## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SOUTHERN	)	
CALIFORNIA EDISON COMPANY (U 338-E)	)	Application No
for a Permit to Construct Electrical Facilities	)	(Filed December 29, 2006)
With Voltages Between 50 kV and 200 kV:	)	
Kimball Substation Project	)	

APPLICATION OF SOUTHERN CALIFORNIA EDISON COMPANY (U 338-E) FOR A

PERMIT TO CONSTRUCT ELECTRICAL FACILITIES WITH VOLTAGES

BETWEEN 50 KV AND 200 KV: KIMBALL SUBSTATION PROJECT

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Dated: December 29, 2006

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I.

## **INTRODUCTION**

Pursuant to California Public Utilities Commission (Commission or CPUC), General Order 131D (GO 131D), Southern California Edison Company (SCE) respectfully submits this application (Application) for a permit to construct (PTC) authorizing SCE to construct the proposed project known as the Kimball Substation Project (Project). The Project consists of: (i) the construction of a 66/12 kilovolt (kV) substation (Kimball Substation) on an approximately 2 acre site located in the City of Chino; (ii) the modification of approximately 6.7 miles of the Chino-Corona-Pedley 66 kV subtransmission line and construction of two (2) 340 foot underground 66 kV subtransmission lines that will connect Kimball Substation through a tubular steel pole (TSP) riser to an existing 66 kV overhead transmission line, (iii) the addition of a second 66 kV subtransmission line circuit to an approximately 0.9 mile segment of the Archibald-Chino-Corona 66 kV subtransmission line and construction of a new 0.4 mile segment within

public street rights-of-way to connect the Chino-Corona-Pedley 66 kV line to the Archibald-Chino-Corona 66 kV line (these modifications would form the new Chino-Cimgen-Kimball 66 kV subtransmission line) (iv) construction of six (6) 12 kV underground circuits extending from the proposed Kimball Substation to the nearest public street, and (v) installation of new fiber optic cable and communication equipment to connect the Kimball Substation to SCE's existing telecommunication system.

II.

#### **BACKGROUND AND SUMMARY OF REQUEST**

The electrical needs of the Cities of Chino, Ontario and unincorporated western Riverside County (the Electrical Needs Area) are currently served from SCE's main electrical grid via a portion of SCE's Chino and Mira Loma 220 kV systems, which are comprised of 220/66 kV transformers, 66 kV subtransmission lines, 66/12 kV transformers, and 12 kV distribution lines. The Chino 66/12 kV, Soquel 66/12 kV, Archibald 66/12 kV, and Mira Loma 66/12 kV Substations currently provide electrical service to approximately 37,000 metered customers and are the source substations for the new large residential, commercial, and light industrial developments within the Electrical Needs Area.

Presently, the amount of electricity that can be delivered into the Electrical Needs Area by the Chino, Soquel, Archibald, and Mira Loma Substations is limited to the maximum amount of electricity that these four substations can transmit before exceeding designed operating limits. The combined electrical capacity of these substations is presently limited to 275 MVA. SCE has plans to add capacity at Archibald Substation in 2007, which would increase the combined operating capacity of these four substations to 311 MVA.

A review of general plans and specific plans affecting the Electrical Needs Area indicate that by 2025 there will be approximately 16,000 acres of new residential development consisting of 59,800 new units, 900 acres of new commercial development, and 1,160 acres of new light-

industrial development. This represents approximately 490 MVA of demand at full build-out by 2025 within the Electrical Needs Area.

Although SCE presently plans to upgrade Mira Loma Substation in 2010 to increase capacity in the Electrical Needs Area, these modifications do not eliminate the need for the Proposed Project because the distribution circuits from Mira Loma Substation as well as from Chino, Soquel, and Archibald Substations to certain areas within the Electrical Needs Area are too long to reliably serve demand.

Presently, areas within the Electrical Needs Area are experiencing low voltage conditions caused by long distribution lines. SCE has various plans in place to correct the low voltage conditions but as the source of electrical demand continues to grow and move further from existing substations, it will be more difficult to maintain CPUC-mandated voltage levels.

