crossing     Permit     Temporary Use/Occupancy Permit – Material and     Storage Yards		
OTHER UTILITIES				
Sempra	Activities in area of pipelines	Pipeline Encroachment/Crossing Permit (as required)		
Railroad	Activities in area of railroad	Encroachment/Crossing Permit (as required)		

# **CERTIFICATE OF SERVICE**

I hereby certify that, pursuant to the Commission's Rules of Practice and Procedure, I have this day served a true copy of the AMENDMENT TO THE APPLICATION OF SOUTHERN CALIFORNIA EDISON COMPANY (U 338-E) FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY: ALBERHILL SYSTEM PROJECT on the Chief Administrative Law Judge, by placing the copy in a sealed envelope and causing such envelope to be delivered by hand or by overnight courier to the offices of the Commission or other addressee(s).

Executed this 12<sup>th</sup> day of March, 2010, at Rosemead, California.

/s/ Alejandra Arzola

ALEJANDRA ARZOLA
Project Analyst
SOUTHERN CALIFORNIA EDISON COMPANY

2244 Walnut Grove Avenue Post Office Box 800 Rosemead, California 91770



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