

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ENERGY DIVISION

**RESOLUTION E-3560
SEPTEMBER 3, 1998**

RESOLUTION

RESOLUTION E-3560. PACIFIC GAS AND ELECTRIC COMPANY (PG&E) AND PACIFIC BELL (PAC BELL) REQUEST A DEVIATION FROM THE UNDERGROUNDING REQUIREMENTS OF PUBLIC UTILITIES CODE SECTION 320. THE PROPOSED SITE IS ALONG STATE HIGHWAY 116 IN SONOMA COUNTY NORTH OF SEBASTOPOL. APPROVED.

**BY LETTER DATED MARCH 23, 1998, FROM PG&E
BY LETTER DATED JULY 29, 1998, FROM PACIFIC BELL**

SUMMARY

1. On March 23, 1998, PG&E filed a letter with the Energy Division to relocate a portion of the 12 kilovolt distribution pole line facilities including telecommunications and cable television along California State Highway 04-SON-116 to accommodate a road improvement project. On July 29, 1998, Pac Bell filed a letter requesting a deviation from the undergrounding requirements of Public Utilities Code Section 320 to relocate their facilities along Highway 116 north of Sebastopol from Milepost 24.2 to Milepost 25.4
2. PG&E requested a deviation of Public Utilities Code (P.U. Code) Section 320 along the "scenic highway" section of Highway 116 in Sonoma County from Hurlbut Avenue to Occidental Road. PG&E requests that it be allowed to relocate 24 of its electrical poles and line in the scenic corridor back from the highway. This relocation would accommodate road-widening and a continuous left turn lane. The cost of this relocation would have no effect on PG&E tariff rates. PacBell's telephone poles are parallel to PG&E's facilities; PacBell is requesting to place its lines on joint poles with PG&E. The cable television company, Century Communications, is presently on PG&E's poles.
3. No protests were received for this deviation request.
4. The County of Sonoma recommends approval of the deviation request for this project.
5. This Resolution approves the request for electrical, communication, and cable television pole relocation on Highway 116 near Sebastopol.

BACKGROUND

1. California Public Utilities Code (P.U. Code) Section 320 was enacted in 1971, Chapter 1697, and reads in part, as follows:

The legislature hereby declares that it is the policy of this state to achieve, whenever feasible and inconsistent with sound environmental planning, the undergrounding of all future electric and communication distribution facilities which are proposed to be erected in proximity to any highway designated a state scenic highway pursuant to Article 2.5 (commencing with Section 260) of Chapter 2 of Division 1 of the streets and Highways Code and which would be visible from such scenic highways if erected above ground. The commission shall prepare and adopt by December 31, 1972, a statewide plan and schedule for the undergrounding of all such utility distribution facilities in accordance with the aforesaid policy and the rules of the commission relating to the undergrounding of facilities and... The commission shall require compliance with the plan upon its adoption.

2. The Commission is responsible for the administration of P.U. Code Section 320. After hearings conducted in Case 9364, Commission Decision (D) 80864 implemented the State Legislation. D: 80864 states that:

In order to facilitate administration, letter requests for deviations will be accepted, reviewed by the Commission staff and, where appropriate, approved by Commission resolution. (74 CPUC 457)

3. D.80864 stipulates that no communication or electric utility shall install overhead distribution facilities "in proximity to" and "visible from" any prescribed corridor on a designated scenic highway in California unless a showing is made before the Commission and a finding made by the Commission that undergrounding would not be feasible or would be inconsistent with sound environmental planning. The Decision also defines "in proximity to" as being within 1,000 feet from each edge of the right-of-way of designated state Scenic Highways.
4. By letter dated and filed on March 23, 1998, PG&E requested a deviation from the legislative undergrounding requirements. This request involved the site beginning at the intersection of Hurlburt Avenue and extending northwesterly to the intersection of Occidental Road north of Sebastopol. In order for the road to be widened and a continuous two-way left turn lane to be constructed. PG&E must relocate a section of line consisting of 24 poles. The widening project would improve the alignment, profile grade, and super-elevations of this section of highway to current standards. Route 116 is built to current standards at both ends of the project. Existing shoulders vary from

zero to three feet and stopping sight distances at two locations are below the posted speed limit of 45 miles per hours. PG&E expects that the relocated line will also necessitate 24 poles to be moved although it is possible that one more or fewer poles may be required depending on the physical conditions at the site.

