

Decision No. 81185

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of
PACIFIC GAS AND ELECTRIC COMPANY for
a certificate of public convenience
and necessity under General Order
No. 131, for a 500-kv transmission
line facility from applicant's Midway
Substation to an interconnection with
Southern California Edison Company's
proposed 500-kv transmission line
to Vincent Substation.

Application No. 52953
(Filed October 29, 1971)

(Electric)

In the matter of the application of
SOUTHERN CALIFORNIA EDISON COMPANY
for a certificate that the present
and future public convenience and
necessity require or will require
the construction and operation by
applicant of a section of the No. 3
500-kv transmission line between
Midway Substation and Vincent Sub-
station, together with related
appurtenances.

Application No. 52976
(Filed November 8, 1971)

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O P I N I O N

In this proceeding each of the applicants, Pacific Gas and Electric Company (PG&E) and Southern California Edison Company (Edison), seeks a certificate of public convenience and necessity under General Order No. 131 for its portion of a third 500-kv transmission line facility between PG&E's Midway Substation and Edison's Vincent Substation. The Midway Substation is located approximately 23 miles west of Bakersfield near Buttonwillow in Kern County, and the Vincent Substation is located near Palmdale in Los Angeles County. The proposed transmission line will be approximately 105 miles in length.

PG&E will own and construct the northerly one-half of the line from Midway Substation to the point of interconnection with Edison. Edison, in turn, will own and construct the southerly one-half of the line from that point of interconnection to the Vincent Substation. The line will provide, on a separate right-of-way, a third 500-kv transmission circuit between these substations and will operate in parallel with the existing Nos. 1 and 2 Midway-Vincent 500-kv lines interconnecting the Edison and PG&E electric systems. The two existing lines, which are owned by Edison, were constructed and placed in service in 1967 and 1968, respectively, as part of the Pacific Northwest-Southwest Intertie.

After due notice public hearing was held in these matters before Commissioner Moran and Examiner Main on May 9, 10 and 11, 1972 in Los Angeles and on November 20, 1972, in San Francisco.

PG&E and Edison presented evidence in support of their applications through 7 witnesses who sponsored 28 exhibits. This evidence, in part, was in response to data requests made by the Commission staff in the course of its investigation and review

of these applications. The staff cross-examined witnesses to develop an adequate record. It did not present a direct case.

The interest of the Northern California Power Agency (NCPA) in this proceeding concerns an alleged discriminatory policy PG&E may have toward NCPA. If there is such a policy and there are violations of the antitrust laws or the Public Utilities Code as a result of it, NCPA asks that that policy be eliminated as a condition of any certificate granted in Application No. 52953. The evidence on such matters was limited by the imposition of guidelines set forth, *infra*, to that pertinent to this application for certification of a specific facility. The chief executive officer of PG&E was the only witness called or examined by NCPA on this issue. ✓

None of the parties to the proceeding opposed the granting of the certificates of public convenience and necessity sought except NCPA to the extent indicated above.

Need for Proposed Transmission Facility

The existing Nos. 1 and 2 Midway-Vincent 500-kv transmission lines constitute the major interconnection between the Edison and PG&E electric systems and provide the means by which Edison and San Diego Gas & Electric Company receive power purchased from the Pacific Northwest and from the State of California. The interconnection allows either the Edison or the PG&E electric system to assist the other system in the event of emergencies. It also provides the means for transfer of economy power between these systems or to other utility systems interconnected with them.

The two existing Midway-Vincent 500-kv lines are on the same right-of-way. The proposed third 500-kv line is needed to increase the reliability of power supply to Edison and PG&E and, for this reason, should be located, as proposed, on a separate and distant right-of-way. The new line increases reliability by providing backup transmission for loss of one or both of the existing Midway-Vincent lines because of fault or other emergency condition. Outages have occurred on these lines.

The third line is also needed to increase the capability of Edison and PG&E to provide emergency or planned assistance to each other. This is especially important in Edison's case.

