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Decision No. 91420 MAR 18 1980

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
PACIFIC GAS AND ELECTRIC COMPANY for
Modification of Decision No. 79726. }

Application No. 58971
(Filed June 29, 1979)

O P I N I O N

Pacific Gas and Electric Company (PG&E) requests elimination of the requirements of Ordering Paragraph 7 of Decision No. 79726, dated February 15, 1972, in Cases Nos. 9075, 9115, 9182, and 9189.

In those proceedings, complainants (listed in Appendix A to this decision) requested relocation of transmission lines to be constructed from Diablo Canyon Power Plant. Decision No. 79726 ordered (1) relocation of a portion of one of the transmission lines; (2) required studies of an alternate route through oil shale lands; (3) required a report regarding transmission line route planning procedures; (4) required a survey and report of all existing access roads of transmission lines from the power plant; (5) required certain design studies and reports on tower design and materials; (6) ordered the development of comprehensive written standards and policies for the design, construction, maintenance, and repair of access roads, transmission towers and lines and attendant facilities giving reasonable consideration to aesthetic values and conservation of the natural resources and the environment; and (7) included Ordering Paragraph 7, the subject of this application, which states:

"In making future requests for bids to construct transmission line material at 230-kV and higher voltages, PG&E shall include specifications of tower design and on-site delivery which will permit

the use of helicopters for material delivery to and tower erection on the tower sites. Comparative costs of the use of helicopters and conventional construction shall be furnished in writing to the Commission not less than ten days prior to the award of said bids."

PG&E states that it has attempted to comply with this ordering paragraph but believes that this requirement is inappropriate. PG&E maintains its own construction force, so there is no need to request bids for the construction of transmission lines. When requesting bids for the supply of transmission line material, it has been PG&E's experience that it is much more practical for the suppliers of such materials to make their deliveries to PG&E at some place other than the job site. PG&E will then, in its construction capacity, deliver the materials to the job by whatever means is appropriate under the circumstances including by helicopter. The bidding requirements are therefore unsound from an economical viewpoint according to PG&E.

The application states that PG&E uses helicopter construction as a normal procedure when economical for one or more phases of transmission line construction or when beneficial in reducing the environmental impact of access roads. PG&E believes that a total commitment to helicopters, with the delays often caused by inclement weather, would not only jeopardize operation dates, but would increase costs substantially. PG&E crews can presently work around the clock if necessary to complete a job. Helicopters, on the other hand, have reduced lifting capacities during hot weather. In addition, reduced visibility can be a serious problem since helicopter pilots will only fly when they believe a lift or operation can be performed safely.

PG&E has submitted comparative costs for helicopter construction on at least eleven projects since Decision No. 79726

was issued. In addition, letters on two projects were submitted to the Commission by PG&E explaining hazardous conditions which precluded making a cost comparison. PG&E states that the cost estimates of helicopter construction supplied to the Commission on these eleven projects show that, on average, helicopter construction exceeds conventional construction by approximately 138 percent. If aerial construction had been required for every job for which estimates were supplied, the total cost of construction would have increased by approximately \$18.5 million. PG&E believes that the cost comparisons provided show that the exclusive use of helicopters for the construction of transmission lines is inordinately expensive for PG&E's ratepayers.

PG&E states further that it believes that the reason for Ordering Paragraph 7 in Decision No. 79726 was the Commission's desire for information on costs of helicopter construction and asserts that this desire has been fulfilled in the filings made since the effective date of Decision No. 79726.

PG&E served this application by mail on the appearances of record in Cases Nos. 9075, 9115, 9182, and 9189. (See Appendix A.) No protests have been received.

Discussion

PG&E's assertion that the reason behind Ordering Paragraph 7 in Decision No. 79726 was the Commission's desire for information on costs is only partially correct. Findings 50, 51, and 52 in Decision No. 79726 set forth our concerns more completely. They read as follows:

- "50. This record does not demonstrate that PG&E has given reasonable consideration to aesthetic values and the formation of natural resources and the environment by use of helicopters for transmission line construction to minimize access road construction.

- "51. The evidence is not convincing that the use of helicopters for construction, maintenance and repairs of transmission lines would be inordinately more expensive for ratepayers since defendant has insufficiently explored on this record the economic factors so involved.
- "52. It is reasonable that PG&E fully explore the use of helicopters in areas of especial ecological and aesthetic concern."

Read together, these three findings clearly indicate the Commission's desire to see a utility consider all alternatives to conventional construction, including helicopter construction, when building, maintaining, or repairing a transmission line in an area of special ecological or aesthetic concern. Costs were simply one factor to be developed in the course of these considerations. It is apparent from a reading of the decision that the alternative of helicopter construction had been insufficiently considered, if at all, in the planning of certain transmission lines from the Diablo Canyon Power Plant. The reporting provisions of Ordering Paragraph 7 were intended to remedy this deficiency for future construction of transmission lines.

