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Decision No. 89519 OCT 1 7 1978

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 230 kV transmission line from Applicant's Rio Oso - Tesla 230 kV Transmission Line to Applicant's Northeast Stockton Substation.

Application No. 56585 (Filed June 29, 1976)

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<u>O P I N I O N</u>

Pacific Gas and Electric Company (Applicant) seeks an order of the Commission granting it a certificate that present and future public convenience and necessity will require the construction and operation of a double-circuit, 230 kV transmission line from the Applicant's Rio Oso - Tesla 230 kV Transmission Line to Applicant's proposed Northeast Stockton Substation near the City of Stockton, San Joaquin County.

Project Description

The proposed project is located approximately two miles north of the City of Stockton in San Joaquin County. The project consists of 8.5 miles of double circuit 230 kV transmission line starting from the existing Rio Oso - Tesla 230 kV Transmission Line and running east for approximately 5.5 miles and south for approximately 3.0 miles to a proposed substation site on Hammer Lane near the Southern Pacific Railroad. For the most part, the line will be supported on slim line lattice steel double circuited towers 100 to 155 feet high placed at 1,000 to 1,300-foot intervals within a nominal ll0-foot right-of-way. Thirty-five to 48 towers will be required along the project route.

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The capacity of the proposed line, assuming one line out contingency will be 317 MVA initially and with bundling of conductors, the capacity could be increased to 634 MVA.

Approximately 7.5 miles of the proposed project's route will be located in agricultural land. The remaining one mile of the route will be located in industrial-zoned land.

A substation will be constructed within a six-acre site on Hammer Lane near the Southern Pacific Railroad. The substation structures will be approximately 26 feet high and pull-off structures will be 50 feet high. Three 230-21 kV transformers (two initially) are proposed for the substation. The proposed substation site will be industrial-zoned land.

Need for Project

The North Stockton area is presently supplied at 4 kV, 12 kV and 21 kV by 12 substations. All but one of these substations are supplied by 60 kV emanating from the one 230-kV supplied substation in the North Stockton area and another 230-kV supplied substation outside of the area. The 60-kV system is fully loaded and cannot support additional distribution capacity increases. In 1975, 21-kV capacity was installed at the 230-kV supplied substation in the area and a 21-kV distribution was established to meet North Stockton's growing electrical demand.

PG&E's projected annual megawatt load growth rate of 7.9% indicates a need for electric power in 1981. Based on the staff's projected annual megawatt load growth rate of 5.5% for North Stockton, the need for electric power will exceed the existing capability of 321.7 megawatts in 1983. The staff supported its load-growth rate by indicating that future expansion would be subject to new conservation efforts in building insulation standards, residential appliance efficiency and energy consumption by end users. No comments were received from any parties on the staff's position concerning load-growth rate.

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Projecting the 5.5% load growth rate indicates a project need by 1983 and the capability for PG&E to provide additional power through 1995 with the project.

Alternatives to the Project

Five alternatives to the project along with the no project alternative were investigated by PG&E in its Environmental Data Statement and a low-voltage alternative was investigated by the staff in the EIR.

Of the five alternates described in PG&E's EDS, four are alternate routings and one is an underground alternate. While all of the alternate routes are shorter than the preferred route and, consequently less expensive, they have environmental impacts in land use and aesthetics that are potentially unacceptable. Alternate 1 crosses land which has been designated for future low-density residential development. This alternate also parallels Bear Creek which is designated as a conservation zone. Alternate 2 has potential visual and land-use conflicts with Oak Grove Regional Park and the Elkhorn Golf Course development. Alternates 3 and 4 have land-use conflicts with land designated for future low-density residential development. These alternates also parallel Bear Creek. The underground alternative which lies along a more direct route from the Rio Oso - Tesla Transmission Line to the proposed substation has reduced environmental impacts when compared to the preferred route. However, the initial cost of an estimated \$12,680,000 is approximately five times the preferred route's cost estimate of \$2,621,000. Based on the 5.5% load growth rate, the no project alternative would jeopardize capability of customer service after 1983.

