BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

In The Matter of the Application of SAN DIEGO GAS & ELECTRIC COMPANY (U 902 E) for a Permit to Construct Electrical Facilities With Voltages Between 50 kV and 200 kV and New Substations With High Side Voltages Exceeding 50kV: The East County Substation Project	Application 09-08-003 (Filed August 10, 2009)

APPLICATION OF SAN DIEGO GAS & ELECTRIC COMPANY (U 902 E) FOR A PERMIT TO CONSTRUCT THE EAST COUNTY SUBSTATION PROJECT

(VOLUME I OF II)

Allen K. Trial
Attorney for:

SAN DIEGO GAS & ELECTRIC COMPANY
101 Ash Street, HQ12B
San Diego, CA 92101
Tel: (619) 699-5162
Fax: (619) 699-5027
E-mail: ATrial@Sempra.com

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APPLICATION OF SAN DIEGO GAS & ELECTRIC COMPANY (U 902 E) FOR A PERMIT TO CONSTRUCT THE EAST COUNTY SUBSTATION PROJECT

I. INTRODUCTION

Pursuant to General Order (GO) 131-D, the California Environmental Quality Act **(**CEQA**),** the California Public Utilities Code, and the Rules of Practice and Procedure of the California Public Utilities Commission (Commission), San Diego Gas & Electric Company (SDG&E) files this Application (Application) for a Permit to Construct (PTC) the East County (ECO) Substation Project (Proposed Project). As set forth in the accompanying Proponent's Environmental Assessment (PEA), the Proposed Project is needed to interconnect proposed renewable wind energy generation in southeastern San Diego County and Mexico in accordance with the California Independent System Operator (CAISO) Open Access Transmission Tariff. Additionally, several components of the Proposed Project will improve the reliability of electric service to the communities of Bankhead Springs, Boulevard, Jacumba, and Manzanita, as well as the Campo, La Posta, and Manzanita Indian Reservations, which experience relatively frequent outages.

The proposed in-service date for the new substation is June 2012. A complete project description is included in the PEA, which is Volume II of this application. The PEA will be referenced in this Application pursuant to GO 131-D, Section IX.B.1.e.[1]

II. SUMMARY OF REQUEST

SDG&E submits this Application requesting that the California Public Utilities Commission, upon completion of its review of this Application, issue and certify an appropriate environmental document and issue an expedited *ex parte* decision granting SDG&E a PTC authorizing SDG&E to construct the Proposed Project set forth in this Application, PEA and the accompanying documents within the proposed timelines set forth in Section IV.A.4.d of this Application.

III. PROJECT BACKGROUND

A. Purpose

The purpose of the Proposed Project is to provide an economical interconnection platform for renewable generation sources in southeastern San Diego County and Mexico in accordance with the California Independent System Operator Open Access Transmission Tariff. This Proposed Project will also improve the reliability of electric service to the communities of Bankhead Springs, Boulevard, Jacumba, and Mazanita, as well as the Campo, La Posta, and Manzanita Indian Reservations, which experience relatively frequent outages. For a more detailed discussion of the purpose for the Proposed Project, see the PEA.

B. Description

The Proposed Project is broken into the following five components:

[1] Other required information for a PTC application under the Commission's Rules of Practice and Procedure are contained in this Application or its appendices.

1. Construction of a new 500/230/138 Kilovolt (kV) electric substation (ECO Substation);

2. Loop-in of the existing 500 kV Southwest Powerlink (SWPL) transmission line into the new ECO Substation, which will require installation of transmission structures outside of the fenced substation, but within the newly acquired SDG&E property;

3. Construction of a new, approximately 13.3-mile-long 138 kV transmission line from the ECO Substation to the rebuilt Boulevard Substation, including the placement of an optical ground wire to provide critical communication services and lightning protection;

4. Rebuild of the Boulevard Substation to operate at 138/69/12 kV on a new parcel adjacent to the existing substation to accommodate switch racks, air-insulated buses, transformers, circuit breakers, disconnect switches, communication equipment and protective relays; and

5. Construction of a microwave communication relay system comprised of a new tower and control building at the ECO Substation, rebuild of the existing SDG&E Communication Facility at White Star, and the leasing of existing T1 lines from San Diego County.

ECO Substation

The new ECO Substation will occupy approximately 58 acres, which will be enclosed by a chain-link fence around the perimeter of the substation. In addition, a 20-foot buffer around the perimeter of the substation pads will be maintained. Construction will require permanent cut and fill slopes in the area surrounding the substation that may occupy an additional 25 acres. In addition, a new access road, drainage facilities for the site, and a design/construction buffer of approximately 100 to 150 feet around the substation will be included in the Proposed Project design. The substation will be split into two separate yards consisting of one 500 kV yard and one 230/138 kV yard. The fenced area of the 500 kV yard will occupy roughly 32 acres (approximately 1,290 feet by 1,080 feet). The fenced area of the 230/138 kV yard will occupy roughly 26 acres (approximately 1,060 feet by 1,080 feet).

