

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



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In The Matter of the Application of SAN DIEGO GAS
& ELECTRIC COMPANY (U 902 E) for a Permit to
Construct The Tie-Line 637 Wood-to-Steel Project

Application 13-03- **A1303003**

**APPLICATION OF SAN DIEGO GAS & ELECTRIC COMPANY (U 902 E)
FOR A PERMIT TO CONSTRUCT THE TIE-LINE 637
WOOD-TO-STEEL 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@Semprautilities.com**

March 13, 2013

#275818

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Application 13-03-_____

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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 Tie-Line (TL) 637 Wood-to-Steel Project (Proposed Project). As set forth in the accompanying Proponent's Environmental Assessment (PEA), the primary objective of the Proposed Project includes fire hardening existing power line facilities (TL 637), including associated distribution circuits, between the Creelman and Santa Ysabel Substations. The proposed in-service date for the new power line facilities is fourth quarter 2014. SDG&E estimates that construction of the Proposed Project will take a total of approximately 9 months to complete depending on the timing of obtaining planned power line outages. SDG&E proposes that construction begin by January 2014. 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 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. Project Site

The Proposed Project is located in unincorporated San Diego County, near the communities of Ramona and Santa Ysabel. Segments of TL 637 cross the Mount Gower and Simon Preserves, as well as the Cleveland National Forest. Specifically, TL 637 traverses a large expanse of densely vegetated and fire-prone areas on private and public lands, including lands owned by the County of San Diego, Bureau of Land Management (BLM) and Cleveland National Forest (CNF). TL 637 is a 69-kilovolt (kV), predominantly single-circuit transmission line that connects the existing Santa Ysabel and Creelman Substations. A small portion of the TL 637 pole line is shared with TL 626 near the Santa Ysabel Substation. These approximately 12 poles are double-circuit, supporting both TL 637 and TL 626.

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.

B. Project Objectives

The Proposed Project is being proposed to meet the following primary objectives:

1. Fire harden existing 69kV and 12kV (distribution) lines along TL 637.
2. Limit potential adverse environmental effects.
3. Locate proposed facilities within existing utility corridors and SDG&E ROW to the greatest extent practicable.

C. Project Description

The Proposed Project includes the following main components:

- Power line reconstruction (TL 637 wood-to-steel);
- Minor substation modifications at the Santa Ysabel and Creelman Substations; and
- New fiber optic communication line between the Santa Ysabel and Creelman Substations.

The Proposed Project components, their locations, preliminary configuration, and the existing and proposed system configuration are presented in Chapter 3, *Project Description*, of the PEA, Volume II of this application.

TL 637 Wood-to-Steel

The existing wood poles along the approximate 14 mile TL 637 between the existing Santa Ysabel and Creelman Substations will be replaced with new weathering steel poles. Key elements of the TL 637 wood-to-steel pole replacement are:

- Replace existing wood poles with new weathering steel (approximately 69 of the new weathering steel poles will be directly-embedded and approximately 87 will be supported by micropile foundations);
- Reconductor TL 637 with 636 aluminum conductor steel support/alumoweld (ACSS/AW) conductor;
- Associated distribution line work (relocation of existing distribution circuits to the TL 637 poles along Creelman Lane, west of the Creelman Substation

- Minor undergrounding of existing distribution circuits to new pole locations; and
- Vacant position for potential future distribution lines on a portion of TL 637 route.

Substation Work

Work will be required at both the Santa Ysabel and Creelman Substations to allow for the wood-to-steel conversion of TL 637. The required work at the substations will be relatively minor and will not require the addition, subtraction, or relocation of major equipment. All substation work would be within the existing substation properties.

New Fiber Optic Line

SDG&E is proposing to install a new SDG&E owned and operated fiber optic cable between the Santa Ysabel and Creelman Substations. This new fiber optic line will be installed on the new TL 637 steel poles in an overhead position and will be utilized to transfer information between the two substations for the operation and protection of the transmission and distribution system.

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:²

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.

² 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, including but not limited to Decision No. 94-06-014 and 95-08-038.