The distribution lines that serve the Electrical Needs Area originate from Archibald, Chino, Soquel, and Mira Loma Substations. Some of these distributions lines range in length from 5 to 7 miles, which were once sufficient to serve electrical demand in the area when the land was primarily used for agriculture. However, a transition from agricultural communities to residential development in the Electrical Needs Area is impacting SCE's ability to serve growing electrical demand using from these long distribution lines. To be able to accommodate the greater demand, the length of the distribution lines from the source substations to portions of the Electrical Needs Area needs to be shorter than the existing 5- to 7-mile long distribution lines. The shorter distribution line length is necessary to maintain adequate voltage levels at the end of the line and permits electric system operational flexibility. The shorter distribution line lengths allow SCE to transfer load between distribution lines and between substations in response to variations in demand, thereby reducing the possibility of overloading the equipment and its subsequent failure.

Construction of the Project will ensure that safe and reliable electric service is provided to meet customer electrical demand without overloading the existing electric facilities that supply the Electrical Needs Area by: (1) increasing the total transformation capacity available within the

Electrical Needs Area; (2) providing enhanced system reliability by locating Kimball Substation in proximity to area of load growth; (3) enhancing operational flexibility by providing the ability to transfer load between distribution lines and substations within the Electrical Needs Area; and (4) meeting projected demand in the Electrical Needs Area beginning in 2009.

The PEA will be referenced in this Application, where appropriate, as the source of the information required in an Application for a PTC½/pursuant to GO 131D, Section IX.B. A complete project description is located in Chapter 3 of the PEA. A statement of purpose and need is located in Chapter 1 of the PEA.

Construction of the Project is scheduled to begin in July, 2008 and to be completed by June, 2009. A schedule for the Project is included in this Application as Appendix C.

SCE has reviewed the rules and regulations of the federal, state and local agencies that have responsibility for the environmental resources of concern. Chapter 4 of the PEA assesses the environmental impacts of the Project. As discussed in Chapter 4 of the PEA, where potentially adverse environmental impacts as a result of the Project may occur, SCE has proposed measures to minimize environmental impacts to less than significant levels (SCE Proposed Measures, as discussed in Chapter 4 of the PEA).

Upon completion of its review of this Application and preparation of the initial study, SCE expects the Commission will find that there is no substantial evidence, in light of the entire record before the Commission, that the Project, which incorporates the Project Features and SCE Proposed Measures described in the PEA, will significantly impact the environment. Thus, SCE requests that the Commission issue a PTC authorizing SCE to construct the Project set forth in this Application and the attached PEA within the timelines set forth in Section III.H. of this Application.

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Other required information for a PTC application (e.g. Balance Sheet, Articles of Incorporation, etc. . . .) is contained in this Application or its appendices.

III.

#### STATUTORY AND PROCEDURAL REQUIREMENTS

## A. Applicant

The applicant is Southern California Edison Company, an electric public utility company organized and existing under the laws of the State of California. SCE's principal place of business is 2244 Walnut Grove Avenue, Post Office Box 800, Rosemead, California 91770. Please address correspondence or communications in regard to this Application to:

Albert J. Garcia Attorney Southern California Edison Company 2244 Walnut Grove Avenue Post Office Box 800 Rosemead, California 91770 Phone: (626) 302-6992 Fax: (626) 302-1926

With a copy to:

Case Administration Southern California Edison Company 2244 Walnut Grove Avenue Post Office Box 800 Rosemead, California 91770 Phone: (626) 302-3101

Fax: (626) 302-3101

## **B.** <u>Articles of Incorporation</u>

A copy of SCE's Restated Articles of Incorporation, as amended through November 1, 1993, and as presently in effect, certified by the California Secretary of State, was filed with the Commission on November 15, 1993, in connection with Application No. 93-06-02222 and is incorporated herein by reference pursuant to Rule 16 of the Commission's Rules of Practice and Procedure.

Application No. 93-06-022, filed November 15, 1993, regarding approval of a Self-Generation Deferral Agreement between Mobil Oil Corporation Torrance Refinery and Southern California Edison.

## C. Balance Sheet And Statement Of Income

Appendix A to this Application contains copies of SCE's balance sheet as of June 30, 2006, and the statement of income for the period ending June 30, 2006. The balance sheet reflects SCE's utility plant at original cost, less accumulated depreciation.

Since 1954, pursuant to Commission Decision No. 49665 dated February 16, 1954, in Application No. 33952, as modified by Decision No. 91799 in 1980, SCE has utilized straight-line remaining life depreciation for computing depreciation expense for accounting and ratemaking purposes in connection with its operations.