The electrical facilities to be installed include 500 kV, 230 kV, and 138 kV air-insulated electrical buses, steel support structures, transformers, capacitors, reactors, circuit breakers, disconnect switches, communication equipment, control equipment, and protective relays. More specifically, the initial arrangement of the substation will consist of:

- Two 500 kV bays in a ring bus configuration
- One 500/230 kV transformer bank (three single-phase units with one operational spare)
- Three 230 kV bays in a breaker-and-a-half bus configuration
- One 230 kV shunt capacitor
- One 230/138 kV transformer bank
- Two 138 kV bays in a double-bus/double-breaker bus configuration
- One 12 kV, 180 megavolt ampere reactive (MVAR) shunt reactor bank
- One microwave communication tower

Other facilities will include metering, SCADA, security, and communications equipment. In addition, two single-story relay/control buildings, a single-story storage building, and a fire-suppression system with associated hydrants and an approximately 120,000-gallon water tank will be installed. The water tank will be approximately 15 feet in height and 30 feet in diameter and will also be utilized for landscape irrigation. A stationary standby generator, to be used as a backup to the station lights and power transformers, will also be installed. The anticipated substation equipment will be fully contained within the fenced area of the ECO Substation. In addition, a retention basin will be constructed near the northwestern corner of the 230/138 kV yard, adjacent to the northern side of the substation. After construction, the basin will be used for the 500 kV yard stormwater retention. A second retention basin will be constructed along the western side of the ECO Substation for collection of drainage from the 230/138 kV yard. The retention basins are anticipated to be approximately 1.2 and 1.9 acres in size,

respectively; however, the final design of the retention basins will be determined after consultation with San Diego County to ensure adequate sizing to accommodate stormwater flows.

The substation will be designed so that it will ultimately be expanded to include the following components:

- Five 500 kV bays in a breaker-and-a-half bus configuration
- Nine 230 kV bays in a breaker-and-a-half bus configuration
- Nine 138 kV bays in a double-bus/double-breaker configuration
- Four 500/230 kV, 1,100 megavolt ampere (MVA) transformer banks with two single-phase operational spares
- Three 230/138 kV, 224 MVA transformer banks
- One or more 500 kV series capacitors
- Two 230 kV, 63 MVAR shunt capacitors
- Four 12 kV, 180 MVAR shunt reactor banks
- One 230 kV static VAR compensator

The maximum amount of oil required for the transformers at the ECO Substation will be approximately 569,800 gallons.

The tallest structures in the substation will be the 500 kV line and transformer dead-end structures, and the new communication tower. The maximum height for the 500 kV structures and communication tower will be approximately 135 feet. Substation lighting will be provided by approximately fifty 300-watt tungsten-quartz lamps placed near major electrical equipment. The yard lights will normally be turned off and will only be used during nighttime for security and safety reasons. Approximately ten 100-watt yellow floodlights will be mounted near the substation gates and building entrances to allow for nighttime emergency repair and routine maintenance access. The lights will be oriented downward to minimize glare onto surrounding property and habitat.

To offset the auxiliary power use at the ECO Substation, SDG&E is currently evaluating the installation of solar panels on the two control structures and storage structure. The installation of these solar panels would generate approximately 111,000 kilowatt hours (kwhrs) of electricity annually. Since they have not yet been fully evaluated or designed, impacts associated with their installation (although anticipated to be minor) have not been evaluated throughout the resource sections (Chapter 4) of the Proponent's Environmental Assessment.

A 10-foot tall chain-link fence topped with barbed wire will enclose the entire substation, which includes the 500 kV yard and 230/138 kV yard. All entrance gates will be locked and monitored remotely to limit access to only qualified personnel. Warning signs, in English and Spanish, will be posted on the substation fence in accordance with federal, state, and local safety regulations. A substation ground grid will also be installed in accordance with applicable safety guidelines.

An approximately 2,900-foot long asphalt paved access road will be constructed from Old U.S. Highway 80 to the ECO Substation. The access road will extend southeast off of Old U.S. Highway 80 before turning east and running along the north side of the pads. Four asphalt-paved driveways, approximately 100 feet in length, will be constructed off of the access road into the four gated entrances of the substation. The access road will be approximately 30 feet wide; requiring approximately 2.2 acres of land. In addition, 20-foot wide asphalt-paved interior access roads will be constructed within the substation to access the equipment.

Substation communication will be facilitated via a microwave and T1 system that will include the construction of a new communication tower at the ECO Substation. A

135-foot tall microwave tower with a six-foot diameter microwave antenna, associated ground systems, control structure, and cable bridge from the communication tower to the control structure will be installed within the ECO Substation fence. The microwave dish will be attached to the tower approximately 50 feet off the ground.