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, selling, generating, transmitting, distributing, and providing electric and gas energy service 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 utility's service area spans 4,100 square miles and 25 cities and unincorporated areas in southwestern California, United States. 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:

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@semprautilities.com

with copies to:

REBECCA W. GILES
Regulatory Case Administrator
San Diego Gas & Electric Company
8330 Century Park Court, CP32D
San Diego, CA 92123
Tel: (858) 636-6876
Fax: (858) 654-1788
RGiles@semprautilities.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 power line facilities 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 Proposed Project is both statutorily and categorically exempt from CEQA and will not have a significant adverse impact on the environment.³ Nonetheless, D.94-06-014 allows utilities to apply for a PTC even if a proposed activity is exempt from CEQA: “In close cases, the utility may apply for a permit to construct and include in the application an explanation of why it believes that the project is exempt from CEQA. As we later discuss, a project may also be found to be exempt from CEQA during the environmental review.”⁴

Therefore, SDG&E requests that the Commission confirm whether the Proposed Project is exempt from CEQA; or in the alternative prepare and certify an appropriate CEQA document regarding the potential environmental impacts of the Proposed Project, and 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.B.6.⁵

d. Proposed Schedule

Section IX.B.1.a. of GO 131-D requires that applicants for a PTC include a proposed schedule for authorization, construction, and commencement of operation of power line facilities

³ Decision No. 94-06-014, at *38, provides that projects that are categorically exempt under CEQA do not require a PTC under GO 131-D.

⁴ *Id.*, at *39.

⁵ *Id.*, further concludes that “[b]ecause the sole purpose of the permit to construct is to ensure that environmental considerations have been fully taken into account, there is no need for the utility to apply for a permit to construct when the activity falls within categories that the Legislature or the Resources Agency has determined will not result in significant environmental effects.”

or substations. 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 accordance with Section IX.B.1.a. of GO 131-D, SDG&E submits a proposed schedule for construction, and commencement of operation of certain electric power line facilities or substations, which is attached to this Application as Appendix A. The complete construction schedule, outlined by task, is summarized in Chapter 3, Table 3-4, of the PEA, Volume II of this application.

Given the pressing need of commencement of operation of said facilities and lack of anticipated environmental issues or public controversy connected with the Proposed Project, SDG&E proposes the following schedule for authorization of the construction of any power line facilities or substations contemplated in this Application by issuance of a PTC:

<u>ACTION</u>	<u>DATE</u>
Application filed	March 13, 2013
Provide Notice of Filing of Application by direct mail, advertisement and on-site posting	March 26, 2013 (Within 10 days after filing)
File a Declaration of Mailing and Posting	April 1, 2013 (Within 5 days of completion)
Application Completeness Determination by Commission	April 12, 2013 (30 days after Application filed)
Last Date for Protest and Request for Public Hearings	April 12, 2013 (30 days after notice ⁶)

⁶ GO 131-D, Section XII. provides in part that any person entitled under the Commission's Rules of Procedure to participate in a proceeding for a permit to construct may, within 30 days after the notice was mailed or published (as provided under Section XI. of GO 131-D), object to the granting in whole or in part of the authority sought by the utility and request that the Commission hold hearings on the application. Pursuant to Rule 2.6(a) a protest or response in a proceeding for a permit to construct must be filed as provided by GO 131-D.

Categorical Exemption, or Draft EIR or Negative Declaration Issued by Commission for Public Comment	June 26, 2013 (105 days)
Close of Public Comment Period on Draft EIR or Negative Declaration if applicable	August 12, 2013 (45 days after notice of availability)
Proposed Date for Release of Final EIR or Negative Declaration if applicable	September 2013
Projected Draft Decision Issued	On or Before October 2013
Projected <i>Ex Parte</i> Decision Issued. Final CEQA Document Certified.	On or Before December 2013

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 August 31, 2009 in connection with SDG&E's Application No. 09-08-019, and is incorporated herein by reference.

C. Rule 2.3 – Financial Statement

SDG&E's financial statement, balance sheet and income statement for the six-month period ending September 30, 2012 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 Proposed Project. The PEA confirms that the Proposed Project is both statutorily and categorically exempt from environmental review

under CEQA. SDG&E is simultaneously submitting the PEA portion of this application as Volume II of II.

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

SDG&E is submitting a deposit concurrently with this application 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-C *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 Projects are not intended to compete with the projects of any other entity. A map of the Proposed Projects is contained in Appendix J. Additional maps showing the location or route under consideration for the projects and 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 notwithstanding, 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. Nonetheless, please refer to Section III.B of this Application and in Chapter 2, *Proposed Project Purpose and Need*, of the PEA, Volume II of this Application.