Pursuant to Commission Decision No. 59926, dated April 12, 1960, SCE uses accelerated depreciation for income tax purposes and "flows through" reductions in income tax to customers within the Commission's jurisdiction for property placed in service prior to 1981. Pursuant to Decision No. 93848 in OII-24, SCE uses the Accelerated Cost Recovery System (ACRS) for federal income tax purposes and "normalizes" reductions in income tax to customers for property placed in service after 1980 in compliance with the Economic Recovery Tax Act of 1981, and also in compliance with the Tax Reform Act of 1986. Pursuant to Decision No. 88-01-061, dated January 28, 1988, SCE uses a gross of tax interest rate in calculating the AFUDC Rate, and income tax normalization to account for the increased income tax expense occasioned by the Tax Reform Act of 1986 provisions requiring capitalization of interest during construction for income tax purposes.

#### D. Description of Southern California Edison Company

SCE is an investor-owned public utility engaged in the business of generating, transmitting, and distributing electric energy in portions of Central and Southern California. In addition to its properties in California, it owns, in some cases jointly with others, facilities in Nevada, Arizona, and New Mexico, its share of which produces power and energy for the use of its customers in California. In conducting such business, SCE operates an interconnected and *integrated* electric utility system.

## **E.** Service Territory

SCE's service territory is located in fifteen counties in Central and Southern California, consisting of Fresno, Imperial, Inyo, Kern, Kings, Los Angeles, Madera, Mono, Orange, Riverside, San Bernardino, Santa Barbara, Tulare, Tuolumne, and Ventura Counties, and includes approximately 179 incorporated communities as well as outlying rural territories. A list of the counties and municipalities served by SCE is attached hereto as Appendix B. SCE also supplies electricity to certain customers for resale under tariffs filed with the Federal Energy Regulatory Commission.

# F. Location of Items Required In A Permit To Construct Pursuant To GO 131D, Section IX.B

Almost all of the information required to be included in a PTC application pursuant to GO 131D, Section IX.B is found in the PEA.

Required PTC application information has been cross-referenced to the PEA in the following text. The PTC application requirements of GO 131D, Section IX.B are in italics, and the PEA references follow in plain text.

- a. A description of the proposed power line or substation facilities, including the proposed power line route; proposed power line equipment, such as tower design and appearance, heights, conductor sizes, voltages, capacities, substations, switchyards, etc.; and a proposed schedule for authorization, construction, and commencement of operation of the facilities.
- Descriptions of the Project are found in the Executive Summary, Chapter 1, Section 1.1, Chapter 2, Section 2.5; and Chapter 3.
- The substation site is described and illustrated in Chapter 3 and in Figure 4.1-1. The 66 kV subtransmission line route is described and illustrated in Chapter 2, Section 2.5, Chapter 3, and Figure 3-1.

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<sup>3</sup> SCE provides electric service to a small number of customer accounts in Tuolumne County and is not subject to franchise requirements.

- The physical characteristics of the substation and equipment are described and illustrated in Chapter 3. The physical characteristics of the 66 kV subtransmission line modifications is described and illustrated in Chapter 3. The location of the of the 66 kV subtransmission line modifications is illustrated in Chapter 3, Figure 3-2. A depiction of certain proposed modifications to the 66 kV subtransmission line poles is described and illustrated in Chapter 3 and Figure 3-3.
- The Project Schedule is attached to this Application as Appendix C.
- b. A map of the proposed power line routing or substation location showing populated areas, parks, recreational areas, scenic areas, and existing electrical transmission or power lines within 300 feet of the proposed route or substation.
- A Project area (Figure 2-1) map is provided in Chapter 2, Figure 2.1
- Maps of current land use including designation of parks, recreational and scenic areas are provided as Figures 4.9-1, 4.9-2, 4.9-3 and 4.14-1.
- A map of the power line route show its proximity to existing electrical transmission and power lines is provided as Figure 3-1.
- c. Reasons for adoption of the power line route or substation location selected, including comparison with alternative routes or locations, including the advantages and disadvantages of each.
- Reasons for adoption of the proposed substation site and the 66 kV subtransmission line route are discussed in Chapter 2.
- d. A listing of the governmental agencies with which proposed power line route or substation location reviews have been undertaken, including a written agency response to applicant's written request for a brief position statement by that agency. In the absence of a written agency position statement, the utility may submit a statement of its understanding of the position of such agencies.
- The City of Chino has no adverse comments on the proposed Project. A written statement from the City of Chino, dated November 6, 2006, is attached to the PEA in Appendix I.
- Notice of the Project filing was sent to the Native American Heritage Commission (NAHC) on June 14, 2006. The Commission responded on June 30, 2006, stating that a search of the Sacred Lands File failed to indicate the presence of Native American cultural resources in the

immediate Project area. A list of Native American individuals and organizations that may have knowledge of cultural resources in the Project area was enclosed in the response from NAHC. SCE will contact these individuals and organizations if, during archaeological monitoring, human remains are encountered. Copies of SCE's letter to the NAHC and the NAHC's response letter are attached in Appendix E to the PEA.

