

January 16, 2012

BY EMAIL AND REGULAR MAIL

President Michael Peevey
California Public Utilities Commission
505 Van Ness Ave.
San Francisco, CA 94102

Administrative Law Judge Jean Vieth
California Public Utilities Commission
505 Van Ness Ave.
San Francisco, CA 94102

**Re: A.07-06-031, Comments of the City of Chino Hills to the Response of
Southern California Edison Company to Assigned Commissioner's
Ruling of November 10, 2011**

Dear President Peevey and ALJ Vieth:

The City of Chino Hills ("the City" or "Chino Hills") hereby offers some general comments on the testimony and attachments served by Southern California Edison Company ("SCE") in response to President Peevey's Assigned Commissioner's Ruling ("ACR") of November 10, 2011, which directed SCE to provide additional testimony, including the feasibility, cost, and timing for five alternatives to the adopted transmission line route for a specific portion of Segment 8A, which runs through the City of Chino Hills. In addition, the City would like to make a procedural recommendation, and request that the Assigned Commissioner and/or the Administrative Law Judge order SCE to provide supplemental information to complete the testimony and attachments presented to date.

Comments on the SCE Testimony:

1. Adequate Information Regarding Mitigation Proposals

While the SCE testimony is extensive, it is incomplete in certain key respects. The November 10, 2011 ACR instructed SCE to provide the feasibility and cost and timing for five alternatives. Four of them involved alternative routes or techniques for constructing the transmission line. The fifth alternative was described as "mitigation for the impact of [the] TRTP line." The City has reviewed the SCE testimony and finds no substantive discussion of such mitigation proposals. There is a brief mention of potentially undergrounding 66 kV and 12

kV facilities within the City, but no discussion of the “feasibility, cost, and timing” for such mitigation, nor any description of how extensive such work would be. Chino Hills requests that SCE be compelled to fully comply with the ACR and provide detailed information on this proposal, as well as other mitigation alternatives so that the parties and the Commission can consider the route alternatives and mitigation alternatives with an adequate base of knowledge.

In addition, SCE states in its testimony that “Chino Hills has not identified feasible mitigation measures that have not already been implemented by the Commission.”¹ The ACR did not place the burden on the City of identifying and describing in detail additional mitigation measures. It placed that burden on SCE. Accordingly, SCE should complete its response to the ACR with a description of the full range of mitigation alternatives. Both SCE and Chino Hills are aware of other potential mitigation strategies, including some options that have been discussed in the hearings. SCE cannot avoid its obligation to provide a full and complete response to the ACR using the reasoning contained in the SCE Response on pages 94-95. There SCE appears to rely upon a conclusion in the Final EIR adopted in D.09-12-044 stating that a transmission line does not necessarily cause a reduction in property values, and that mitigation for a negative impact on property values is therefore improper. To be candid, the parties would not be having this discussion at all if the extraordinarily negative impact of the TRTP on the homes adjacent to the right-of-way and the individuals residing therein was not plainly apparent to anyone who has seen them, including the Commissioners. The fact that the Final EIR contained clearly erroneous conclusions to the contrary is no basis for SCE to fail to address such mitigation proposals as required by the ACR. SCE needs to put concrete mitigation proposals before the Commission and the parties.

2. A Single Circuit, Single Cable Underground Alternative

After its initial review of the SCE Response, Chino Hills has concluded that there are many aspects of the testimony in dispute, including the cost, length of construction schedule, and curtailment impact of the alternatives that were studied. However, SCE’s testimony reveals one key fact that illuminates a promising alternative that was not included in those studied by SCE. The Response offers alternatives consisting of a single overhead circuit constructed on both lattice towers and tubular steel poles, but it does *not* discuss a single circuit underground option. All of the options presented by SCE for undergrounding the line through Chino Hills involve multiple circuits, multiple conductor underground cables, and vastly greater scope and expense than needed as a result.

The TRTP Segment 8A line need not be constructed as a double circuit line. The inclusion of the single circuit options (SCE Options 2, 3, and 4) constitutes an admission by SCE of this fact. Indeed, it should be recalled that the portion of the TRTP Segment 8A line that enters the Mira Loma substation, is a single circuit line. The original double circuit design was selected in part to reduce EMF impacts within the City. If undergrounding the line can reduce such impacts to an even greater degree while also avoiding the extraordinarily negative impacts

¹ SCE Response to ACR on the TRTP, January 10, 2012, p. 93.

on the community from the height and proximity of the 195 foot tall towers, the use of a double circuit design is a luxury, not a necessity.

As a consequence of this fact, Chino Hills recommends that SCE should be required to offer supplemental testimony reconfiguring the duct bank undergrounding options in both the right-of-way and City streets (Options 6 and 8) as single circuit/single conductor designs.² At the same time SCE should be required to revise its testimony regarding the use of underground power cables to reflect the extensive and lengthy experience worldwide with underground cables of 400kV and over, which are common in Europe because European countries have adopted the 400 kV voltage class for their extra high voltage transmission, as opposed to the 500kV voltage class that is standard in North America. However, there is virtually no difference between 400 and 500 kV lines for purposes of underground construction, maintenance, safety, and reliability, and the Commission should have complete and accurate information on the extensive use of these lines in order to fairly judge their safety and reliability.