Planned generation additions have been delayed well beyond the scheduled date and there is the continuing difficulty of obtaining timely approvals to construct new generating facilities. Emergency assistance should not be limited by insufficient interconnection capacity between these two large utilities.

In this regard, the two existing 500-kv intertie circuits with a nominal capacity of 2,000 megawatts are sometimes loaded heavily, between 1,500 and 2,000 megawatts, for many hours. At such times, only a relatively small amount of capability remains to transport emergency power. The third line will add about 1,000 megawatts of transmission capacity to the interconnection. This will also increase the capability for transfer of firm and economy power.

Route Selection

PG&E and Edison follow comprehensive procedures in selecting transmission line routes. As a result, the proposed route of this transmission facility was selected by applicants after giving consideration to applicable criteria for route selection such as the effect of the line on the environment, historical and aesthetic values, recreational and park areas, other existing and planned land uses, the location of settled areas, acceptability to county planning commissions, community values, line length, reliability, and construction and maintenance problems.

The following important considerations or requirements apply to selecting the route for the proposed line, particularly for PG&E's section. ✓

(1) Engineering requirements:

- (a) Maintenance of a 2,000 foot minimum separation, to the greatest practical degree, from the existing Midway-Vincent 500-kv tower lines, to reduce the risk of simultaneous interruption

of transmission circuits located on the same right-of-way by lightning, adverse weather conditions, brush or forest fires, aircraft operation, and sabotage. For these reasons and based on experience, it is considered prudent to provide minimum right-of-way separation of 2,000 feet where possible. Separation of the proposed new intertie from the two existing intertie circuits was one of the criteria considered in selecting the route for this proposed new line.

- (b) Avoidance of ground elevations above 5,000 feet, where practical, because of ice-loading problems on the existing Midway-Vincent 500-kv lines at those higher elevations.
- (c) Avoidance, for reasons of system security, of crossing the existing Midway-Vincent 500-kv lines.
- (2) Termini: PG&E's Midway and Edison's Vincent substations.
- (3) Avoidance of the settled areas of Lamont, Weed Patch, and Arvin.
- (4) Land use:
 - (a) Minimization of impact on intensively farmed areas, particularly east of Highway 99, from Weed Patch southerly to the vicinity of Wheeler Ridge.
 - (b) Minimization of impact on numerous oil fields, from the Kern River area to the Grapevine area.
- (5) Location in relation to Interstate 5 Freeway which extends from the Wheeler Ridge area to east of Buttonwillow.
- (6) Location in relation to portions of the California Aqueduct and related facilities in the Grapevine area.
- (7) Avoidance of the Arvin-Edison Water Storage District's Tejon spreading works.

Location and Description of Proposed Facility

PG&E and Edison propose to construct a single-circuit, steel tower, 500-kv transmission line, approximately 105 miles

in length, between PG&E's Midway Substation near Buttonwillow, California, and Edison's Vincent Substation near Palmdale, California.

PG&E Portion

PG&E will construct the northerly one-half of the line from Midway Substation to the point of interconnection with Edison. This point is shown at about mile 53 in Exhibit 20, a route map.

The route of this portion of the line is located entirely in unincorporated territory of Kern County. No settled areas, parks, recreational areas, or scenic areas exist within one mile of the proposed line. Certain transmission lines are within one mile of the proposed transmission line and are shown on the route map. The terrain, topography, and the extent of existing land use are depicted along this course of the proposed line by Exhibit 20, a series of 20 photographs.

Beginning at Midway Substation, situated approximately 23 miles west of Bakersfield along State Highway 58, the transmission line runs easterly for about 0.7 miles, then turns southeast and east to parallel PG&E's Midway-Kern No. 1 and No. 2 230-kv tower lines for about 9.4 miles, crossing farmland before reaching the Southern Pacific Transportation Company's railroad tracks. From this point, the route is generally parallel and contiguous to the Southern Pacific right-of-way for approximately 7.2 miles. Along this portion the alignment crosses the Strant oil field and the Kern River. As the Southern Pacific tracks turn due east, PG&E's route continues on the southeast alignment for about 17.1 miles before turning due east at State Highway 99. The first portion of the leg passes between Canfield Ranch and Ten Section oil fields; much of the balance of the area being crossed is planted to row crops.