- e. A PEA or equivalent information on the environmental impact of the project in accordance with the provisions of CEQA and this Commission's Rules of Practice and Procedure 17.1 and 17.3. If a PEA is filed, it may include the data described in Items a. through d. above.
- A PEA is attached to this Application.

## G. Compliance With GO 131D, Section X

GO 131D, Section X, requires applications for a PTC to describe measures taken to reduce potential exposure to electric and magnetic fields (EMF) generated by the proposed facilities. A complete description of EMF-related issues is contained in SCE's EMF Field Management Plan for this Project attached as Appendix F to the Application.

## H. Compliance with Rule 6(a)(1)

In compliance with Rule 6(a)(l) of the Commission's Rules of Practice and Procedure (California Code of Regulations, Title 20), SCE is required to state in this Application "the proposed category for the proceeding, the need for hearing, the issues to be considered, and a proposed schedule." SCE proposes to categorize this Application as a rate setting proceeding. SCE anticipates that hearings will not be necessary. This proceeding involves the Commission's (i) environmental review of the proposed Project in compliance with the California Environmental Quality Act (CEQA) (Public Resources Code § 21000 et seq.) and the Commission's GO 131D, and (ii) issuance of a PTC authorizing SCE to construct the Project.

SCE suggests the following proposed schedule for this Application. The schedule assumes the Commission will approve the final Negative Declaration at the first Commission Meeting following the expiration of the 105 day period following the Commission's acceptance of a complete application as required by Public Resources Code § 21100.2.

December 29, 2006 Application filed

January 29, 2006 Application accepted as complete

March 1, 2007 Energy Division issues initial study

April 20, 2007 Draft CEQA Document (Negative Declaration, Mitigated Negative Declaration or EIR) Issued for Comment

June 26, 2007 Draft Decision Issued

July 26, 2007 Commission Decision, Final Mitigated Negative

**Declaration Approved** 

## I. Statutory Authority

This Application is made pursuant to the provisions of CEQA, GO 131D, the Commission's Rules of Practice and Procedure, and prior orders and resolutions of the Commission.

#### J. <u>Public Notice</u>

Pursuant to GO 131D, Section XI.A, notice of this Application shall be given (1) to certain public agencies and legislative bodies; (2) to owners of property located on or within 300 feet of the project area; (3) by advertisement in a newspaper or newspapers of general circulation; and (4) by posting a notice on-site and off-site at the project location.

SCE has given, or will give, proper notice within the time limits prescribed in GO 131D. A copy of the Notice of Application for a Permit to Construct and a list of newspapers which will publish the notice are contained in Appendix D. A copy of the Notice of Application for a Permit to Construct and a service list are contained in Appendix E.

## K. Supporting Appendices And Attachment

Appendices A through E and the attached PEA listed below are made a part of this Application:

- Appendix A: Balance Sheet and Statement of Income as of June 30, 2006.
- Appendix B: List of Counties and Municipalities served by SCE.
- Appendix C: Kimball Substation Project Schedule.
- Appendix D: Notice of Application for a Permit to Construct.
- Appendix E: Proof of Service and Notice of Application for a Permit to Construct.
- Appendix F: Field Management Plan
- Attachment: Proponent's Environmental Assessment.

## L. Compliance with Rule 17.1

In accordance with Rule 17.1 of the Commission's Rules of Practice and Procedure, SCE is enclosing a deposit to be applied to the costs the Commission incurs to prepare a negative declaration or an environmental impact report for this Project.

#### M. Request For Ex Parte Relief

SCE requests that the relief requested in this Application be provided <u>ex parte</u> as provided for in GO 131D, Section IX.B.6.

#### N. Request For Timely Relief

SCE requests the Commission to issue a decision within the time limits prescribed by Government Code Section 65920 et seq. (the Permit Streamlining Act) as provided for in GO 131D, Section IX.B.6.

Moreover, as addressed in the same subsection of GO 131D, SCE requests that the Commission refrain from assigning an ALJ to this proceeding, unless a valid protest is received by the Commission, and in the absence of any valid protests allow the Energy Division to process this Application.<sup>4</sup>

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<sup>4</sup> D.95-08-038, Appendix A, p. 25.

