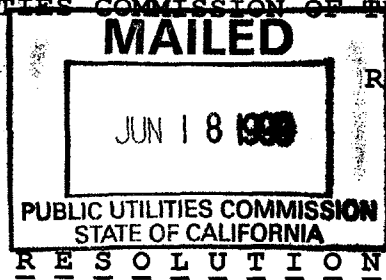


PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ENERGY DIVISION ★



RESOLUTION E-3598

June 10, 1999

RESOLUTION E-3598. PACIFIC BELL COMPANY REQUESTS A DEVIATION FROM CALIFORNIA PUBLIC UTILITIES CODE SECTION 320 IN SIERRA COUNTY. PACIFIC BELL IS AUTHORIZED TO MAINTAIN AND UPGRADE EXISTING OVERHEAD CABLES EXTENDING FROM SIERRA CITY TO APPROXIMATELY CARVIN CREEK. THIS SITE IS WITHIN THE HIGHWAY 49 SCENIC CORRIDOR.

BY LETTER DATED SEPTEMBER 14, 1998, FROM PACIFIC BELL COMPANY.

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**SUMMARY**

1. On September 14, 1998, Pacific Bell Company (Pac Bell) requested authority for deviation from the undergrounding requirements of Section 320 of the Public Utilities Code. This request involves replacing existing overhead telephone cables with larger cables and installing new overhead telephone cables along Highway 49, all on existing poles. All replacements and installations are in the County of Sierra and within the Highway 49 Scenic Corridor.
2. On October 27, 1998, the Planning Department of Sierra County submitted a protest to this deviation request. The Planning Department later withdrew its protest after subsequent review by its staff and discussions with Pac Bell. A Resolution of Approval was presented and adopted by the Sierra County Board of Supervisor at the April 20, 1999, Board meeting.
3. Pac Bell requests the deviation because of high undergrounding costs, foliage that would hide the overhead facilities from view, and difficulties in excavating in the vicinity of Salmon Creek and highway crossings.
4. No poles will be installed at new locations, but Pac Bell and Pacific Gas and Electric (PG&E) have determined that 56 poles along Highway 49 need to be replaced in order to comply with General Order 95 pole strength requirements.

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According to the cover letter which accompanies their Pole Safety Factor Study, Pac Bell will engineer this project to comply with all General Order 95 requirements.

5. This Resolution approves the request for replacement and installation of cables on existing overhead poles from Sierra City to Carvin Creek. This decision is based on how visibility, aesthetics, and economic feasibility can affect overhead cables on the highway. Construction work associated with this deviation is granted through the end of 2000 and expires at 12:00 a.m. on January 1, 2001.

### BACKGROUND

1. California Public Utilities Code Section 320 (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 not 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 Section 320 of the P.U. Code. 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, D.80864)

3. Commission 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. Commission D.80864 also stipulates that when repairs or replacements of existing overhead facilities in the same location do not significantly alter the visual impact of the Scenic Highway, then they should not be considered as new construction.

5. By letter dated September 14, 1998, Pac Bell requested a deviation from the legislative undergrounding requirements. This request involves replacing existing overhead telephone cables with larger cables and installing new overhead telephone cables along Highway 49. All replacements and installations are in the Sierra County and within 1000 feet of the Highway 49 Scenic Corridor.

6. Pac Bell recommends the deviation based on high undergrounding costs, foliage that would hide the overhead facilities from view, and difficulties in excavating in the vicinity of Salmon Creek and highway crossings.

7. According to the engineering staff at the United States Forest Service, steep bank and rocky terrain of Salmon Creek make undergrounding very difficult, but not impossible.

8. Pac Bell has received signed easements from three property owners allowing them to place aerial cables on their properties.

9. An Approval to Construct has been granted to Pac Bell by the United States Forest Service, authorizing placement of cables on power poles with permission from Pacific Gas and Electric Company.

10. Information on overhead telephone cable sizes may provide input and some indication of the visual and aesthetic effects of overhead cabling on the highway:

- Sizes of existing overhead cables in the scope of this project range from 0.57-1.31 inches. One or more of these existing cables will be replaced by

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cables ranging from 1.23-2.01 inches.