SWPL Loop-In

The existing 500 kV transmission line will be looped in and out of the 500 kV bus within the ECO Substation in conjunction with the substation construction. This installation will require the removal of one existing 125-foot tall tower and the installation of four new steel towers east of the ECO Substation fence. Depending on the final design, the anticipated maximum height of these structures will be approximately 125 feet.

A bundled 2,156 kcmil[2] aluminum-clad steel reinforced (ACSR)/Alumoweld (ACSR/AW) conductor will be installed on the SWPL loop-in with horizontal configuration (one phase on each side of the structures and one phase in the middle of the structures). The distance from the ground to the lowest conductor will be at least 35 feet. The approximate distance between phases will be 35 feet horizontally. The span lengths between the transmission structures will be approximately 1,200 feet.

138 kV Transmission Line

SDG&E is proposing to construct a new 138 kV transmission line from the ECO Substation to the rebuilt Boulevard Substation. The structure configuration for the transmission line will be designed as a twin circuit (two conductors per phase).

[2] kcmil (1,000 cmils) is a quantity of measure for the size of a conductor; kcmil wire size is the equivalent cross-sectional area in thousands of circular mils. A circular mil (cmil) is the area of a circle with a 0.001-inch-diameter.

The new transmission line will be approximately 13.3 miles long and will include approximately 98 steel transmission poles. In addition, nine wooden distribution poles will be installed to replace the existing distribution Circuit 445 poles. This distribution line will be collocated on the new 138 kV transmission line structures near the intersection of Jewel Valley Road and Tule Jim Lane in Boulevard. Some service lines may need to be extended to the relocated distribution line.

The final approximately 440 feet of the 138 kV transmission line will be installed underground in a concrete duct bank, terminating at the rebuilt Boulevard Substation. The duct bank will measure approximately 38 inches wide, 36 inches tall, and will contain nine six-inch diameter conduits. One steel cable riser pole, which will be approximately 140 feet tall, will be installed at the end of the overhead segment to connect the overhead conductors to the underground substation getaways.

Access roads will be constructed to most steel pole locations to facilitate installation and to allow for inspection and maintenance. All access roads to be built will be spur roads off of existing dirt roads. The spur roads will vary in length from 20 feet to 250 feet and will be approximately 15 feet wide. A total of approximately 2.6 miles of spur roads will be constructed, requiring approximately 5.3 acres of land.

All of the 138 kV steel poles will have six cross arms and an extended pole top to accommodate a fiber optic ground wire attachment for lightning protection and critical communication. A 900 kcmil aluminum steel supported/Alumoweld conductor will be installed on each arm of the 138 kV line. The majority of the structures will be tangent structures with an I-string configuration. The distance from the ground to the lowest conductor will be at least 30 feet. The approximate distance between the conductors will

be 18 feet horizontally and 12 feet vertically. The span lengths between poles will vary with terrain, but will generally be between 400 and 800 feet. The proposed conductor for use within the underground concrete duct bank between the cable riser pole and the rebuilt Boulevard Substation is 2,500 kcmil copper cross-linked polyethylene cable. The underground concrete duct bank will also accommodate the fiber optic ground wire attachment.

Boulevard Substation Rebuild

SDG&E plans to rebuild the existing 69/12 kV Boulevard Substation on a newly acquired 8.5-acre parcel of land adjacent to the eastern property line of the existing substation. One residential home and eight associated structures located on this parcel will be demolished prior to constructing the substation. A new, 25-foot wide, asphalt-paved access road, approximately 190 feet in length, will be constructed off of Old Highway 80 to the rebuilt substation site. Secondary access into the substation will be provided by a paved spur road off the main access road, approximately 210 feet in length. The rebuilt substation will include 138 kV, 69 kV, and 12 kV facilities to accommodate the proposed transmission and gen-tie interconnections and provide 12 kV service to the surrounding area.

Currently, the fenced area of the existing Boulevard Substation is approximately 70 feet by 100 feet and encloses one 69 kV line, one 7.5-MVA transformer, and two 12 kV circuits. The existing Boulevard Substation will be removed from service and demolished once the rebuilt substation is placed in service. The Boulevard Substation will be rebuilt directly east of the existing substation. The fenced area of the new substation will be approximately two acres (277 feet by 319 feet), allowing for the

installation of new 138 kV, 69 kV, and 12 kV facilities to accommodate connection of the new 138 kV transmission line, as well as the potential for up to four generation tie-lines (gen-ties). In order to connect the existing TL 6931, 69 kV transmission line to the rebuilt Boulevard Substation, two new direct embedded steel poles, approximately 85 feet tall, will be installed southwest of the rebuilt Boulevard Substation.