From State Highway 99 the route runs east for eight miles crossing lands cultivated in row crops, orchards, and vineyards. At this point the route angles southeast to avoid the Arvin-Edison Water Storage District's spreading works. It continues in an easterly direction for approximately 10.2 miles into the Tehachapi Mountains, just south of Comanche Point, until it intersects Edison's Magunden-Antelope 230-kv transmission lines. From here it is generally parallel and contiguous with Edison's existing lines in a southeasterly direction to the point of interconnection with Edison, where PG&E's ownership terminates.

Access for construction of the proposed line will basically be along the transmission line right-of-way. Where necessary, connecting roads will be built from the existing road network within Kern County, mainly between mile 45 and mile 52 on the PG&E portion. Acquisition of right-of-way for any road construction will be planned to best serve the needs of the property owner and the utility. The basic guidelines for construction of such access roads are contained in Exhibit 28. The testimony indicates each access road will be designed and located so as to have a minimal effect on the terrain and will be constructed so as to produce no unreasonable burden upon the environment.

There are no known sites or objects of historical or archaeological significance which will be affected by the proposed line or by any roads which may be necessary to build it. For its entire length in Kern County, the proposed line crosses parcels within various Agricultural Preserve Zones, established pursuant to California Government Code Sections 51200 et seq., and PG&E has complied with the notice requirement of Government Code Section 51291 (the California Land Conservation Act of 1965).

A summary of basic data for PG&E's portion of the proposed line is:

A. Length of PG&E's Portion	Approximately 53 miles
B. Right-of-Way Width	200 feet
C. Type of Conductor	Aluminum
D. Size of Conductor	2-conductor bundle 2300 MCM
E. Capacity (initial and proposed ultimate, based on conductor thermal rating)	Summer Normal 2100 MVA Summer Emergency 2500 MVA
F. Voltage	500-kv
G. Type of Structures	Single circuit, flat configuration, rectangular base lattice steel towers
H. Height of Structures	Approximately 100 feet to 160 feet
I. Estimated Cost	\$8,904,000 (inclusive of right-of-way costs)

Edison Portion

The route of Edison's section of the proposed line is located in unincorporated territory within the boundaries of Kern County and Los Angeles County. It will cross parcels within various Agricultural Preserve Zones, established pursuant to the California Land Conservation Act (Government Code, Section 51200, et seq.), and in connection therewith, Edison states that it has conformed with the requirements of that Act. The route does not pass in the vicinity of any settled areas, parks, recreational areas, recognized scenic areas, or any known historic sites or buildings.

In order to achieve desirable routing of the new line and to avoid crossovers of the existing 500-kv lines, Edison's

portion of the proposed new construction will consist of two separate sections and will require certain reconnection of sections of the existing Nos. 1 and 2 500-kv Midway-Vincent lines. Additionally, rearrangement of the lines in the immediate vicinity of Vincent Substation will be required in order to avoid a line crossover and thereby terminate the third line properly at Vincent Substation.

The two sections of new construction include a southernmost seven-mile section out of Vincent Substation and a northernmost 45-mile section which will connect at the northern end to PG&E's portion of the proposed line. The maps in Exhibit 8 show the detailed location of the right-of-way and the location of existing transmission lines within its vicinity. The proposed new construction in the seven-mile section and the reconnections are shown on the first two map sheets of that exhibit.

Beginning at Vincent Substation, the southernmost section of the proposed new construction will be routed to provide the required minimum 2,000-foot separation on the southwest side of the existing Nos. 1 and 2 lines and will then follow an alignment through fairly mountainous terrain to the point where the new line section will be connected to the existing No. 2 Midway-Vincent line. This section of the line crosses California Highway 14 (Antelope Valley Freeway) 3/4 mile from Vincent Substation.