#### IV.

## **CONCLUSION**

SCE respectfully requests the Commission to issue a PTC authorizing SCE to construct the Kimball Substation Project described in this Application and the attached PEA. SCE further requests that the relief be provided <u>ex parte</u> and within the time limits prescribed by the Permit Streamlining Act.

Respectfully submitted,

SOUTHERN CALIFORNIA EDISON COMPANY

/s/

By: James A. Kelly Vice President

/s

By: Albert J. Garcia

Attorney for SOUTHERN CALIFORNIA EDISON COMPANY

2244 Walnut Grove Avenue Post Office Box 800

Rosemead, California 91770

Telephone: (626) 302-6992 Facsimile: (626) 302-1926 E-mail:Albert.Garcia@SCE.com

Dated: December 29, 2006

## **VERIFICATION**

I am an officer of the applicant corporation herein, and am authorized to make this verification on its behalf. I am informed and believe that the matters stated in the foregoing document are true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 29th day of December 2006, at Rosemead, California.

.

James A. Kelly
Vice President
SOUTHERN CALIFORNIA EDISON COMPANY

2244 Walnut Grove Avenue Post Office Box 800 Rosemead, California 91770

## **CERTIFICATE OF SERVICE**

I hereby certify that, pursuant to the Commission's Rules of Practice and Procedure, I have this day served a true copy of *APPLICATION OF*SOUTHERN CALIFORNIA EDISON COMPANY (U 338-E) FOR A PERMIT

TO CONSTRUCT ELECTRICAL FACILITIES WITH VOLTAGES BETWEEN

50 KV AND 200 KV: KIMBALL SUBSTATION PROJECT on all parties identified on the attached service list(s). Service was effected by one or more means indicated below:

Transmitting the copies via e-mail to all parties who have provided an e-mail address. First class mail will be used if electronic service cannot be effectuated.

Placing the copies in sealed envelopes and causing such envelopes to be delivered by hand or overnight courier to the offices of the Commission or other addresses(s).

Executed this 29th day of December, 2006, at Rosemead, California.

/s/

Cecilia R. Jones
Project Analyst
SOUTHERN CALIFORNIA EDISON COMPANY

2244 Walnut Grove Avenue Post Office Box 800 Rosemead, California 91770

## Kimball Substation Project Agency List

Mr. Charles E. Coe, AICP	Mr. Harvey Luth	Mr. Dennis Yates
Community Development Director	Chairman, Planning Commission	Mayor
City of Chino	City of Chino	City of Chino
13220 Central Ave.	13220 Central Ave.	13220 Central Ave.
Chino, CA 91708-0667	Chino, CA 91708-0667	Chino, CA 91708-0667
	G.I.I.O, 67 (617) 65 5557	
Mr. Glen Rojas	Mr. Brent Arnold	
City Manager	City Planner	Docket Clerk
City of Chino	City of Chino	California Public Utilities Commission
13220 Central Ave.	13220 Central Ave.	505 Van Ness Avenue
Chino, CA 91708-0667	Chino, CA 91708-0667	San Francisco, CA 94102
California Energy Commission B.B. Blevens, Executive Director Executive Director 1516 Ninth Street Sacramento, CA 95814-5512	California Department of Transportation Division of Aeronautics, MS # 40 Mary Frederick, Division of Aeronautics Acting Chief PO Box 942874 Sacramento, CA 94274-0001	Secretary of the Resources Agency Mike Chrisman, Secretary 1416 Ninth St., Suite 1311 Sacramento, CA 95814
California Department of Transportation Will Kempton, Director PO Box 942873 Sacramento, CA 94273-0001	Department of Health Services Sandra Shewry, Director 1501 Capitol Ave., Suite 6001 Sacramento, CA 94234-7320	State Water Resources Control Board Celeste Cantu, Executive Director 1001 *I* Street Sacramento, CA 95814
Department of Fish and Game Headquarters Ryan Broddrick, Director 1416 Ninth Street Sacramento, CA 95814	South Coast Air Quality Management District 21865 Copley Drive Diamond Bar, CA 91765-4182	California Department of Transportation District 7 100 S Main Street Los Angeles, CA 90012
Santa Ana Regional Water Quality Control Board Region 8 California Tower 3737 Main Street, Suite 500 Riverside, CA 92501-3348	Angela Minkin, Chief ALJ California Public Utilities Commission 505 Van Ness Avenue San Francisco, CA 94102	
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