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The low-voltage (underground distribution) alternate also has reduced environmental impacts when compared to the preferred route. However, the annual revenue requirement of approximately \$2,781,000 for the low voltage alternate compares to \$1,556,000 in annual revenue requirements for the preferred route. This is equal to approximately 1.8 times the preferred route's annual revenue requirement. Also, it is estimated that line losses equal to 18 bbls. of oil per day will be incurred by the low-voltage alternate.

Environmental Impact Report (EIR) Process

A Final Environmental Impact Report (Final EIR) was prepared in connection with this application in compliance with the provisions of the California Environmental Quality Act (CEQA), the Resource Agency's Guidelines for the implementation of CEQA and Rule 17.1 of this Commission's Rules of Practice and Procedure (Rules). The Environmental Impact Branch of the Utilities Division of the California Public Utilities Commission (CPUC) prepared the Final EIR. Comments on the Draft EIR were received from PG&E and several state and local government agencies. These comments and responses to these comments are included in the Final EIR.

Environmental Matters

A comprehensive record of environmental matters was developed in the Final EIR on this project. Field investigation of the area has been conducted by the staff.

The environmental effects of overhead construction on the preferred route are acceptable. Construction impacts will be temporary and minor and will include land alterations, land use impacts, traffic generation, dust and noise, alterations and reduction of wildlife habitat, and visibility of construction equipment. Operation of the transmission line will have marginal effects on wildlife and wildlife habitat and will remove approximately one acre from agricultural production. Occasional radio interference will occur. The

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transmission line will interfere with some crop dusting operations and some agricultural irrigation operations.

Mitigation measures, such as slim-line towers, a winter construction schedule, the application of water to minimize dust problems and the use of existing access roads where available are proposed. Should previously unknown archaeological resources or historically sensitive areas be discovered during construction, work will be stopped until the proper course of action can be determined by a professional archaeologist.

While there will be a short-term disturbance to the environment arising out of the construction phase of this project, and a long-term commitment of the physical area devoted to the transmission line and the substation to utility use, the electrical reliability, stability, and service to the North Stockton area population will promote their health, comfort, safety, convenience, and long-term productivity. There are no irreversible environmental changes occasioned by the project although there will be an irretrievable commitment of materials and labor. The project will make available additional resources of electrical energy and to that extent it is growth-inducing; however, the desires of the people and the land use policies and goals adopted by their elected representatives will ultimately determine the extent of growth.

Findings

1. PG&E is a publicly regulated utility engaged in the generation, transmission, and distribution of electricity in northern and central California.

2. Under the provisions of Public Utilities Code Section 451, PG&E has an obligation to provide its customers with an adequate and continuing supply of electrical energy.

3. The projected growth of demand for electrical energy in the North Stockton area by 1983 will exceed the capacity of the existing system to meet service requirements.

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4. The proposed project is reasonably required to meet area demands for future reliable and economic electric service and to prevent foreseeable overloading.

5. The construction of the proposed project will not produce an unreasonable burden on natural resources, aesthetics of the area in which the proposed facilities are to be located, public health and safety, air and water quality in the vicinity, parks, recreational, and scenic areas, or historic sites and buildings or archaeological sites.

6. Land Resources - Minor alterations of physiographic features will result from the project. The disturbances associated with construction will be of short duration while those associated with operation will affect only a negligible total land use.

7. Biological Resources (Vegetation and Wildlife) - The major disturbance to vegetation and wildlife will occur during construction. The construction contemplated in this project will cause no significant permanent adverse impacts on the biological resources of the area. Other possible adverse impacts will be adequately mitigated by the Applicant.

8. Air, Water and Noise - The proposed transmission line is expected to have no adverse impact on the water, insignificant impact on the air and negligible impact on noise of the area. Audible noise and radio and television interference will increase directly beneath the transmission line. However, these effects will not be significant outside the right-of-way. Brief radio interference might be experienced by motorists as they pass under the transmission line.