The electrical facilities will include 138 kV, 69 kV and 12 kV air-insulated buses, transformers, circuit breakers, disconnect switches, communication equipment and protective relays. More specifically, the initial arrangement of the substation will consist of:

- One 138 kV low-profile radial bus with three line positions, two transformer positions, one bus-tie position and one future capacitor position
- One 138 kV tie-line to the ECO Substation
- Two ISO proposed 138 kV generator ties
- One 138/69 kV transformer
- One 138/12 kV transformer
- Two bays of 69 kV standard-profile switch racks with four line positions and one transformer position
- One 69 kV tie-line to the SDG&E Crestwood Substation
- One quarter section 12 kV switchgear
- One 12 kV capacitor
- One control shelter

The substation ultimate configuration will include:

- Two sections of 138 kV low-profile radial buses with six line positions, three transformer positions, one capacitor position, and a bus-tie
- One 138/69 kV transformer
- Two 138/12 kV transformers
- Two bays of 69 kV standard-profile switch racks with four line positions and one transformer position
- Two quarter section 12 kV switchgears
- Four 12 kV capacitors
- One control shelter

Prior to demolition of the existing substation, the soil, conduit, equipment, and steel structures will be tested for environmental hazards, such as oil, lead-based paint, and asbestos. All hazardous materials will be abated prior to or as part of the demolition process. Demolition will include disconnecting and removing all of the equipment including the transformer, breakers, regulators, disconnect switches, fuses, the station light and power transformer, control cabinets, and the DC cabinet. In addition, all of the structural steel that includes the 69 kV and 12 kV switch racks, equipment support structures, and the fence and gates will be removed and recycled. Once all above-ground structures have been removed, all below-grade facilities, including the foundation pads, piers, and direct-buried control cable, will be demolished and removed. The oil-containing equipment, such as the transformers, 12 kV breakers and 12 kV regulators, will be drained and processed in accordance with SDG&E standard procedures. During demolition of the substation, all substation equipment to be dismantled will be tested per federal, state, and local standards to determine appropriate recycle, reuse, or disposal alternatives. If contaminated soil is encountered, it will be remediated, after which, the pad will be graded to match the existing surrounding topography.

White Star Communication Facility Rebuild

SDG&E owns and operates a communications facility at White Star in an easement that is adjacent to an existing communication facility owned by San Diego County. At this site, SDG&E will replace two wooden poles with one 75-foot-tall steel tubular pole. The new equipment to be installed will include a six-foot diameter microwave antenna, waveguide, and grounding attached to the steel pole. The microwave dish will be attached to the tower approximately 50 feet from the ground. In

addition, voice radio antennas may be attached to the tower to support electrical crews' fieldwork and operation safety. SDG&E will remove an existing equipment control shelter and install a small, pre-fabricated control building, 12 feet by 16 feet in size, adjacent to the new steel pole, which will house the microwave radio system and other telecommunication equipment. SDG&E will also be required to install a 48-VDC DC battery, including a rectifier, and one backup generator. The new facility will be approximately 30 feet by 30 feet and enclosed within a six-foot high chain-link fence.

C. Site

The Proposed Project is located in the southeastern portion of San Diego County, California. The proposed ECO Substation, which is the primary component of the Proposed Project, is situated approximately 0.5 mile north of the United States (U.S.)-Mexico border, 0.5 mile west of the Imperial County border, and 70 miles east of downtown San Diego. The location of each of the Proposed Project components is described in more detail as follows:

ECO Substation

The proposed ECO Substation site is located on the south side of Interstate 8 (I-8), east of the town of Jacumba, on the west side of the Jacumba Mountain range (an extension of the Sierra de Juárez range) within the In-Ko-Pah Gorge U.S. Geological Survey quadrangle. Old U.S. Highway 80 is located just north of the site and the U.S.-Mexico border is located to the south. Privately owned, undeveloped land borders the western and southern sides of the site, and undeveloped land managed by the Bureau of Land Management (BLM) is located to the east. The site can be accessed by traveling

east from San Diego on I-8, exiting at In-Ko-Pah Park Road, and heading west on Old U.S. Highway 80 until it intersects the SWPL.

The ECO Substation will be located entirely on privately owned, undeveloped land. SDG&E will acquire up to six parcels to construct the ECO Substation, totaling approximately 498 acres of land, of which the fenced portion of the ECO Substation will encompass approximately 58 acres.

SWPL Loop-In

The SWPL loop-in will be constructed in the same general location as the ECO Substation. A short loop to connect the existing 500 kV SWPL transmission line into the new substation will begin along the existing SWPL right-of-way (ROW), traverse south for approximately 1,200 feet, then will turn west for 250 feet, and enter at the east side of the new substation. Structures associated with this loop will be located on land acquired for the new substation and within SDG&E's existing SWPL ROW.