The northernmost section of the proposed new construction will begin at a point approximately six miles northwest of Vincent Substation, where the existing Nos. 1 and 2 lines now turn west. It is at this point that the new line section will be connected to the existing section of the No. 1 line (which extends southeasterly to Vincent Substation) in order to form Edison's portion of the proposed No. 3 Midway-Vincent 500-kv line. The entire 45-mile route of the proposed

northernmost section will generally be parallel and adjacent to two existing Edison 220-kv steel-tower transmission lines. The first 8-mile section of this line to Antelope Substation drops from mountainous terrain through brush-covered hills and on to generally flat land, some of which is devoted to dry farming. The line continues for approximately 22 miles in a northwesterly direction over generally flat land, crossing some agricultural areas. Agricultural areas on these rights-of-way can continue to be used for agriculture. This section of line will cross California Highway 138 approximately 18 miles west of Lancaster, California. The final 16 miles of the line traverses mountainous terrain, with some portions being used for grazing. There are no major highway crossings in this section.

Access for construction or maintenance of most of the line is available by using existing transmission line access roads, although some connecting roads and roads to actual tower sites may be required. A new transmission line access road system, as shown in Exhibit 11, will be required, however, for the seven-mile section of proposed new line out of Vincent Substation. The testimony indicates that where roads are needed, design and location will be done in such a manner as to create the least effect on the terrain and to minimize environmental effects. Exhibit 12, Standard Specification No. E-5025, will be used as a basis for the access road portion of the construction specification.

Within the right-of-way for Edison's section of the proposed line there are no timber products or presently known mine or mineral deposits, natural resources, or oil and gas fields. There are some agricultural uses being made of the area to be traversed by the right-of-way; included are grazing lands, alfalfa, and dry farming. Where land is being used or

is available for agricultural uses the amount of land taken out of production by reason of tower sites averages less than one acre per linear mile of right-of-way. In the hilly lands, there may be a very few trees and native brush removed but these will be minimal.

Great care and effort has been made to select a route that will produce the least adverse effect on aesthetics in the area traversed by the southerly seven-mile section of the proposed line. To produce the least adverse visible impact, skylining has been substantially avoided and the natural backdrop of the mountains has been used to make the lines as inconspicuous as is reasonably possible. In comparison with the only other reasonably practicable location for this section of the line, the testimony indicates there is no doubt that the route adopted will produce the lesser aesthetic impact. The right-of-way for Edison's remaining 45-mile section of the proposed line parallels two existing Edison 220-kv steel tower transmission lines and the addition of the proposed towers and conductors should not cause an unreasonable additional burden from the standpoint of a visual impact when compared to what is already there. An exception to this paralleling is at the location where the 500-kv line must cross over the Los Angeles Department of Water and Power-Edison 800-kv DC line and a Los Angeles Department of Water and Power 230-kv line. At this point, the line moves from a parallel alignment in order to avoid congestion and improve reliability at the point of crossing. Any other northernmost route separate from existing facilities would require a wider right-of-way, require new access roads for construction and maintenance, produce a greater total effect on land use, result in a greater total visual impact, and thereby generally produce a greater impact on the environment and aesthetics of the area.

A summary of basic data for Edison's portion of the proposed line is:

A. Line Length	52 miles (approx.)
B. Right-of-Way Width	New right-of-way varies from 180' to 230'
C. Type of Conductor	Aluminum Conductor Steel Reinforced (ACSR)
D. Size of Conductor	2156 MCM, 84 x 19
E. Conductor Configuration	Two-conductor bundle per phase
F. Capacity (thermal)	3600A
G. Voltage	500-kv
H. Type of Structure	Conventional self-supporting square based, lattice steel towers
I. Height of Structures	Varies from 80' to 150'
J. Estimated Cost	\$10,895,000 (inclusive of right-of-way costs)

