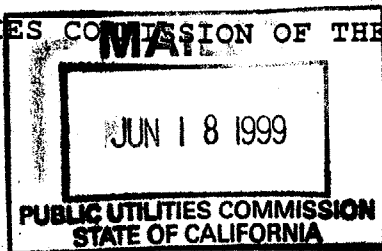


ENERGY DIVISION



RESOLUTION E-3616
JUNE 10, 1999

R E S O L U T I O N

RESOLUTION E-3616. PACIFIC GAS AND ELECTRIC COMPANY (PG&E) REQUESTS A DEVIATION FROM CALIFORNIA PUBLIC UTILITIES CODE SECTION 320 IN SONOMA COUNTY. PG&E PROPOSES TO RELOCATE DISTRIBUTION POLE FACILITIES WITHIN THE HIGHWAY 12 SCENIC CORRIDOR. THE COMMISSION AUTHORIZES PG&E TO USE OVERHEAD FACILITIES.

BY LETTER DATED FEBRUARY 25, 1999, FROM PACIFIC GAS AND ELECTRIC COMPANY. APPROVED.

SUMMARY

1. On February 25, 1999, Pacific Gas and Electric Company (PG&E) requested authority for deviation from the undergrounding requirements of Section 320 of the Public Utilities Code. This request involves relocating 11 poles for existing overhead electric and telephone lines. All work is within the Highway 12 Scenic Corridor in the County of Sonoma.
2. Because of the legislative policy promoting underground electric facilities, Pacific Gas and Electric needs Commission approval for such overhead installations in a scenic corridor.
3. This Resolution approves PG&E's request.

BACKGROUND

1. California Public Utilities Code Section 320 was enacted in 1971. It established the policy of this state to achieve the undergrounding of future electric and communication distribution facilities along designated California Scenic Highways.
2. The Commission administers Section 320 of the P.U. Code. According to our Decision (D) 80864 in Case 9364, the Commission will accept letter requests for deviations, the staff will review them and, where appropriate, the Commission

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will approve them by resolution. The applicant must show that undergrounding would not be economically feasible or would be inconsistent with sound environmental planning.

3. By letter dated February 25, 1999, PG&E requested the Commission to grant it a deviation from these requirements. PG&E itself was requested by the California Department of Transportation (CalTrans) to relocate approximately 11 poles of the 12 kilovolt (kV) distribution pole line facilities along California State Highway 04-SON-12 to accommodate a shoulder widening and roadway rehabilitation project. Highway 12 is designated a state Scenic Highway. The project starts at Sonoma Creek and extends to 0.12 miles past Libby Avenue near the town of Kenwood in Sonoma County and within 1000 feet of the Highway 12 Scenic Corridor.
4. PG&E recommends the deviation because relocating the existing poles would not impact the scenic corridor, and placing the conductors underground would greatly increase the cost of the project.
5. PG&E attached the following 3 letters to its request:
6. On January 5, 1999 PG&E wrote the Sonoma County Permit and Resource Management Department (Sonoma) to describe the proposal and its costs, with and without undergrounding. PG&E asked Sonoma to assess the project impacts to the scenic corridor and to advise PG&E of the outcome.
7. On February 3, 1999 Sonoma replied, asking PG&E how it would avoid removing trees, and avoid conflict with certain fire station operations. At the same time Sonoma also recommended that the CPUC grant a deviation from the undergrounding requirement for this project on the basis that undergrounding would not be economically practical. Sonoma listed 3 other criteria that might justify its recommendation to proceed, and which were at least partially met, in addition to economics.
8. On February 11, 1999 PG&E replied to Sonoma that no trees would be removed, and that the pole potentially conflicting with fire station operations would not in fact conflict when placed in its final design location.
9. In addition to the letters attached to PG&E's letter, the Commission received a letter written on March 10, 1999, by Michael J. Cale, First District Supervisor in the County of Sonoma which supported PG&E's proposal.
10. On May 6, 1999 staff met with PG&E and CalTrans in Santa Rosa to inspect the site.