138 kV Transmission Line

An approximately 13.3-mile long 138 kV transmission line will be constructed from the ECO Substation to the rebuilt Boulevard Substation (located within the unincorporated community of Boulevard in southeastern San Diego County). The line will travel west out of the ECO Substation for approximately 300 feet and then turn north until reaching the SWPL. The 138 kV line will then continue parallel to the south side of the SWPL for approximately 5.7 miles. At this point, the line will cross under the SWPL and continue parallel for approximately 3.2 miles along its north side until it intersects with an existing dirt access road. At this point, the line will turn to the northwest for approximately 750 feet before turning and continuing generally north for approximately

1.5 miles. The line will then turn east for approximately 0.6 mile, north for approximately 0.3 mile, and northwest for approximately 0.3 mile until it crosses over Tule Jim Lane. The line will then run north along the west side of Tule Jim Lane for approximately 1.3 miles until it crosses Eady Lane. At this point, the line will change from an above-ground line to an under-ground line and turn northeast for approximately 0.1 mile until it enters the rebuilt Boulevard Substation.

The new 138 kV transmission line will require an approximately 100-foot wide permanent ROW (50 feet on either side of the centerline). Approximately nine miles of the new transmission line that parallels the SWPL will be adjacent to SDG&E's existing easements. This area is predominantly privately owned, undeveloped open space.

Boulevard Substation Rebuild

The existing Boulevard Substation and its rebuild site are located approximately 12 miles northwest of the proposed ECO Substation site. SDG&E has acquired one 8.5-acre parcel immediately east of the existing Boulevard Substation to rebuild the substation. Nine existing structures located on this property will be removed prior to substation construction. In addition, the existing Boulevard Substation will be dismantled and removed after the rebuilt substation is placed in service. Single-family residences on large lots surround the existing and rebuilt substation sites. The site can be accessed by traveling east from San Diego on I-8, heading south on Highway 94 (Jewel Valley Road), and then heading west on Old U.S. Highway 80.

White Star Communication Facility Rebuild

The communication path for the Proposed Project will be from the ECO Substation to the existing White Star Communication Facility on Tierra Del Sol Road, at

which point SDG&E will lease two existing T1 lines from White Star to Monument Peak. SDG&E will then intercept the leased circuits into SDG&E's network at Monument Peak for transmission back to existing SDG&E communication facilities located in the City of San Diego. The communication facilities at the ECO Substation will be constructed within the fenced area of the substation and are discussed as part of the ECO Substation project component throughout this document.

The existing White Star Communication Facility and its rebuild site are located approximately 14 miles northwest of the proposed ECO Substation. The scope of work at the White Star Communication Facility includes the removal of an existing equipment enclosure, removal of two wood poles, height reduction of an existing pole, installation of a new steel monopole, and installation of a new equipment enclosure. No new land rights will be required for the installation or reconstruction of these facilities; however, because the new White Star Communication Facility will be connected to existing facilities owned by San Diego County, the existing lease agreement will be modified.

IV. STATUTORY AND PROCEDURAL REQUIREMENTS

GO 131-D, Section IX.B. requires an applicant for a PTC to comply with the Commission's Rules of Practice and Procedure, Rule 2. Pursuant to this requirement, SDG&E responds as follows:[3]

A. Rule 2.1(a) – (c)

In accordance with Rule 2.1(a) – (c) of the Commission's Rules of Practice and Procedure, SDG&E provides the following information.

[3] Although not specifically discussed herein, SDG&E's Application also complies as necessary to Rule 1.5 ("Form and Size of Tendered Documents"), Rule 1.13 ("Tendering and Review of Document for Filing"), Rule 7.1 ("Categorization, Need for Hearing"), Rule 8.1 ("Definitions"), Rule 8.2 ("Ex Parte Requirements"), Rule 13.3 ("Assigned Commissioner Presence"), and Rule 13.13 ("Oral Argument before Commission").

1. Statutory Authority

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

2. Rule 2.1(a) - Legal Name and Address

The applicant is San Diego Gas & Electric Company, a corporation organized and existing under the laws of the State of California, and an investor-owned public utility as defined by Section 216 (a) and 218 (a), respectively, of the California Public Utilities Code, and engaged in the business of purchasing, generating, transmitting, distributing, and selling electric and gas energy to approximately 3.4 million consumers through 1.4 million electric meters and more than 840,000 natural gas meters throughout San Diego County and in a portion of southern Orange County, California. The activities of SDG&E are regulated by this Commission and by the Federal Energy Regulatory Commission. SDG&E is a wholly-owned, indirect subsidiary of Sempra Energy, whose shares are publicly traded. SDG&E's principal place of business is 8330 Century Park Court, San Diego, California 92123.