- New overhead cables ranging from 0.99-1.9 inches will be installed on existing power poles along with one or more existing cables ranging from 0.72-1.27 inches.

11. Overhead facilities can be seen at highway crossings and short cable segments are visible from the highway.

12. Three cable segments cross Highway 49 and are visible from the highway. They are in the following locations:

- In proximity to Caltrans milepost 29.80 at Wild Plum Road
- In proximity to Caltrans milepost 33.35
- In proximity to Caltrans milepost 33.00 and crossing Salmon Creek.

13. Existing buried cables within the scope of this project are: (1) between riser poles #1926 and #1933, and (2) between riser poles #1944 and #1964.

14. Pac Bell is proposing to install new aerial cables between riser poles #1926 and #1933, and between riser poles #1944 and #1964. These new cables along with existing buried cables will increase capacity to meet new customer demands for telecommunication service.

15. Riser pole #1933 is located at Gold Lake Road, which is approximately 2,445 feet northeast of pole #1926. Portions of the proposed new aerial cables on existing power poles are behind foliage but segments still may be visible from the highway.

16. Riser pole #1964 is located at Carvin Creek, which is approximately 4,762 feet northeast of pole #1944. The proposed new aerial cables on these power poles are shielded by trees and are not visible from the highway.

17. According to the United States Forest Service, replacement and installation of overhead cables are categorically excluded from an environmental assessment since they are considered as maintenance of existing overhead facilities. No heavy equipment will be used, and the poles to be used for the telephone cables already exist on site.

18. The United States Forest Service environmental staff believes that undergrounding these replacement and new

cables in project areas would not impact the environment.

19. The County of Sierra Public Works Department was contacted and asked about its future plan to convert utility cables from aerial to underground in the Sierra City area. The Department indicated that the County does not have the funding, nor the desire to underground proposed project locations.

20. Pac Bell submitted the following cost estimates for various alternatives:

<i>Alter-natives</i>	<i>Date Submitted</i>	<i>Description</i>	<i>Estimated Cost</i>
a	11/20/98	Underground Facilities Only	\$3,283,600
b	1/11/99	Underground Highway 49 crossing locations only and overhead facilities for the remainder of the project	\$ 477,620
c	3/16/99	Bury proposed overhead cable between riser poles #1926 and #1933 with existing underground cables, and overhead facilities for the remainder of the project	\$ 341,700
d	9/14/98	Overhead Facilities Only	\$ 194,700

21. Pac Bell submitted a Pole Safety Factor Study and a cost estimate for pole replacement on May 7, 1999, and May 11, 1999, respectively.

22. Pac Bell and Pacific Gas and Electric (PG&E) have determined that 56 poles in this project need to be replaced in order to comply with General Order 95 pole strength requirements. According to the cover letter which accompanies the Pole Safety Factor Study, PacBell will engineer the project to comply with all General Order 95 requirements. Utility Safety Branch will receive a copy of this resolution for review. Since pole replacement costs do not affect the undergrounding costs, they are not included in project cost calculations.

**NOTICE**

1. Notice was provided by publication in the Commission Daily Calendar on March 24, 1999. Pac Bell dated its letter request on September 14, 1998. General Order 96 service requirements for Advice Letters do not apply to letter requests for deviation from utilities code.

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### PROTESTS

1. In a letter from the Planning Department of Sierra County to Pac Bell dated October 27, 1998, the County of Sierra did not fully support this proposal; especially for the sections of cable that cross highway 49 at Caltrans milepost 33.00 and 33.35, and the plan to place new aerial cables along with existing underground cables. The county was concerned with the aesthetic affects of these cable crossings on the highway.
2. Consequently, Pac Bell met with the Planning Department staff on April 5, 1999, to clarify cable changes, route and visual impacts, and undergrounding costs associated with this project. The Planning Department subsequently agreed to withdraw its protest on the condition that there would be no further expansion of the size or the number of aerial cables by Pacific Bell in the scenic corridor of Highway 49. Pac Bell responded by stating that future demand requirements would be met through the placement of subscriber line carrier. Subscriber line carrier is digital equipment designed to eliminate the need for placing additional cables.
3. Pac Bell also requested the Sierra County Board of Supervisors to issue a resolution of acceptance or non-acceptance for this project. On April 6, 1999, the Board of Supervisors heard testimony from Pac Bell and received a letter dated April 5, 1999, from the Planning Department withdrawing its recommendation of opposition. The Board of Supervisors later directed the Planning staff to return with a Resolution of Acceptance for the proposed project. This resolution was presented and adopted at the April 20, 1999, Board meeting.

