

PUBLIC UTILITIES COMMISSION STATE OF CALIFORNIA

ENERGY DIVISION ★

RESOLUTION E-3604
June 3, 1999

RESOLUTION

RESOLUTION E-3604. PACIFIC GAS AND ELECTRIC COMPANY (PG&E) REQUESTS A DEVIATION FROM CALIFORNIA PUBLIC UTILITIES CODE SECTION 320 IN GUERNEWOOD PARK. PG&E IS RETROACTIVELY AUTHORIZED TO REPLACE FOUR POLES AND ADD A THIRD CONDUCTOR. APPROVED.

BY LETTER DATED DECEMBER 5, 1997 FROM PACIFIC GAS AND ELECTRIC COMPANY.

SUMMARY

1. Decision (D.) 80864 requires utilities to seek Commission approval for construction of overhead installations in a scenic corridor, California State Highway 04-SON-116 (Highway 116).
2. Pacific Gas and Electric Company (PG&E), by letter dated December 5, 1997, requested authority for a deviation from Section 320, (Statutes. 1971, Chapter 1697) of the Public Utilities Code (PU Code).
3. No protests were received for these deviation requests.
4. Based on an 11 to 1 ratio of costs of underground to overhead relocation this Resolution approves PG&E's request for authority to relocate four poles and add a third conductor.

BACKGROUND

1. California Public Utilities Code (PU 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.”

2. The Commission is responsible for the administration of PU Code Section 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 states “no respondent electric or communication utility,...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 above ground, 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. On November 18, 1997 the California Department of Transportation (Caltrans) denied PG&E an encroachment permit to replace an existing overhead conductor across Hwy 116 and required PG&E to obtain approval from the Public Utilities Commission before installing the additional wire.
5. By letter dated December 5, 1997, PG&E requested a deviation from the legislative undergrounding requirements for a project on Highway 116.
6. PG&E completed this project in January 19, 1999 before receiving Commission authorization. PG&E gave the reason that the project manager did not know of PU Code Section 320 requirements until PG&E completed the project.
7. To maintain reliable service, PG&E was compelled to upgrade a single-phase line to a three-phase line. PG&E replaced four poles located within 1,000 feet of Highway 16, re-framed the poles, and

added an additional wire that extends across Highway 116. PG&E also added a recloser.¹

8. PG&E replaced the two previous copper conductors with three Aluminum Conductor Steel Reinforced Tree Wires. PG&E said that the additional wire does not impact the scenic corridor, Highway 12. PG&E said the replacement poles are roughly the same size as the existing poles and would not be significantly different aesthetically. PG&E relocated the new poles on an alignment five feet from the old poles.
9. PG&E estimated that the cost of relocating overhead was \$25,000. The estimated cost of undergrounding would have been \$275,000.
10. The adjacent terrain would further complicate underground construction. PG&E reports that the houses being served are built on a very steep slope and undergrounding the services to these houses could cause a serious erosion problem to the hillside. Drainage from such a slope would quickly erode away the earth cover over the buried cable.

NOTICE

1. Notice of PG&E's letter requesting a deviation was made by publication in the Commission's calendar and distribution to Caltrans.

PROTESTS

1. No protests were received for this deviation request.

DISCUSSION

1. PG&E has been subject to PU Code Section 320 since 1971. D.80864 has been effective since December 19, 1972. Caltrans required PG&E to seek a deviation before commencing construction. PG&E should review its procedures to ensure that appropriate personnel are sufficiently informed of PU Code Section 320 requirements. We will order PG&E to submit evidence of revised procedures ensuring that construction commences only after the Commission determines compliance with PU Code Section 320.

¹ A recloser isolates the circuit if a tree branch falls across the lines causing a short. The recloser automatically attempts to re-connect the circuit. After three attempts, if the branch has not fallen from the wires, the recloser isolates the circuit until manually re-connected.

2. The estimate for undergrounding of \$275,000 is 11 times the \$25,000 estimated for overhead relocation.
3. In previous Commission Decisions, where the cost of undergrounding substantially exceeds the cost of relocating overhead facilities, the Commission usually granted deviations on the basis of excessive costs. An excessive cost ratio (underground versus overhead costs) supports a deviation from the underground requirements and has been used as a guideline in several Commission Decisions and Resolutions. For example, the Commission adopted a deviation for an overhead facilities installation in Sonoma County, Resolution E-3567, dated October 8, 1998, for the Cohn Winery based on a cost ratio of 3.3 to one. Since the cost of undergrounding substantially exceeds the cost of relocating the overhead facilities the request for a deviation from PU Code Section 320 is reasonable.
4. The ED agrees that the relocated poles and additional wire are not significantly different aesthetically from the original facilities.
5. The ED therefore recommends that the Commission grant PG&E's request for deviation from PU Code 320 to relocate the four utility poles and install the additional wire.
6. PG&E should review and revise its procedures so that schedulers and crews will be aware of PU Code Section 320 requirements for Commission approval before relocating or installing poles along Scenic Highways.

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. D.80864 prohibits installation of overhead distribution facilities within 1,000 feet of a designated State Scenic Highway.
2. D.80864 permits deviation from such prohibition on letter request, reviewed by Commission staff and approved by Commission Resolution.
3. By letter dated December 5, 1997, PG&E requested a deviation from the undergrounding requirements of PU Code Section 320. Caltrans would not permit construction without a deviation from the Commission.

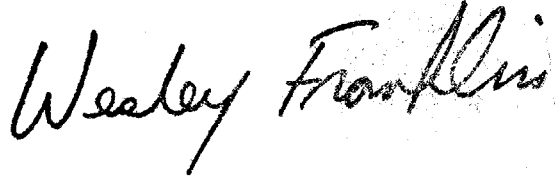
4. PG&E completed construction of the four power poles before the Commission approved the deviation.
5. The estimated cost of underground facilities is 11 times that of overhead facilities.
6. The visibility of the relocated facilities does not differ significantly from that of the original facilities.
7. Approval of PG&E's Guernewood Park deviation request is reasonable.

June 3, 1999

THEREFORE, IT IS ORDERED that:

1. Pacific Gas and Electric's request for deviation to relocate four power poles and add a third conductor near State Scenic Highway 116 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 June 3, 1999. The following Commissioners voting favorably thereon.



WESLEY M. FRANKLIN
Executive Director

RICHARD A. BILAS
President
HENRY M. DUQUE
JOSIAH L. NEEPER
LORETTA M. LYNCH
TAL C. FINNEY
Commissioners

Attachment A
1999 Budget for the Low Income Governing Board

Board Members			
Per Diem	\$54,000		
Travel Expenses	70,875		
Board Member Total		\$124,875	
Errors and Omission Insurance		60,000	
Advisory Committee			
Travel Expenses	18,000		
Advisory Committee Member Total		18,000	
Total Board Expenses Excluding Consultants			\$202,875
Legal Consultants		\$60,000	
Administrative Consultants			
January 1 through June 30, 1999	232,542		
July 1 through December 31, 1999	100,000		
Administrative Consultant Total		332,542	
Technical Consultants			
January 1 through June 30, 1999	250,000		
July 1 through December 31, 1999	95,075		
Technical Consultant Total		345,075	
Total Consultant Support for Board			\$737,617
Total Board and Consultant Support (1)			\$940,492

Note:

(1) LIGB's budget shall be funded at less than \$940,492, by an amount attributable to the preparation, distribution and/or filing of documents that are no longer necessary.