6. 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 notwithstanding, 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 projects in Appendix I.

7. 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 notwithstanding, 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 assets 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.

8. 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. A statement of all of SDG&E's presently effective electric rates can be viewed electronically by accessing:

<http://www.sdge.com/regulatory/currentEffectiveTariffs.shtml>.

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.

9. 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 27, 2012, as sent to all shareholders of SDG&E’s Parent Company, Sempra Energy, was mailed to the California Public Utilities Commission on May 02, 2012, 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 power line route or substation location

See Appendix J and the relevant portions of the POD, 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

A Listing of governmental agencies consulted and statements of position is contained in Appendix H.

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 Proposed Project 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.

In compliance with Section XI.A. of GO 131-D, SDG&E will, within ten days after the filing of this Application, provide proper notice of the filing of this Application: (1) by direct mail to certain public agencies and legislative bodies; (2) by advertisement in a newspaper or newspapers of general circulation in each county in which the Proposed Project will be located; and (3) by posting a notice on-site and off-site at the project location. A copy of the Draft Notice of Application for a PTC is attached to this application as Appendix B. The Service List and Public Review Locations for Notice of Application are contained in Appendix C. A List of

Newspaper(s) Publishing the Notice of Application is contained in Appendix D. And, a Draft Declaration of Posting of Notice of Application is attached to this application as Appendix E.

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
- Appendix H Listing of Governmental Agencies Consulted and Statements of Position
- Appendix I Estimated Cost Range for Proposed Project
- Appendix J Map of Proposed Project
- Volume II Proponent's Environmental Assessment

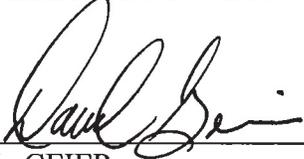
VII. CONCLUSION

Wherefore, SDG&E requests that the Commission (1) accept its application as complete; (2) confirm that the Proposed Project is categorically exempt from CEQA; or in the alternative (3) prepare and certify an appropriate CEQA document regarding the potential environmental impacts of the Proposed Project; and (4) issue an expedited *ex parte* decision granting SDG&E a Permit to Construct the TL 637 Wood-to-Steel Project as, as described in this application and the supporting documents.

DATED this 13th day of March 2013, at San Diego, California.

Respectfully submitted,

SAN DIEGO GAS & ELECTRIC COMPANY

By: 
DAVID L. GEIER
Vice President, Electric Operations

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@semprautilities.com

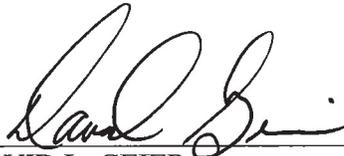
VIII. VERIFICATION

David L. Geier 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 TIE-LINE 637 WOOD-TO-STEEL 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 13th day of March 2013, at San Diego, California.



DAVID L. GEIER
Vice President, Electric Operations

SAN DIEGO GAS & ELECTRIC COMPANY

APPENDIX A
Proposed Construction Schedule

TL 637 – PTC Construction Schedule

The TL 637 Wood to Steel Project construction is estimated to take approximately 9 months with a proposed construction start date of January 2014.

** Anticipated construction start date is based on CPUC issuance of PTC by the December 2013*

APPENDIX B
Draft Notice of Application

NOTICE OF APPLICATION FOR A PERMIT TO CONSTRUCT

Tie-Line 637 Wood-to-Steel Project

Date: March 13, 2013

CPUC Application No.: 13-03-XXX

PROPOSED PROJECT

San Diego Gas & Electric Company (SDG&E) has filed a Permit to Construct (PTC) application with the California Public Utilities Commission (CPUC) to conduct wood-to-steel conversion and other fire hardening activities along Tie-Line (TL) 637, an existing 69 kilovolt (kV) power line located near Ramona and Santa Ysabel, San Diego County, California (Proposed Project). As proposed by SDG&E and further described in the Proponent’s Environmental Assessment (PEA), the Proposed Project includes the following elements:

- Power line reconstruction (TL 637 wood-to-steel);
- Minor substation modifications at the Santa Ysabel and Creelman Substations; and
- New fiber optic communication line between the Santa Ysabel and Creelman Substations.