9. Cultural Resources - No significant impact to archaeological, paleontological or historical resources has been identified as a result of the project. In the event such resources are discovered during transmission construction, authorities will be notified so that the value of these resources will be rapidly and adequately assessed.

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10. Aesthetics - The proposed project will have a visual impact on the surrounding area. The line will be visible from Interstate Highway 5 as well as several other thoroughfares. Views of the line one-half mile to the north will be available from Oak Grove Regional Park. A new slim-line lattice steel pole was especially designed for this project to reduce the aesthetic impact.

11. Public hearing is not necessary.

Conclusions

1. Present and future public convenience and necessity require the construction and operation of this transmission project.

2. Applicant is placed on notice that operative rights, as such, do not constitute a class of property which may be capitalized or used as an element of value in rate fixing for any amount of money in excess of that originally paid to the state as the consideration for the grant of such rights. Aside from their purely permissive aspect, such rights extend to the holder a full or partial monopoly of a class of business. This monopoly feature may be modified or canceled at any time by the state, which is not in any respect limited as to the number of rights which may be given.

3. The action taken herein is not to be considered as indicative of amounts to be included in future proceedings for the purpose of determining just and reasonable rates.

4. The Notice of Determination for the project is attached as Appendix A to this decision, and the Commission certifies that the Final EIR has been completed and adopted by this Commission in compliance with CEQA and the Guidelines and that it has reviewed and considered the information contained in the Final EIR in arriving at this decision.

5. Based on the foregoing, the Commission concludes that the 230-kV Northeast Stockton Transmission Line should be authorized in the manner set forth in the following order.

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<u>ord</u> <u>d</u> <u>d</u> <u>r</u>

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Pacific Gas and Electric Company to construct and operate the 230-kV transmission line in San Joaquin County, California, as proposed in this proceeding.

2. Pacific Gas and Electric Company shall file with this Commission a detailed statement of the capital costs of this transmission line project together with related appurtenances, within one year following the date the project is placed in commercial operation.

3. The Executive Director of the Commission is directed to file a Notice of Determination for this project, with contents as set forth in Appendix A to this decision, with the Secretary for Resources.

The effective date of this order shall be thirty days after the date hereof.

-	Dated at	San Francisco,	California,	this 17th
day of	JUTOBER	, 1978.		• •

President ommissioner

Commissioner Robert Batinovich, being necessarily absent, did not participate in the disposition of this proceeding.

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APPENDIX A

NOTICE OF DETERMINATION

ro:	Secretary for Resources		FROM:	California Public
	1416 Ninth Street, Room	1312		Utilities Commission
	Sacramento, Califórnia	93814		350 McAllister Street
				San Francisco, Calif. 94102

SUBJECT: Filing of Notice of Determination in compliance with Section 21108 or 21152 of the Public Resources Code.

Project Title Northeast Stockton 230-kV Transmission Line

State Clearinghouse Number (If submitted to State Clearinghouse) 77112168

Contact Person D. B. Steger Telephone Number (115) 557-0442

Project Location

San Joaquin County, City of Stockton, California

Project Description: The project consists of 8.5 miles of double circuit 230-kV Transmission Line from the existing Rio Oso - Tesla 230-kV Transmission Line to Northeast Stockton Substation.

This is to advise that the California Public Utilities Commission as lead agency has made the following determination regarding the above described project:

1. The project has been $X \xrightarrow{}$ approved by the Lead Agency.

<u>disapproved</u>

2. The project <u>will</u> have a significant effect on the environment.

X7 will not

3. An Environmental Impact Report was prepared for this project pursuant to the provisions of CEQA.

A Negative Declaration was prepared for this project pursuant to the provisions of CEQA. A copy of the Negative Declaration is attached.

Date Received for Filing

Executive Director

Date _