In examining the necessity for the reporting requirements of Ordering Paragraph 7, however, we must look not only to the reasons behind the requirements but also at the time in which they were promulgated. Decision No. 79726 was dated February 15, 1972, based on hearings held in early 1971. The complaints had been filed mid-1970 through early 1971. The California Environmental Quality Act (CEQA) of 1970 was enacted as Chapter 1433 of the 1970 Statutes, effective January 1, 1971. Although never formally ruling on the issue, the Commission operated under the assumption that CEQA was not applicable to its issuance of certificates of public convenience and necessity until CEQA was amended in 1973 (Desert Environment Conservation Assn. v Public Utilities Com. (1973) 8 C 3d 739.)

Rule 17.1 of the Commission's Rules of Practice and Procedure was promulgated in April 1973. (Decision No. 81237, 75 CPUC 133.)

Viewed in this context it becomes obvious that Decision No. 79726 was an attempt to deal with matters of environmental concern for which there was no routine review or consideration yet in place in our Rules of Practice and Procedure.

PG&E's application states that the normal Commission environmental review process under Rule 17.1 provides an adequate means for assessing the desirability and feasibility of the method of construction of transmission lines and of access to the job site. We agree that this is the case now. Had CEQA and Rule 17.1 been in place and fully implemented in 1970-1971 the complaints which lead to Decision No. 79726 might not have arisen, and Decision No. 79726 might not have been necessary. In addition to Rule 17.1 requirements, we presently have General Order No. 131-B which requires expanded information concerning construction and the environment in an application for a certificate of public convenience and necessity for transmission lines in excess of 200 kV.

The requirements of Rule 17.1 and General Order No. 131-B are sufficiently broad to permit detailed examination of alternative methods and costs of construction in areas of special ecological and aesthetic concern. We continue to believe it appropriate to require PG&E to study and carefully consider use of helicopters in the construction of transmission lines and in delivery of materials for their construction in order to recognize areas of aesthetic significance or to preserve natural resources and the environment.

While it is no longer necessary for PG&E to furnish routinely the reports required by Ordering Paragraph 7 of Decision No. 79726, we wish to place PG&E on notice that the issues articulated

in that decision are of continuing concern to us and that our staff will be requesting this type of information and comparative cost estimates on any application for a certificate of public convenience and necessity in which it appears necessary to give adequate consideration to aesthetic values, conservation of natural resources, and mitigation of impacts on the environment.

Findings of Fact

1. Ordering Paragraph 7 of Decision No. 79726 required PG&E to include specifications of tower design and on-site delivery which would permit the use of helicopters for material delivery to and the tower erection on the tower sites, and required comparative costs of the use of helicopters and conventional construction when constructing transmission lines of 230 kV or higher voltages.

2. Findings 50, 51, and 52 of Decision No. 79726 are still matters of concern to this Commission.

3. The requirements of the Commission's Rule 17.1 and General Order No. 131-B are sufficiently broad to allow detailed examination of the matters currently contained in Ordering Paragraph 7 without a separate routine report being required.

4. It is appropriate to require PG&E to study and carefully consider use of helicopters in the construction of transmission lines and delivery of materials in their construction in order to give recognition to areas of aesthetic significance and to preserve natural resources and the environment.

5. The routine reporting requirements of Ordering Paragraph 7 are no longer necessary.

6. A public hearing is not necessary.

Conclusions of Law

1. PG&E should continue to explore the use of helicopters in connection with construction of high voltage transmission lines.

2. PG&E should be placed on notice that the Commission staff will be requesting the type of information previously required by Ordering Paragraph 7 of Decision No. 79726, including comparative cost estimates of helicopter versus conventional construction, in any application in which it appears necessary to give adequate consideration to aesthetic values, conservation of natural resources, and mitigation of impacts on the environment.

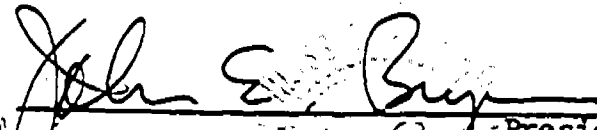
3. Ordering Paragraph 7 of Decision No. 79726 should be deleted.

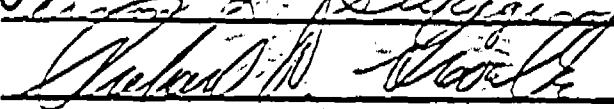
O R D E R


IT IS ORDERED that Ordering Paragraph 7 of Decision No. 79726 is deleted.

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

Dated MAR 18 1980, at San Francisco, California.



President




Commissioners

Commissioner Claire T. Dedrick, being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A

Case No. 9075 - Filed June 8, 1970 by Mary Harzell,
individually and as trustee of the Guiseppeina Biaggini
Trust.

Case No. 9115 - Filed September 11, 1970 by Louis Bassi,
Mary Bassi, Alessio Bassi, Marguerite Bassi, E. L. Russell,
Jane J. Russell, Richard F. Westerman, and Anne N. Westerman.

Case No. 9182 - Filed January 25, 1971 by the Scenic
Secretariat Preservation Conference, Inc.

Case No. 9189 - Filed February 3, 1971 by the Sierra Club.