

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ENERGY DIVISION

**RESOLUTION E-3602
MAY 13, 1999**

RESOLUTION

RESOLUTION E-3602. PACIFIC GAS AND ELECTRIC COMPANY (PG&E) REQUESTS A DEVIATION FROM THE UNDERGROUNDING REQUIREMENTS OF PUBLIC UTILITIES CODE SECTION 320 AT LEDSON WINERY. THE PROPOSED SITE IS ALONG A PORTION OF SCENIC HIGHWAY 12 IN SONOMA COUNTY. APPROVED.

BY PG&E LETTER DATED MARCH 23, 1998

SUMMARY

1. On March 23, 1998, PG&E filed a letter with the Energy Division (ED) to relocate one pole on a 12-kilovolt distribution pole line along California State Highway 04-SON-12 (Highway 12) to accommodate a new left-turn lane. The California Department of Transportation (Caltrans) requires a new left turn lane to convey an increased volume of traffic entering Ledson Winery.
2. No protests were received to this letter request for a deviation.
3. Based on substantially greater costs of underground over pole line relocation the County of Sonoma (Sonoma) recommends approval of this deviation request.
4. This Resolution approves the request for the electrical pole relocation on Highway 12.

BACKGROUND

1. California Public Utilities Code Section 320 (PU Code Sec. 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.

2. The Commission administers PU Code Sec. 320. After hearings conducted in Case 9364, Commission Decision (D.) 80864, dated December 19, 1972, 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 ordering paragraph (OP) 1 states: “ ... no respondent electric or communication utility, whether privately or publicly owned, shall install overhead distribution facilities 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 aboveground, unless (a) 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...”
4. By letter filed on March 23, 1998, PG&E requested a deviation from the legislative undergrounding requirements. This request refers to the Highway 12 shoulder widening and left-turn lane project at the Ledson Winery, 7335 Sonoma highway. That portion of the Highway 12 is a designated State Scenic Highway.

5. In its March 23, 1998 letter, PG&E says that Caltrans requires the left-turn lane because traffic is congested at the winery entrance.
6. Before Caltrans will issue a permit to PG&E for relocation of its poles, PG&E must have a deviation from PU Code Sec. 320.
7. PG&E must relocate one pole a minimum of four feet in order to clear the new edge of the roadway. Relocation of this pole is subject to PU Code Sec. 320 requiring all future electric facilities within 1,000 feet of a scenic highway to be installed underground. PG&E explains that the visual impact will not differ from that which currently exists.
8. The right-of-way is designated as a Community Separator in the Sonoma County General Plan and zoned SR (Scenic Resources). This designation provides that utilities be placed underground if economically practical.
9. Sonoma reviewed the plans for relocating the poles and recommends that the Commission grant a deviation. ¹
10. The County quotes PG&E cost estimates of undergrounding to be about \$160,000 plus ITCC² compared to moving the existing pole and line facilities at a cost of about \$9,000 plus ITCC. Ledson Winery pays for all project costs.
11. Sonoma states: "...the requirement for undergrounding for the project would not be economically practical."

¹ Letter from County of Sonoma Permit and Resource Department dated March 5, 1998.

² Income Tax Component of Contribution in Aid of Construction (ITCC), Rule 15.D.5.

May 13, 1999

NOTICE

1. Notice of this letter was made by publication in the Commission's Calendar

PROTEST

1. No protests were received to this deviation request.

DISCUSSION

1. Ledson Winery requested that PG&E relocate a portion of the 12-kilovolt distribution pole line facilities along California State Highway 12 to accommodate a new left-turn lane, required by Caltrans as a result of increased traffic entering Ledson Winery.
2. The anticipated pole relocation costs of \$9,000 would increase to \$160,000 if wire on each side of the pole were placed underground. These estimates do not include taxes. The ratio of underground to overhead line relocation costs is approximately 18 to 1.
3. Based upon the cost estimates, Sonoma determined that the increase in project cost of approximately \$151,000 for undergrounding this project would not be economically practical.
4. Sonoma observes that the replacement poles will be roughly the same size as the existing poles and visibility would not be significantly different.
5. Based on the substantially higher cost of undergrounding, Sonoma and PG&E recommend that the Commission grant a deviation from the PU Code Sec. 320 undergrounding requirement for utility pole relocation at the Ledson Winery.
6. In previous Commission Resolutions where the cost of undergrounding substantially exceeds the cost of relocating overhead facilities, the Commission usually granted deviations on the basis of excessive costs. For example the Commission adopted Resolution E-3430, dated November 21, 1995 for an overhead facilities installation in Sonoma County (for Multivison Cable TV Corp.) which had a cost ratio of ten to

one. On this portion of Highway 12, the cost of undergrounding substantially exceeds the cost of relocating the overhead facilities. The 18 to 1 cost ratio of the Ledson relocation renders the underground alternative impractical in this case as well.

7. On May 18, 1998, members of the ED visited the site of this proposed relocation of this section of Scenic Highway 12. ED agrees that the visibility would not be significantly different and the cost of undergrounding would be unreasonably high.
8. The ED recommends an overhead relocation deviation based on the cost of undergrounding substantially greater than the cost of overhead facilities relocation.
9. The deviation request is reasonable, consistent with other Resolutions, and should be approved.

COMMENTS

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

FINDINGS

1. By letter dated March 23, 1998, PG&E requested a deviation from California PU Code Section 320 to accommodate a new left-turn lane project along Scenic Highway 12 in Sonoma County, near the Ledson Winery.
2. The estimated cost of undergrounding electrical facilities is \$160,000 compared to anticipated pole relocation cost of \$9,000, exclusive of ITCC. This ratio of approximately 18 to 1 renders the undergrounding alternative impractical.
3. The visibility of relocated poles would not significantly differ from current visibility.

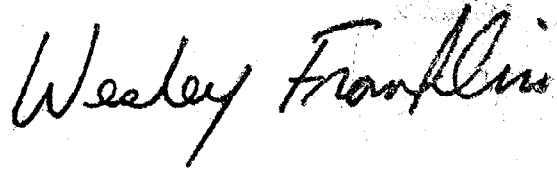
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4. The deviation request is reasonable, consistent with other Resolutions, and should be approved.

THEREFORE, IT IS ORDERED that:

1. PG&E's request to relocate an existing overhead pole and facilities on a 12-kilovolt distribution line along California State Highway 12 to accommodate a new left-turn lane for Ledson Winery is approved.
2. 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 May 13, 1999; the following commissioners voting favorable thereon:



WESLEY M. FRANKLIN
Executive Director

RICHARD A. BILAS
President
HENRY M. DUQUE
JOSIAH L. NEEPER
Commissioners