Edison and PG&E

By avoiding settled areas, where possible, and through consultation with county planning bodies and their review of the proposed route, community values are considered in the selection of the proposed route. As brought out before, there are no parks or designated recreational or scenic areas, or historical sites or buildings in the vicinity of the proposed line. Insofar as archaeological sites are concerned, the adjoining 220-kv transmission line rights-of-way were explored during 1969 by a team of archaeologists and graduate students from the University of California at Los Angeles. While their report developed and identified 10 sites as being of archaeological significance, it was determined that none of the sites meet the established

criteria for inclusion in the National Register. The testimony indicates none of the sites will be adversely affected by the construction, maintenance, and operation of this right-of-way and its access routes.

There will be no adverse impact upon public health and air and water quality except to the extent earth movement caused by the project could have an affect on water quality. Such affect appears minimal. Insofar as safety is concerned, this Commission's General Order No. 95 will be followed with respect to construction standards. Based on the applicable criteria of Part 77, Federal Aviation Regulations, the proposed structures are not expected to have a substantial adverse effect upon the safe and efficient use of navigable air space or to be a hazard to air navigation.

Alternate Routes

Alternate routes were considered by PG&E and Edison. Those considered by PG&E are referred to as Alternate No. 1, or the Northerly Alternate, and Alternate No. 2, or the Southerly Alternate. They are described at Transcript Pages 189 through 192.

Alternate No. 1 is the longest route considered by about seven miles. Considerable opposition could be expected in the Horse Thief Flat-Cummings Valley area because of current development plans for a planned recreational community, "Tehachapi Mountain Ranches". It has the further disadvantage of crossing more cultivated agricultural land. In favor of this route is good access because throughout most of its length it is generally close to existing improved roads. Also, it does not cross terrain of 5,000 feet or higher elevation. About 33 miles of Alternate No. 1 are parallel to existing lines. The selected route has about 52 miles parallel to existing transmission lines and seven miles parallel to a railroad.

Alternate No. 2 does not cross terrain over 5,000 feet in elevation and is approximately 1-1/2 miles shorter than the selected route. However, only seven miles of the route are

parallel to existing lines as compared to 52 miles in the case of the selected route. Many more miles of new access road construction would be required. Alternate No. 2 also requires a change in position of the Midway-Vincent 500-kv lines in the vicinity of Wheeler Ridge and the suitability of this alternate is substantially lessened by this requirement.

Edison also considered two alternative routes between the Midway-Vincent Substations. They are shown in Exhibit 9. Neither alternate parallels existing lines for any substantial distance and, therefore, in either case a new transmission corridor, together with a new system of access roads, would have to be established.

One of the alternates is routed through a much more populated area and involves more potential usable land. The other alternate parallels the San Andreas Fault for a substantial portion of its distance. Both alternates are longer than the proposed route and thus would use more land and would be more expensive to construct.

Governmental Agency Review

Consistent with Kern County zoning ordinances, the proposed Midway-Vincent line route was shown to the county planning commission for review and recommendation. After a review by its staff, which included a review of the alternate routes, the planning commission found the proposed route through Kern County acceptable subject only to conditions requiring standard setbacks of towers from section lines, mid-section lines, and streets. Exhibit 21 and Exhibit B, appended to Application No. 52953, comprise the correspondence in this matter between PG&E and the Kern County Planning Commission.

Edison provided in Exhibit 14 a summary of discussions with the Los Angeles County Regional Planning Commission on the routing of this facility. From this exhibit and the testimony

concerning Exhibit 10, which shows alternative routes for the southern seven-mile section of the line, it is seen that the staff of the planning commission devoted considerable attention to the route selection. Staff representatives of the planning commission covered the area of the southern 7-mile section in the field with Edison personnel and concurred in the route finally selected.