3. Rule 2.1(b) - Correspondence

Correspondence or communications regarding this Application should be addressed to:

LINDA WRAZEN
Regulatory Case Administrator
San Diego Gas & Electric Company
8330 Century Park Court, CP32D
San Diego, CA 92123
Tel: (858) 637-7914
Fax: (858) 654-1788
LWrazen@semprautilities.com

with copies to:

ALLEN K. TRIAL
Attorney for:

SAN DIEGO GAS & ELECTRIC COMPANY
101 Ash Street, HQ12B
San Diego, California 92112
Tel: (619) 699-5162
Fax: (619) 699-5027
ATrial@sempra.com

4. Rule 2.1(c)

a. Proposed Category of Proceeding

In accordance with Rule 7.1, SDG&E requests that this Application be categorized as ratesetting because the costs for the new substation project will be recovered by SDG&E through its retail rates, and because this Application neither raises questions of policy or rules of general applicability, nor adjudicates any allegations of violations of law. In addition, because this Application raises ancillary issues that do not fall clearly into a single category, Rule 7.1(e)(2) requires that it be categorized as a ratesetting proceeding.

b. Need for Hearings

SDG&E does not believe that approval of this Application will require hearings. SDG&E has provided ample information, analysis and documentation that provide the Commission with a sufficient record upon which to grant the relief requested on an *ex parte* basis. SDG&E respectfully requests that the relief requested in this Application be provided on an *ex parte* basis as provided for in G.O. 131-D, Section IX.B.6.

c. Issues to be Considered

The issues to be considered are described in this Application, PEA and the accompanying documents. Based on the PEA, SDG&E believes the ECO Substation Project will not have a significant adverse impact on the environment. Therefore, SDG&E requests that the Commission issue a decision within the time limits prescribed by Cal. Gov. Code § 65920 et seq. (Permit Streamlining Act) as provided for in G.O. 131-D, Section IX, Subsection B.6.

d. Proposed Schedule

This proceeding involves Commission's: (1) environmental review of the Proposed Project in compliance with the CEQA (Public Resources Code Section 21100 *et seq.*) and GO 131-D; and (2) issuance of a PTC authorizing SDG&E to construct the Proposed Project. In this regard, SDG&E proposes the following schedule:

ACTION	DATE
Application filed	August 10, 2009
Provide Notice of Filing of Application by direct mail, advertisement and on-site posting	August 20, 2009 (Within 10 days after filing)
File a Declaration of Mailing and Posting	August 25, 2009 (Within 5 days of completion)
Application Completeness Determination	September 9, 2009 (30 days after Application filed)
End of Protest Period	September 21, 2009 (30 days after notice)
Draft CEQA Document Issued for Public Comment	December 2009
Close of Public Comment Period	February 2010 (45 days after notice of availability)

Draft Decision Issued	March 2010
Ex Parte Decision Issued. Final CEQA Document Certified.	May 2010

B. Rule 2.2 – Articles of Incorporation

A copy of SDG&E's Restated Articles of Incorporation as last amended, presently in effect and certified by the California Secretary of State, was filed with the Commission on December 4, 1997 in connection with SDG&E's Application No. 97-12-012, and is incorporated herein by reference.

C. Rule 2.3 – Financial Statement

SDG&E's financial statement, balance sheet and income statement are included with this Application as Appendix G.

D. Rule 2.4 - CEQA Compliance

GO 131-D, Section IX.B.1.e. requires an applicant for a PTC to include in its application "[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". SDG&E has prepared a PEA describing in detail the environmental setting and the potential impacts associated with the construction and operation of the ECO Substation Project. SDG&E is submitting the PEA simultaneously with this application as Volume II.

E. Rule 2.5 – Fees for Recovery of Cost in Preparing EIR

SDG&E is submitting a deposit to be applied to the cost the Commission incurs to prepare a negative declaration or an environmental impact report for the Proposed Project.

F. Rule 3.1(a) – (i) – Construction or Extension of Facilities

Rule 2.1(d) requires all applications to comply with "[s]uch additional information as may be required by the Commission in a particular proceeding." Commission Rule 3.1 contains some additional requirements for applicants for PTCs. Some of the requirements of Rule 3.1 are duplicative of the requirements of GO 131-D, which are more precisely identified and discussed in Section V *infra*. In accordance with Rule 3.1(a) – (i) of the Commission's Rules of Practice and Procedure, SDG&E provides the following information.

1. Rule 3.1(a) – Description of the Proposed Project

Commission Rule 3.1(a) requires applicants for a PTC to include in their applications "A full description of the proposed construction or extension, and the manner in which the same will be constructed."

Please refer to SDG&E's response in Section III-B *supra* of this application.

2. Rule 3.1(b) – Competing Utilities

Commission Rule 3.1(b) requires applicants for a PTC to include in their applications "The names and addresses of all utilities, corporations, persons or other entities, whether publicly or privately operated, with which the proposed construction is likely to compete, and of the cities or counties within which service will be rendered in the exercise of the requested certificate."