### DISCUSSION

1. This deviation request should be evaluated on the bases of visibility, aesthetics, environmental impact, and economic feasibility.
2. Most of this proposed project may be classified as repairs and replacements of existing overhead facilities except: (1) between riser poles #1926 and #1933, and (2) between riser poles #1944 and #1964. Therefore, if replacement telephone conductors do not significantly alter

the visual impact of the Scenic Highway, they may not be considered as new construction, and may be exempted from P.U. Code Section 320 requirements.

3. This deviation should consider the following alternatives for the cable segments between riser poles #1926 and #1933, and between riser poles #1944 and #1964; and when there is significant visual impact of replacement telephone conductors on the Scenic Highway:

- a. Underground all telephone cables according to Public Utilities Code Section 320 (P.U. Code Section 320).
- b. Underground overhead telephone cables at all Highway 49 crossing locations, and use overhead facilities for the remainder of the project.
- c. Underground the proposed overhead cables between riser poles #1926 and #1933 with existing underground cables to minimize visual and aesthetic impacts of overhead cabling on Highway 49, and use overhead facilities for the remainder of the project.
- d. Use only overhead facilities, as proposed by Pac Bell.

4. Existing copper cables are sometimes replaced using fiber optics lines of smaller diameters. In this case, however, weather and geography of the project area limit the use of fiber optics technology to decrease visibility and increase aesthetics. Snow and high rock sliding potential create maintenance and repair issues that reduce the viability of using fiber optics cables.

5. The above alternatives have included opinions and findings of local governments and different government agencies, as well as field investigation findings of Commission staff. These alternatives are intended to identify the different measures that may assist in minimizing the use of overhead facilities, and thereby decrease the visual effects of communication conductor facilities on Scenic Highway 49.

6. Existing overhead facilities at highway crossing locations and short cable segments are visible from this Scenic Highway. However, the incremental changes in the sizes of replacement telephone conductors (up to 1.44"), and the visible portions of new and replacement cable segments along the Scenic Highway (0.72"-2.01") would not significantly alter the visual impact of Highway 49. Hence, replacement cables in this project should be

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exempted from P.U. Code Section 320 requirements, and visibility and aesthetics should not be dominant factors to differentiate the various alternatives.

7. However, since implementing any of the undergrounding alternatives could make the area more aesthetically pleasing, and visibility and aesthetics effects are judgmental, environmental impacts, and the costs and benefits of all these alternatives also need to be evaluated for a thorough analysis.

8. The United States Forest Service does not believe that undergrounding telephone cables in the project areas would have a significant environmental impact. In addition, the United States Forest Service categorically excluded this project from an environmental assessment since this project consists of maintenance to an existing facility. Thus, there is no environmentally superior distinction between underground and overhead installations in this instance. Hence, the environmental impact also is not a factor that differentiates the various alternatives.

9. The table below illustrates estimated project costs for different options and their respective project costs relative to overhead cost.

Date Submitted	Alter-natives	Description	Estimated Cost	Cost Ratio Option x / Option d
11/20/98	a	Underground Facilities Only	\$3,283,600	16.9
1/11/99	b	Use Overhead Facilities Except at Highway 49 Crossing Locations	\$ 477,620	2.5
3/16/99	c	Use Overhead Facilities Except Between Poles #1926 and #1933.	\$ 341,700	1.8
9/14/98	d	Overhead Facilities Only	\$ 194,700	1.0

10. As indicated on the table above, cost ratios for the different Alternatives with some type of undergrounding range from 1.8 to 16.9.

11. The 16.9:1 cost ratio of complete undergrounding to overhead has a significant impact on the overall project cost, making alternative "a" the least cost-effective option.