From Exhibit 16, a letter from the Director of Planning of the Los Angeles County Regional Planning Commission in response to Edison's request for a statement of position, we quote:

"Based on information obtained from the Southern California Edison Company, the Los Angeles County Environmental Development Guide, and currently accepted land use planning concepts, the staff of the Regional Planning Commission offers no objection to the location of the subject transmission line. However, during the final design and construction phases, it is recommended that:

- (1) Tower structures be located in a manner to recognize the ultimate right-of-way requirements for highways shown on the Master Plan of Highways for Los Angeles County and also highways presently under study for inclusion into the Plan; and,
- (2) In mountainous terrain, grading which may be required for access and/or service roads be minimized. Where appropriate, cut material should be placed in a manner so as not to create visual pollution and exposed cut and fill areas should be replanted with native vegetation."

The State Department of Public Works has had the proposed location of Edison's portion of this line reviewed by the Division of Highways. It offers no objections to the proposed line, subject to a standard requirement for encroachment permits and to making certain investigations to assure stable tower foundations.

PG&E and Edison, either one of them or both as called for, will comply with the conditions imposed and recommendations made by these agencies.

Construction Schedule

The schedule calls for commencement of construction in March 1973 and completion in June 1974. Because of delays in this proceeding, the start of construction will be delayed, but applicants intend to take measures necessary to hold to the completion date.

NCPA

The Northern California Power Agency is a joint powers agency of the State of California created in 1969, pursuant to Government Code Section 6500 et seq., by agreement executed by eleven cities widely scattered throughout PG&E's service area in northern and central California. Each city owns and operates its distribution system and purchases its power supply either from PG&E or the Bureau of Reclamation's Central Valley Project.

NCPA has selected this proceeding as a vehicle in which to allege violations of the antitrust laws by PG&E. It does not allege any particular antitrust violation in relation to the proposed Midway-Vincent 500-kv line. Its position, as stated by counsel in the prehearing conference held in these applications on March 27, 1972, is:

"...to raise the question in this proceeding of whether the applicant, PG&E, has a different policy toward interconnection with the Northern California Power Agency than it does with Southern California Edison Company, an interconnection of its generation and transmission systems, whether that policy toward Northern California Power Agency is that it will refuse interconnection on reasonable terms and whether that policy toward Northern California Power Agency is a part of a plan to monopolize the production of power in Northern and Central California.

"If it is determined that such a policy exists, we seek to ask that it be eliminated as a condition of any certificate granted by this Commission."
(Tr. p. 7.)

"What we are going to say at the hearing you set is the company must adopt a policy of interconnection which is nondiscriminatory. It may not connect with Southern California Edison or someone else on reasonable terms and not connect with Northern California Power Agency on reasonable terms."
(Tr. p. 8, lines 25 through 30.)

"It's not a position that's related to the particular facilities that are constructed here in any special respect." (Tr. p. 9, lines 1 through 3.)

Its strategy against PG&E was candidly described by its counsel in hearing on the antitrust issues:

"Our position is if PG&E is using the basic 500 kv Intertie to suppress competition and to prevent cities from providing their own generation; that any expansion of that system is not in the public interest." (Emphasis added.) (Tr. p. 300.)

The special hearing on antitrust issues was conducted under guidelines set forth in Decision No. 80250.

"The line of demarcation which we shall draw is a simple one and one which restricts the evidence to the Midway-Vincent 500-kv transmission lines. Accordingly, evidence should be adduced to set forth clearly (a) the terms and conditions governing the transmission of energy over these lines; (b) in what way, if at all, does the construction and operation of this interconnection either violate antitrust laws or adversely affect NCPA; and (c) other matters pertinent to this interconnection.

"To the extent NCPA's contemplated ambit of inquiry covers PG&E's practices and operations as they exist independently of the Midway-Vincent 500-kv interconnection, it appears to be a device to not only unduly broaden the issues, which could result in inordinate delays in the construction and operation of a facility that appears to be needed, but to seek affirmative relief prospectively which should be sought directly by formal complaint on a timely basis when a cause of action is known to exist."