The Proposed Project will be built entirely within the service territory of SDG&E, and is not intended to compete with the projects of any other entity. The requested certification is to enhance electric service within SDG&E's service territory (which consists of San Diego County and a portion of southern Orange County, including the

Cities of Carlsbad, Chula Vista, Coronado, Dana Point, Del Mar, El Cajon, Encinitas, Escondido, Imperial Beach, Laguna Beach, Laguna Hills, Laguna Niguel, La Mesa, Lemon Grove, Mission Viejo, National City, Oceanside, Poway, San Clemente, San Diego, San Juan Capistrano, San Marcos, Santee, Solana Beach and Vista) and in the area served by the CAISO.

3. Rule 3.1(c) – Project Maps

Commission Rule 3.1(c) requires an applicant for a PTC to include in its application "A map of suitable scale showing the location or route of the proposed construction or extension, and its relation to other public utilities, corporations, persons, or entities with which the same is likely to compete."

As stated in the previous response, the Proposed Project is not intended to compete with the projects of any other entity. Maps showing the locations under consideration for the project are included in the PEA, Volume II of this Application.

4. Rule 3.1(d) – Required Permits

Commission Rule 3.1(d) requires an applicant for a PTC to include in its application "A statement identifying the franchises and such health and safety permits as the appropriate public authorities have required or may require for the proposed construction or extension."

A list of the franchises and anticipated health and safety permits required for the Proposed Project is found in the PEA, Volume II of this application.

5. Rule 3.1(e) – Public Convenience and Necessity

Commission Rule 3.1(e) requires an applicant for a PTC to include in its application "Facts showing that public convenience and necessity require, or will require,

the proposed construction or extension, and its operation."

The above requirements not withstanding, pursuant to GO 131-D, Section IX.B.1.f., an application for a PTC need not include a detailed analysis of purpose and necessity beyond that required for CEQA compliance. Please refer to the PEA, Volume II of this application.

Rule 3.1(f) – Estimated Cost

Commission Rule 3.1(f) requires an applicant for a PTC to include in its application "A statement detailing the estimated cost of the proposed construction or extension and the estimated annual costs, both fixed and operating associated therewith."

The above requirements not withstanding, pursuant to GO 131-D, Section IX.B.1.f., an application for a PTC need not include a detailed estimate of cost beyond that required for CEQA compliance. SDG&E provides an estimated cost range for the proposed scope of the project in the PEA, Volume II of this application.

Rule 3.1(g) – Financial Ability

Commission Rule 3.1(g) requires an applicant for a PTC to include in its application "Statements or exhibits showing the financial ability of the applicant to render the proposed service together with information regarding the manner in which applicant proposes to finance the cost of the proposed construction or extension."

The above requirements not withstanding, pursuant to GO 131-D, Section IX.B.1.f., an application for a PTC need not include a detailed economic analysis beyond that required for CEQA compliance. In any event, SDG&E plans to own 100 percent of the assets that will comprise the Project and those assets will be added to SDG&E's utility rate base. At present, SDG&E intends to finance the Project cost with the same

proportions of debt and equity with which all other rate base asserts are financed, in keeping with the capital structure approved by the Commission for SDG&E. Financing would be in the form of retained earnings, available cash and debt, as necessary.

6. Rule 3.1(h) – Proposed Rates

Commission Rule 3.1(h) requires an application for a PTC to include "A statement of the proposed rates to be charged for service to be rendered by means of such construction or extension."

SDG&E's retail rates are found in its currently-effective tariffs approved by this Commission. SDG&E's transmission rates are formula rates subject to annual adjustment, as approved by the Federal Energy Regulatory Commission (FERC). SDG&E is not proposing to increase rates as a result of this Project.

The costs associated with the Proposed Project are predominantly for transmission-related services. When the project is placed in service, SDG&E will seek to recover the costs through the CAISO's FERC-jurisdictional rates. This would occur as part of a FERC rate case covering the test period in which the project will become operative. Costs not approved by FERC for recovery in general transmission rates may be recovered through CPUC-jurisdictional retail rates.

7. Rule 3.1(i) – Proxy Statement

Commission Rule 3.1(i) requires an applicant for a PTC to include in its application "a copy of the latest proxy statement sent to stockholders by it or its parent company containing the information required by the rules of the SEC if not previously filed with the Commission."

A copy of SDG&E's most recent proxy statement, dated April 17, 2009 was mailed to the Commission on April 24, 2009, and is incorporated herein by reference.

V. INFORMATION REQUIRED BY GENERAL ORDER 131-D

GO 131-D, Sections IX., X. and XI., adopted by the Commission in D.94-06-014 as modified by D.95-08-038, requires an applicant for a PTC to include in its application a variety of information. This information follows in the order in which it is listed in GO 131-D.

A. Section IX.A.B.

In accordance with Section IX.A.B.1.(a) – (f) of the Commission's GO 131-D, SDG&E provides the following information.

