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 Santa Cruz 115 Kilovolt Reinforcement Project Pursuant to General Order 131-D

(U 39 E)

A.12-01-012 (Filed January 25, 2012)

PACIFIC GAS AND ELECTRIC COMPANY'S MOTION TO DISMISS APPLICATION WITHOUT PREJUDICE

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Pursuant to Rule 11.1 of the Rules of Practice and Procedure of the California Public

Utilities Commission (Commission) and Administrative Law Judge Robert Mason's January 27,

2015 E-Mail Ruling in the above-captioned matter ("Ruling"), Pacific Gas and Electric

Company ("PG&E") respectfully submits this Motion To Dismiss Without Prejudice its

Application for a Permit to Construct the Santa Cruz 115 Kilovolt Reinforcement Project

("Application").

BACKGROUND

The California Independent System Operator ("CAISO") approved the Santa Cruz 115 kV Reinforcement Project ("Project") in its 2009 Transmission Plan to mitigate near-term undervoltage conditions in the Santa Cruz area. CAISO staff also recognized that the Project would address future overload conditions during summer peak demand periods in the area. In response, on January 25, 2012, PG&E filed the instant Application to construct the Project. The Project included construction of a third 115 kV power line between Green Valley Substation and Rob Roy Substation in Santa Cruz County.

While the Project underwent environmental review pursuant to the California Environmental Quality Act, PG&E installed local voltage support at area substations that adequately addressed the voltage concerns. However, based on PG&E's then-current load forecasts for the Santa Cruz area, a potential over-loading condition remained extant when summer peak demand in the area approached 157 MW, which was expected to occur within five years. Construction of the Project's third power line between Green Valley Substation and Rob Roy Substation would have mitigated the potential overloading condition.

In the late Fall of 2014, PG&E re-assessed its own load forecasts for the Santa Cruz area in light of (i) new load data, including data from a hot weather event in Santa Cruz County from October 2-6, 2014 that approached a 1-in-10-year event, and (ii) the most recent energy efficiency forecasts prepared by the California Energy Commission. PG&E preliminarily determined that while the Project was still needed, it might not be needed within five years.

Consequently, PG&E requested that the CAISO re-evaluate the need for the Project. As noted in the Ruling, the CAISO, by letter dated December 17, 2014, determined that the Project "is not needed within the 10-year planning horizon, and therefore has approved cancellation of this [P]roject." On December 23, 2014, PG&E wrote to the parties and the assigned ALJ and requested that in light of the CAISO's determination, the Application be dismissed without prejudice. PG&E's request resulted in the Ruling directing it to file the instant Motion to Dismiss Without Prejudice.

RELIEF REQUESTED

For the reasons described above, PG&E requests that the Commission dismiss <u>without</u> <u>prejudice</u> its January 2012 Application for a Permit to Construct the Santa Cruz 115 Kilovolt Reinforcement Project.

The undersigned has met and conferred via email with all of the parties in this proceeding and has been authorized to represent that all parties agree that the Application should be dismissed *without prejudice*.

DATED: February 9, 2015

Respectfully submitted,

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