12. With alternative "b" the three cable segments which



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currently cross Highway 49, and are visible to motorists would be undergrounded. The 2.5:1 cost ratio makes alternative "b" more costly to implement than alternative "d". Almost triple the project cost merely for minor aesthetic improvement seems to be unwarranted.

13. The cost ratio of alternative "c" is 1.8:1. Since portions of proposed new aerial cables for this alternative are behind foliage, this alternative also would not produce significant aesthetic improvement to justify its implementation.

14. Because Pac Bell in this proposal would place no new poles, and the Sierra County Board of Supervisors adopted a Resolution accepting Pac Bell's proposal, and because undergrounding even small portions of the project would substantially increase the time required and cost of the project for little benefit, the energy division recommends that the Commission approve PacBell's request as proposed.

15. Pac Bell has indicated that they intend to complete the work associated with the deviation request in September 1999. Hence, the Energy Division recommends the Commission to approve and grant this deviation, but construction work associated with this deviation is granted only through the end of 2000, to expire at 12:00 a.m. on January 1, 2001.

#### COMMENTS

1. This is an uncontested matter in which the Resolution grants the relief requested. Accordingly, pursuant to PU Code Section 311(g)(2), the otherwise applicable 30-day period for public review and comment is being waived.

#### FINDINGS

1. By letter dated September 14, 1998, Pac Bell requests a deviation from California P.U. Code Section 320 for a project in Sierra County. The proposed upgrade and installation are within 1,000 feet of Scenic Highway 49.

2. The project extends from Sierra City running east through Bassetts Station to approximately Carvin Creek.

3. Most of this proposed project may be classified as repairs and replacements of existing overhead facilities except: (1) between riser poles #1926 and #1933, and (2)

between riser poles #1944 and #1964.

4. Because Pac Bell in this proposal would place no new poles, the cable repair and replacement portions of this project are not considered as new construction, and should be exempted from P.U. Code Section 320 requirements.

5. Pac Bell has received signed easements from three property owners allowing them to place aerial cables on their properties.

6. An Approval to Construct has been granted to Pac Bell by the United States Forest Service, authorizing placement of cables on power poles with permission from Pacific Gas and Electric Company.

7. Sierra County Board of Supervisors has adopted a Resolution to accept this proposed project.

8. Overhead facilities at highway crossing locations and short cable segments are visible from the highway but the replacements would not significantly alter the visual impact of Highway 49.

9. Underground installations at these locations would not be significantly environmentally superior to overhead installations.

10. The estimated cost of complete undergrounding is \$3,283,600. The estimated costs of other alternatives range from \$477,620 to \$341,700. The cost of equivalent overhead facilities is \$194,700. Hence, undergrounding even small portions of the project would substantially increase the cost of the project. These cost disparities render the underground alternatives impractical.

11. Pac Bell and Pacific Gas and Electric (PG&E) have determined that 56 power poles along Highway 49 need to be replaced in order to comply with General Order 95 pole strength requirements. According to the cover letter which accompanies their Pole Safety Factor Study, Pac Bell will engineer this project to comply with all General Order 95 requirements. Utility Safety Branch will receive a copy of this resolution for review. Since pole replacement costs do not affect the undergrounding costs, they are not included in project cost calculations.

The Commission should approve and grant this deviation; but construction work associated with this deviation is granted only

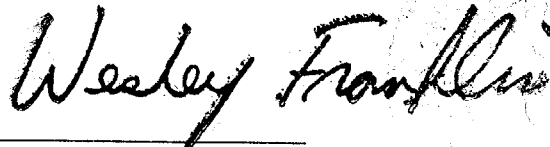
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through the end of 2000, to expire at 12:00 a.m. on January 1, 2001.

**THEREFORE, IT IS ORDERED THAT:**

1. Pac Bell Company's request to replace and install overhead lines to maintain and upgrade existing facilities is approved. This deviation is granted through the end of 2000 and expires at 12:00 a.m. on January 1, 2001.
2. This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on June 10, 1999. The following Commissioners voting favorably thereon:



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WESLEY M. FRANKLIN  
Executive Director

RICHARD A. BILAS  
President  
HENRY M. DUQUE  
JOSIAH L. NEEPER  
LORETTA M. LYNCH  
JOEL Z. HYATT  
Commissioner