5. By letter dated July 29, 1998, Pacific Bell requested a deviation from the undergrounding requirements of P.U. Code Section 320 along Scenic Highway 116 north of Sebastopol from Milepost 24.2 to Milepost 25.4, which is essentially the scope of the proposed Caltrans road improvement project.
6. There are presently two separately existing, parallel spans along this stretch of highway; PG&E and Pacific Bell, each on opposite sides of the roadway. There are also cable television cables belonging to Century Communications, on PG&E's poles. It is anticipated that after the pole relocation, electric, telephone, and cable television facilities will all be combined on joint poles.
7. If this project is undergrounded, an assessment district formed with property owners in that section near the highway would have to make partial payment to convert their facilities to underground on their parcels depending upon tariff application selected by the municipality and PG&E. This would be applicable even if Tariff Rule 20-A (Overhead to Underground Conversion) budgeted allocations were used. This could cause a financial hardship for some of the home-owners living near the highway.
8. This portion of Highway 116 was not selected by the County of Sonoma as a priority underground project. The County has identified other viable projects for underground conversion and has designated all PG&E Tariff Rule 20-A funds up to and including the year 2001. There is an urgency of getting this widening project completed on time in order to improve safe road conditions and to qualify for federal funding for Caltrans. This project is currently funded in the Caltrans State Highway Operation and Protection Program. If the project is delayed by several years, funding for the project could be removed. Caltrans Right-of-Way Department has prepared appraisals for the properties required for the project and has begun negotiating with owners to acquire these properties. Delaying the acquisition process at this time might cause uncertainty for the affected property owners and would result in the appraisals becoming outdated.
9. The facilities in question, if moved, would be approximately 10 to 15 feet from the Scenic Highway; so, the requirement of "within 1,000 feet" makes the mandatory undergrounding applicable unless the Commission grants a deviation to permit overhead relocation of electric, telephone, and cable television facilities.

10. In PG&E's January 30, 1998 letter to the County of Sonoma, the cost of undergrounding , and overhead relocation is stated as follows:

Undergrounding of electrical facilities:	\$1,500,000
Undergrounding of telephone facilities:	367,000
Undergrounding of cable television:	<u>76,000</u>
Total:	\$1,943,000

Overhead Relocation , electric:	\$ 150,000
Overhead Relocation, telephone:	150,000
Overhead Relocation, cable TV:	<u>22,000</u>
Total:	\$ 322,000

11. The County of Sonoma asserts, based upon the cost information provided, that the costs of undergrounding this project are prohibitive; that the county does not consider the project to be a priority for undergrounding; but that they do recommend relocation of the existing electrical and communication facilities on this section of Highway 116.

12. In support of their contention that overhead relocation is preferable, the County of Sonoma, in its February 27, 1998 letter, states that:

The replacement poles will be roughly the same size as the existing poles and would not be significantly different aesthetically. The poles will be moved back farther from the new roadway; and the undergrounding might result in greater damage to and loss of existing trees along the corridor.

13. In its February 27, 1998 letter to PG&E, the County of Sonoma asserts:

Based upon the information provided, we have determined that the requirement for undergrounding for this project would not be economically feasible. The increase in project cost of nearly \$1.4 million is almost one half again the total cost of the project.

NOTICE

1. Notice of PG&E's letter was made by publication in the Commission's Calendar on March 26, 1998.
2. Notice of Pacific Bell's letter was made by publication in the Commission's Calendar on August 11, 1998.

