

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY
AND COMPLIANCE DIVISION
ENERGY BRANCH

RESOLUTION E-3262
MARCH 31, 1992

R E S O L U T I O N

RESOLUTION E-3262. PACIFIC GAS & ELECTRIC
SUBMIT FOR APPROVAL A CONTRACT BETWEEN PACIFIC GAS &
ELECTRIC, U.S. NAVY, AND THE PORT OF OAKLAND.

BY ADVICE LETTER 1386-E, FILED ON JANUARY 31, 1992.

SUMMARY

1. By Advice Letter 1386-E filed January 31, 1992, Pacific Gas & Electric (PG&E) requests approval to enter into a contract with the United States Department of the Navy (Navy) and the Port of Oakland (Port). The contract provides for PG&E to construct Special Facilities (specifically a 2.3 mile 115 kV transmission line) for use by the Navy and the Port, and for PG&E to be reimbursed for the cost of construction.
2. This Resolution grants the request.

BACKGROUND

1. PG&E currently provides service at the 12 kV level to the Port of Oakland and the Oakland Naval Supply Center operated by the U.S. Navy. The Navy and the Port both own and operate their own distribution systems.
2. To improve service reliability, the Navy and the Port both desire service at the 115 kV level. The Port will use its 115 kV service to increase the reliability of the Port's electric system that powers the large electric cranes used to load and unload cargo. The Navy will use the 115 kV service to improve the reliability of its service to the naval facilities located on Treasure Island. Currently, Treasure Island is served by a single underwater 12 kV line connected to San Francisco. With the construction of 115 kV service to the Naval Supply Center, the Navy can construct a redundant 12 kV underwater line from Oakland to Treasure Island, improving service reliability on the island.

3. PG&E's existing 12 kV service to both the Naval Supply Center and the Port is sufficient to meet current and future needs. Therefore construction of a 115 kV line would be a Special Facility regulated by Commission General Order 96-A, Section X.(A).

4. The Navy and the Port are willing to reimburse PG&E for the cost of the 115 kV line and have entered into a contract with PG&E, subject to Commission approval, to construct the line. The Port will pay up to \$1,654,708 (41%) and the Navy \$2,342,171 (59%) of the costs of the 115 kV line and associated facilities. These amounts are subject to modification to reflect either changes in land costs or delays in construction.

5. The 115 kV line will run from PG&E's Substation C in Oakland approximately 2.3 miles west to contiguous 115 kV substations owned and operated by the Navy and the Port.

DISCUSSION

Costs

1. The Navy and the Port will reimburse PG&E for the cost of construction and have agreed on the allocation of the project's costs. Therefore, there are no costs to PG&E and no cost allocation issues for the Commission to decide. Future users of the 115 kV line, should there be any, will reimburse both the Navy and the Port in accordance to a formula contained in the contract.

Rates

2. By taking service at the 115 kV instead of at the 12 kV level, both the Navy and the Port will be eligible for service at the E-20 (Primary) tariff, which offers lower rates than the E-20 (Secondary) tariff that both the Navy and the Port currently receive service under. This lower rate reflects the assumption of line losses by the customer that otherwise would have been borne by the utility.

Environmental Issues

3. The Navy reviewed the environmental effects of the proposed 115 kV line and released a Finding of No Significant Impacts (FONSI) for the project under the National Environmental Protection Act (NEPA).

4. The Commission does not require a Certificate of Public Convenience and Necessity (CPCN) for transmission lines under 200 kV.

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Electro-Magnetic Field (EMF) Issues

5. There are no residences along the transmission right-of-way as the line primarily traverses open areas used for the loading, unloading, and storage of cargo containers. Besides the applicants, the only other significant parcel of property that the transmission line traverses is a freight switching yard operated by the Union Pacific Railroad. The initial right-of-way of the transmission project was changed slightly to eliminate EMF exposure to the only office building located near the line.

PROTESTS

1. CACD received no protests against this Advice Letter.

FINDINGS

1. The request for 115 kV service by the Port of Oakland (Port) and the United States Department of the Navy (Navy) is not needed to meet either the present or future loads of these customers. Therefore, installation of 115 kV service to these customers requires the use of Special Facilities.

2. Pacific Gas & Electric Company has agreed to install the 115 kV line as Special Facilities under the provisions of Tariff Rule 2 (Electric), Section I.

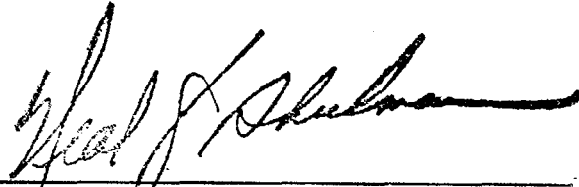
3. Pacific Gas & Electric Company's request to enter into a contract with the United States Department of the Navy and the Port of Oakland is reasonable because it provides that the Navy and the Port will reimburse PG&E for the cost of construction.

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THEREFORE, IT IS ORDERED that:

1. Pacific Gas & Electric Company is authorized to enter into the contract between PG&E, the U.S. Department of the Navy, and the Port of Oakland to construct the 115 kV transmission line as requested by Advice Letter 1386-E.
2. Advice Letter 1386-E shall be marked to show that it was approved by Commission Resolution E-3262.
3. This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on March 31, 1992. The following Commissioners approved it:



NEAL J. SHULMAN
Executive Director

DANIEL Wm. FESSLER
President
JOHN B. CHANLAN
PATRICIA M. ECKERT
NORMAN D. SHUMWAY
Commissioners