The only evidence presented by NCPA on the antitrust issue consisted of the testimony of PG&E's chief executive officer plus the introduction of contracts concerning power pool arrangements and wheeling. The evidence covered the Pacific Intertie system, its construction, function, and operation. There was also limited discussion concerning the dealings between NCPA and PG&E regarding the possibility of wheeling power. The testimony indicated that the proposed facility would be operated as an integral part of the intertie system, and that the power transported would, on occasion, include power generated at the Geysers plant. The testimony touched on the relationship between power pooling and transportation of surplus power under the so-called Seven Parties Agreement and a contract for the transportation of Sacramento Municipal Utility District's Canadian entitlement power on occasion to Southern California Edison or to San Diego Gas & Electric.

The witness indicated that PG&E had not accepted an interconnection proposal made by NCPA, and claimed that its action was based on NCPA's unwillingness to offer the same reserve power capacity as that made available by the other parties to the intertie agreement. This paragraph and the preceeding one summarize the total showing of NCPA.

NCPA offered no evidence to demonstrate what power reserve it was prepared to commit to its interconnection proposal. Nor did it offer any evidence to show that construction and/or operation of the Midway-Vincent facilities as proposed would preclude or embarrass NCPA in seeking an interconnection order when and if it has a proposal concrete enough to be evaluated on its merits. Nor did it show that unconditional construction or operation of Midway-Vincent would impede evolution of such a proposal.

Despite active participation in, and opposition to, numerous PG&E applications concerning generation and transmission of electric power, NCPA has not yet disclosed the details of its proposal on a record before this Commission. (Cf. Decision No. 77916 in Application No. 51892, annulled NCPA v PUC (1971) 5 C 3d 370 and

Decision No. 79402 in the same application; Decision No. 79403 in Application No. 52325; Decision No. 53127 in Application No. 80479; and Application No. 53465 (pending).)

Apparently NCPA seeks to have any certificate of public convenience and necessity granted in PG&E's application conditioned to require PG&E to permit interconnection by and wheeling for NCPA on the same terms as are available to other parties, such as Southern California Edison. However, lacking evidence of NCPA's plans and how this particular intertie would affect them, we cannot analyze NCPA's allegations of possible antitrust violations as required by NCPA v PUC, supra,^{1/} nor can we specify what PG&E should or should not do in terms of either generation or transmission, so as to place conditions on a certificate.

NCPA has not been able to accomplish a complete moratorium on PG&E construction. It has, however, managed to significantly delay construction (and in all probability thereby increase the cost) of important and useful projects. There is no reason to believe that NCPA will voluntarily abandon its practice of opposing any expansion of PG&E while indefinitely postponing consideration of its own proposals. ✓

The practice of NCPA to oppose PG&E applications for certificates of public convenience and necessity on the basis of purported antitrust violations not materially connected to the subject of the application is not to be commended. Consideration of the public interest is common to most matters which come before

^{1/} Cf. Otter Tail Pwr. Co. v U.S. (1973) _____ US _____.

the Commission. Antitrust implications, where germane to such matters, comprise an element to be assessed in determining the public interest. However, in a given situation, antitrust implications may have only tangential impact on the primary matter before the Commission, as in these applications.

But NCPA is not without remedy. Certainly PG&E cannot discriminate among customers. (Public Utilities Code Sections 451 and 453.) A complaint filed with the Commission alleging antitrust violations and requesting relief within the jurisdiction of the Commission to grant is always appropriate. A formal complaint is thus a viable means for NCPA to seek redress on antitrust matters not material to the proposed facility in this proceeding. ("Complaint may be made by...any...person...setting forth any act or thing done or omitted to be done by any public utility...in violation or claimed to be in violation of any provision of law...." Public Utilities Code Section 1702.)

We are not saying that we will not consider antitrust matters in a certificate proceeding. We are saying that we will consider such matters when material to the certificate issues. In these applications we have determined the antitrust issues raised; there is no persuasive evidence that the construction and operation of the third Midway-Vincent 500-kv line will cause PG&E to be in violation of the antitrust laws.