PROTEST

1. No protests were received for this deviation request.

DISCUSSION

1. On July 3, 1998, members of the Energy Division visited the site of this proposed relocation of this section of Scenic Highway 116.
2. The relocation of the overhead pole line would necessitate removal of several trees to accommodate the conductors; however, placing the same lines underground may sever the root structure of the trees which may have a significant effect on their growth and survival. The overhead relocation proposal may be more desirable than the underground alternative for this reason.
3. If this project does not qualify for Rule 20-A funding, or if there is no 20-A funding available because of County budget constraints, the cost to underground would be difficult for the home-dwellers in the area to assume.
4. In previous Commission Decisions, where the cost of undergrounding substantially exceeds the cost of relocating overhead facilities, the Commission has usually granted deviations on the basis of excessive costs. On this portion of Highway 116, the cost of undergrounding substantially exceeds the cost of relocating the overhead facilities. The cost of installing an underground system and the cost to relocate the overhead system on this portion of Scenic Highway 116 has a ratio of 10 to 1 (\$1,500,000 v. \$150,000). The disproportionate costs provide reason for deviation from the undergrounding requirements of P.U. Code Section 320 and Commission Decision 80864. Cost has been used as a guideline to determine whether deviation requests are valid in several Commission Decisions and Resolutions. In past decisions, the Commission has approved an overhead line deviation for Scenic Highway 320 projects where the undergrounding cost was 6 times as much as the cost to install an overhead system. The ten to one cost disparity renders the underground alternative impractical.
5. This project will combine Pac Bell's and PG&E's parallel facilities into one joint pole system mitigating the visual impact of the present system. This improvement in visibility is another reason to approve PG&E and Pac Bell's requests.

6. The Energy Division recommends that PG&E's request as augmented by Pacific Bell's request be approved. The deviation request is reasonable, consistent with other Resolutions, and should be approved.

FINDINGS

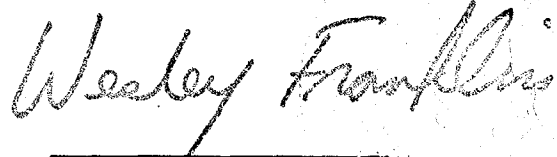
1. By letter dated March 23, 1998, PG&E requested a deviation of California P.U. Code Section 320 for a road-widening project along Scenic Highway 116 near Sebastopol. By letter dated July 29, 1998, Pacific Bell applied for the same authorization for its poles and lines which currently run parallel to PG&E's pole. PG&E's pole is held jointly with Century Communication cable television company.
2. Both the telephone and electric facilities are currently visible from the highway. After the parallel lines are combined into one line, the impact of dual pole lines would be reduced significantly over the existing situation.
3. The estimated cost of undergrounding electrical facilities is estimated at \$1,500,000 while overhead relocation is estimated at \$150,000, a ratio of ten to one. The cost disparity renders the underground alternative impractical.
4. Rule 20-A undergrounding funds are not available until the year 2002 at the earliest.
5. Undergrounding may damage tree roots.
6. Federal funding for the overhead relocation is available for a limited time.
7. The deviation request is reasonable, consistent with other Resolutions, and should be approved.

September 3, 1998

THEREFORE, IT IS ORDERED that:

1. Pacific Gas and Electric Company's request to relocate existing overhead facilities in order to widen State Highway 116 and construct a continuous two-way left turn lane on the approach to Sebastopol is approved.
2. Pacific Bell's request to relocate their overhead facilities in the same area is approved.
3. This Resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on September 3, 1998. The following Commissioners voting favorably thereon:



WESLEY M. FRANKLIN
Executive Director

RICHARD A. BILAS
President
P. GREGORY CONLON
JESSIE J. KNIGHT, JR.
HENRY M. DUQUE
JOSIAH L. NEEPER
Commissioners