NOTICE

1. Requests for deviation from Section 320 may be made by letter without service to parties. The Commission provided public notice of this proposal by publication in the Commission Daily Calendar on April 29, 1999.

PROTESTS

1. No communications opposing the project were received.

DISCUSSION

1. The Commission should consider visibility and aesthetics, and economic feasibility, when deciding whether to exempt PG&E from undergrounding requirements.
2. Since the facilities are visible from the highway for the length of the project lack of visibility cannot justify an exemption and we will turn to costs.
3. Conductors for three types of utility service are affected by this proposal: electric, telecommunications, and cable (television). Cable lines exist in the area of this project but were installed underground at lesser expense than electric lines because they do not pose the same safety hazard. Since the cable lines would not be disturbed or interfere with this project we need not consider them further here.
4. PG&E provided the following cost estimates in its February 3, 1999 letter to Sonoma County. Staff incorporates them by reference into PG&E's request:

	<u>CalTrans Cost</u>	<u>PG&E Cost</u>	<u>Telecom Cost</u>	<u>Total Cost</u>
Overhead	\$1,380,000	\$ 81,000	\$ 35,200	\$1,496,200
Underground	\$1,380,000	\$ 888,000	\$ 324,500	\$2,592,500

5. Staff discussed these figures with PG&E and GTE estimators. Since the telephone lines would be put in the same trench as the electric lines, staff asked GTE why the approximate 10:1 cost ratio would apply to both utilities. Staff learned that the GTE estimate included trenching. Without trenching the Telecom Cost would be lower by \$120,000. Staff conveyed this to PG&E, revised the table, and added cost ratios to it shown following:

	<u>CalTrans Cost</u>	<u>PG&E Cost</u>	<u>GTE Cost</u>	<u>Total Cost</u>
Overhead	\$1,380,000	\$ 81,000	\$ 35,200	\$1,496,200
Underground	\$1,380,000	\$ 888,000	\$ 204,500	\$2,472,500
Ratio UG : OH	1 : 1	11 : 1	5.8 : 1	1.7 : 1

6. The utility costs alone, to place electric and telephone lines underground at this location, even after correcting for the substantial estimating error, would still exceed the overhead costs by more than 5 : 1, and the cost of the project as a whole would be nearly doubled. Energy Division finds in this case therefore, that it is not economically feasible to place the relocated utility lines underground and recommends that the Commission approve PG&E's request for a deviation.

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. The Commission administers Section 320 of the P.U. Code requiring undergrounding of utility lines along designated Scenic Highways and accepts letter requests for deviations.
2. The applicant must show that undergrounding would not be economically feasible or would be inconsistent with sound environmental planning.
3. By letter dated February 25, 1999, PG&E requested a deviation from Section 320 for a pole relocation project starting at Sonoma Creek near the town of Kenwood in Sonoma County and lying within 1,000 feet of Scenic Highway 12.
4. Overhead facilities would remain visible but be located further from the highway and no additional lines or other work would increase their visibility.
5. The utility costs alone, to place electric and telephone lines underground at this location would still exceed the overhead costs by more than 5 : 1 and the cost of the project as a whole would be nearly doubled.
6. PG&E has shown that it is not economically feasible to place the relocated utility lines underground in this case.

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7. Energy Division recommends that the Commission approve PG&E's request.

THEREFORE, IT IS ORDERED THAT:

1. PG&E's request is approved to relocate approximately 11 poles of the 12 kilovolt (kV) distribution pole line facilities along California State Highway 04-SON-12 to accommodate a shoulder widening and roadway rehabilitation project starting at Sonoma Creek and extending to 0.12 miles past Libby Avenue near the town of Kenwood in Sonoma County and within 1000 feet of the Highway 12 Scenic Corridor.
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.



WESLEY M. FRANKLIN
Executive Director

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