1. Section IX.B.1.a. - Description of the Proposed Project facilities

See the PEA, Volume II of this application.

2. Section IX.B.1.b. - Map of Proposed substation location

See the PEA, Volume II of this application.

3. Section IX.B.1.c. - Reasons for adoption of the power line route or substation locations selected

See the PEA, Volume II of this application.

4. Section IX.B.1.d. - Listing of governmental agencies consulted and statements of position

See the PEA, Volume II of this application.

5. Section IX.B.1.e. – Proponent's Environmental Assessment

The PEA attached to this application as Volume II includes the information described in Section IV(a)-(d) above and concludes that the substation and associated

improvements will have no significant unmitigable impact on the environment.

B. Section X.A.

GO 131-D, Section X.A. requires an applicant for a PTC to "describe the measures taken or proposed by the utility to reduce the potential exposure to electric and magnetic fields generated by the proposed facilities, in compliance with Commission order."

A copy of SDG&E's Magnetic Field Management Plan is attached to this application as Appendix F.

C. Section XI.A.

GO 131-D, Section XI.A. requires an applicant for a PTC to notify the public of its filing "within ten days of filing the application" in several different ways, by direct mail, by advertisement and by posting.

A copy of SDG&E's Draft Notice of Application is attached to this application as Appendix B.

VI. LIST OF APPENDICES AND ATTACHMENTS

Appendix A Proposed Construction Schedule

Appendix B Draft Notice of Application

Appendix C Service List and Public Review Locations for Notice of Application

Appendix D List of Newspaper(s) Publishing the Notice of Application

Appendix E Draft Declaration of Posting of Notice

Appendix F Magnetic Field Management Plan

Appendix G Financial Statements

Volume II Proponent's Environmental Assessment

VII. CONCLUSION

Wherefore, SDG&E requests that the Commission (1) accept its application as complete; (2) prepare a Mitigated Negative Declaration regarding the potential environmental impacts of the Proposed Project; and (3) issue an expedited *ex parte* decision granting SDG&E a Permit to Construct the East County Substation Project, as described in this application and the supporting documents.

DATED this 10th day of August 2009 at San Diego, California.

Respectfully submitted,

SAN DIEGO GAS & ELECTRIC COMPANY

By: _____
MICHAEL R. NIGGLI
Chief Operating Officer

SAN DIEGO GAS & ELECTRIC COMPANY

By: /s/ Allen K. Trial
ALLEN K. TRIAL

ALLEN K. TRIAL
Attorney for:

SAN DIEGO GAS & ELECTRIC COMPANY
101 Ash Street, HQ12B
San Diego, CA 92112
Tel: (619) 699-5162
Fax: (619) 699-5027
E-Mail: Atrial@sempra.com

VIII. VERIFICATION

Michael R. Niggli declares the following:

I am an officer of San Diego Gas & Electric Company and am authorized to make this Verification on its behalf. I am informed and believe that the matters stated in the foregoing **APPLICATION OF SAN DIEGO GAS & ELECTRIC COMPANY (U 902 E) FOR A PERMIT TO CONSTRUCT THE EAST COUNTY SUBSTATION PROJECT** are true to my own knowledge, except as to matters which are therein stated on information and belief, and as to those matters I believe them to be true.

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

Executed this 10th day of August 2009, at San Diego, California.

MICHAEL R. NIGGLI
Chief Operating Officer

SAN DIEGO GAS & ELECTRIC COMPANY

CERTIFICATE OF SERVICE

I hereby certify that, pursuant to the Commission's Rules of Practice and Procedure and General Order 131-D, Section XI.3.,[4] I have this day served a true copy of the **NOTICE OF APPLICATION OF SAN DIEGO GAS & ELECTRIC FOR A PERMIT TO CONSTRUCT THE EAST COUNTY SUBSTATION PROJECT** on Karen Miller, Public Advisor of the California Public Utilities Commission, and Julie Fitch, Director of the Energy Division of the California Public Utilities Commission. Service was effected by placing copies in properly addressed, sealed envelopes and depositing such envelopes in the United States mail with first-class postage prepaid.

Executed this 10th day of August 2009 at San Diego, California.

By: /s/ Susan A. Long
Susan A. Long

[4] GO 131-D, Section XI.3. references the "CACD" for the Commission's Advisory and Compliance Division, which is now identified by the Commission's individual industry Divisions, (e.g., Energy Division).

APPENDIX A
Proposed Construction Schedule

APPENDIX B
Draft Notice of Application

APPENDIX C
Service List and Public Review Locations for Notice of Application

APPENDIX D
List of Newspaper(s) Publishing the Notice of Application

APPENDIX E
Draft Declaration of Posting of Notice

APPENDIX F
Magnetic Field Management Plan

APPENDIX G
Financial Statements