Findings

1. The existing Midway-Vincent 500-kv transmission lines Nos. 1 and 2 constitute the major interconnection between the Edison and PG&E electric systems.
2. A need exists to increase the reliability of this major interconnection and to increase the ability of the Edison and PG&E electric systems to provide emergency assistance to each other.
3. The proposed third 500-kv Midway-Vincent transmission line will fill the need to increase the interconnection's reliability and will do so largely by virtue of its location on a right-of-way which is separate and distant from the existing Nos. 1 and 2 500-kv Midway-Vincent lines.

4. This proposed transmission facility will not only increase the ability of the Edison and PG&E electric systems to provide emergency assistance to each other, but, as a third intertie line, it will make available additional capability for transfer of firm and economy power.

5. PG&E and Edison have the ability to finance the proposed facility.

6. An indicated objective of NCPA is to construct or otherwise acquire its own power generating resources. To fulfill this objective, NCPA represents that it must have, among other things, some unspecified interconnection with PG&E's transmission system.

7. None of the NCPA member cities is located near the Midway-Vincent interconnection.

8. There is insufficient evidence to determine whether and in what manner and under what terms and conditions interconnection to, and wheeling for, NCPA is required in the public interest.

9. NCPA has not proven that PG&E has a policy toward NCPA of refusing interconnection on reasonable terms, nor that it is part of a plan to monopolize the production of power in northern and central California.

10.a. Construction of this facility without condition will not interfere with NCPA's ability to plan or construct generation facilities.

b. Construction of this facility without condition will not interfere with NCPA's right to seek wheeling privileges by either negotiation or litigation.

11. NCPA failed to show how the construction and operation of the third Midway-Vincent line would violate federal or state antitrust laws. The proposed facility does not alter existing serving or contractual arrangements or adversely affect NCPA. It is necessary for a legitimate business purpose irrespective of NCPA's indicated objective of having its own power generating resources and does not influence in any discernible way NCPA's pursuit of that objective.

12. All of PG&E's customers, including wholesale customers, some of whom are NCPA members, will benefit from the construction and operation of the proposed facility, since it is needed to maintain reliable electric service.

13. The proposed facility is reasonably required to meet area demands for present and future reliable and economic electric service.

14. The proposed facility will not produce an unreasonable burden on natural resources, aesthetics of the area in which the proposed facility is to be located, public health and safety, air and water quality in the vicinity, or parks, recreational, and scenic areas, or historical sites and buildings, or archaeological sites, or community values, nor will it otherwise have any undue influence on the environment.

15. The proposed facility is necessary to promote the safety, health, comfort, and convenience of the public; public convenience and necessity require that it be constructed.

Based on the foregoing findings the Commission concludes that the applications should be granted as set forth in the order which follows:

Each of the certificates of public convenience and necessity which will issue herein is subject to the following provision of law:

The Commission shall have no power to authorize the capitalization of this certificate of public convenience and necessity, or the right to own, operate, or enjoy such certificate of public convenience and necessity in excess of the amount (exclusive of any tax or annual charge) actually paid to the State as the consideration for the issuance of such certificate of public convenience and necessity or right.

The action taken herein is for the issuance of certificates of public convenience and necessity only and is not to be considered as indicative of amounts to be included in proceedings for the purpose of determining just and reasonable rates.

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 to construct and operate its portion of a third 500-kv transmission line facility from its Midway Substation to Edison's Vincent Substation substantially as described in Application No. 52953.

2. A certificate of public convenience and necessity is granted to Southern California Edison Company to construct and operate its portion of a third 500-kv transmission line from its Vincent Substation to PG&E's Midway Substation substantially as described in Application No. 52976.

The effective date of this order is the date hereof.

Dated at Los Angeles, California, this 27th
day of MARCH, 1973.

Verdon L. Stenger
President
William J. Stenger
Philip J. Stenger
John J. Stenger
Edward J. Stenger
Commissioners