In addition, Chino Hills recommends that SCE be ordered to simplify its analysis by presenting just the incremental and sunk costs to construct the portion of the alternatives that vary from the adopted Segment 8A route. The portions of Segment 8A project costs that would not be altered under these alternatives should not be included, as they only exaggerate the apparent total cost of the alternative. Chino Hills also objects to the use of a 50% contingency factor for the underground cable options, and recommends that these options be presented by applying to the incremental costs a more reasonable contingency factor, such as 15%. Upon the receipt of this supplemental information, Chino Hills recommends that the Commission should have an independent expert engineering consultant with experience in high voltage underground transmission review the single circuit underground alternatives' scope, schedules, budgets, as well as the revised discussion of the viability and safety of high voltage underground installations. The Commission should then share the analysis of its independent expert with the parties to the proceeding, including Chino Hills.

3. CAISO Curtailment Protocols and SCE's Curtailment Methodology

Chino Hills strongly contests SCE's calculations of the potential costs of curtailed renewable energy due to delays in the in-service date of Segment 8A. We find the SCE's methodology for calculating such curtailment and its costs to be severely flawed. The calculations appear to be based upon an arbitrary and incorrect assumption that only 2200 MW transmission capacity will be available to renewable resources in the Tehachapi area at all times and under all loading and operating conditions. the SCE calculation goes on to incorrectly assume that in the event of congestion the CAISO will schedule gas-fired generation and imports from northern California as if they held priority over renewable generation in the Tehachapi area. In other words, the curtailment analysis disregards both the physics of transmission system operation and the operating protocols that the CAISO uses to manage congestion and curtailment

² Chino Hills does not support the direct bury option for undergrounding the line, and does not believe it would be productive to require additional information on Options 7 and 9 as a result.

of various generation resources. As a result, the SCE calculation severely and incorrectly overstates the potential for the curtailment of renewable resources. Accordingly, SCE should be compelled to offer supplemental information explaining in detail how its calculation of renewable resources' curtailment is consistent with the physics of transmission system operation and the CAISO operational protocols which will govern curtailment of various generation resources. Chino Hills frankly believes that there will be no curtailment of renewable energy, even if Segment 8A were delayed in some fashion. Chino Hills also disputes that the adoption of alternative routes would cause the extended delays suggested by SCE.

Procedural Proposal:

Chino Hills requests that the Assigned Commissioner or the Administrative Law Judge issue a ruling or order requiring SCE to submit a supplement to their testimony which includes the following material described above, and that it should do so on an expedited basis, such as within two weeks:

1. Detailed information regarding multiple possible mitigation proposals;
2. Detailed information regarding a single circuit, single cable alternative in both the right of way and City streets, identifying the incremental costs of the alternative, and lower contingency factors; and
3. A revised curtailment assessment that is consistent with the operation of the transmission system and CAISO protocols for scheduling renewable resources.

Chino Hills further requests that the existing procedural schedule be deferred until the supplemental data is received. With the receipt of this additional information, Chino Hills believes that the parties can more productively make use of the Alternative Dispute Resolution option, while considering both undergrounding and other mitigation options.

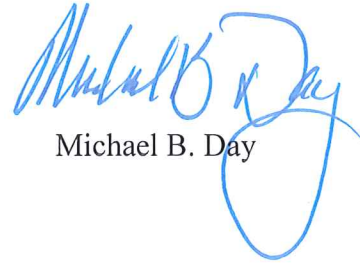
Chino Hills greatly appreciates the Commission's extensive commitment of time and resources to this matter, particularly the fact that each Commissioner made the effort to personally visit the TRTP construction sites within Chino Hills. The City believes that the procedures outlined above will both help facilitate a prompt resolution of this proceeding and ensure that the Commission, Chino Hills and SCE are all in possession of complete and accurate information regarding the alternatives that the ACR sought to consider. This will help the Commission to properly balance all parties' interests in a final decision in this matter. If the Assigned Commissioner or the Administrative Law Judge have any questions for Chino Hills regarding its proposal, please contact the undersigned. Chino Hills will be prepared to address its proposals at the Prehearing Conference in this docket scheduled for January 18, 2012. A copy of this letter is being served on all parties to the above-docketed proceeding today.

President Michael Peevey
Administrative Law Judge Jean Vieth
January 16, 2012
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Very truly yours,

GOODIN, MACBRIDE, SQUERI,
DAY & LAMPREY, LLP

By

A handwritten signature in blue ink, appearing to read "Michael B. Day", with a large, stylized loop at the end.

Michael B. Day

cc: Service List A.07-06-031