The Proposed Project is needed to increase the fire safety and service reliability of TL 637.

Environmental Assessment: SDG&E has prepared a PEA that includes the assessment of potential adverse environmental impacts created by the construction, operation and maintenance of the Proposed Project. The PEA concludes there are no significant adverse environmental impacts as a result of the Proposed Project.

Electric and Magnetic Field (EMF) Management: SDG&E will employ measures to reduce public exposure to EMF in accordance with CPUC Decisions 93-11-013 and 06-01-042 and SDG&E’s “EMF Design Guidelines for Transmission, Distribution, and Substation Facilities.” SDG&E has filed copies of its Detailed Magnetic Field Management Plan for this Proposed Project as part of its PTC application.

Public Review Process: SDG&E has applied to the CPUC for a PTC and has asked for approval without hearings. Pursuant to the CPUC’s Rules of Practice and Procedure and General Order 131-D, within 30 calendar days of the date of notice, you may protest and request that the CPUC hold hearings on this Application. If the CPUC, as a result of its investigation, determines that public hearings should be held, notice shall be sent to each person or entity who is entitled to notice or who has requested a hearing. Please contact the following people should you require any information regarding this project.

Allen K. Trial Attorney for SDG&E 101 Ash Street, HQ12 San Diego, CA 92101	AND	Rebecca W. Giles SDG&E Regulatory Affairs 8330 Century Park Court, CP 32D San Diego, CA 92123	AND	Director, Energy Division California Public Utilities Commission 505 Van Ness Avenue San Francisco, CA 94102
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CPUC PROCESS

If you would like additional information on the CPUC process or would like to attend hearings (if held) and need assistance, you can contact the Public Advisor’s Office (PAO). You may also send your comments to the PAO at the following address: Public Advisor’s Office, 320 West 4th St., Ste. 500, Los Angeles CA 90013 or send an e-mail to: public.advisor.la@cpuc.ca.gov. Any letters received from you will be circulated to each Commissioner and will become part of the formal correspondence file in the application. In your letter, state that your comments are regarding Application No. A.13-03-XX.

FOR FURTHER INFORMATION

You may request additional information or obtain a copy of the application and related exhibits by writing to: Rebecca W. Giles, Regulatory Case Administrator for SDG&E, 8330 Century Park Court, San Diego, CA 92123. SDG&E will provide a copy of the application, including the public testimony, upon request. SDG&E's application and attachments may be inspected at the CPUC's Central Files Office, 505 Van Ness Ave., San Francisco, CA 94102. A copy of the application and any amendments may be inspected at the SDG&E business offices listed below:

436 H St .
Chula Vista, CA 91910

440 Beech Street
San Diego, CA 92101

104 N Johnson Ave.
El Cajon, CA 92020

2405 Plaza Blvd.
National City, CA 91950

336 Euclid Ave. Ste. 502
San Diego, CA 92114

2604-B S El Camino Real
Carlsbad, CA 92008

644 W. Mission Ave.
Escondido, CA 92025

Copies of this notice will be available for viewing and printing on the SDG&E Web site at:
<http://sdge.com/proceedings>.

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

PUBLIC NOTICE LIST – TL637
LIST OF PUBLIC AGENCIES AND OTHER INTERESTED PARTIES

The following is a list of parties required to be noticed under G.O. 131-D, Section XI. Land owners and other interested parties required to be noticed pursuant to G.O. 131-D, Section XI, A.

State of California
Attorney General's Office
P.O. Box 944255
Sacramento, CA 94244-2550

State of California
Director Dept of General Services
PO Box 989052
West Sacramento, CA 95798-9052

United States Government
General Services Administration
300 N. Los Angeles
Los Angeles, CA 90012

City of San Diego
Attn. Mayor Filner
202 C Street, 11th Floor
San Diego, CA 92101

California Public Utilities Commission
Lon Payne
505 Van Ness Ave.
San Francisco, CA 94102

Julian Chamber of Commerce
P.O. Box 1866
2129 Main Street
Julian, CA 92036

County of San Diego
Attn. County Clerk
P.O. Box 121750
San Diego, CA 92101

City of San Diego
Attn. City Attorney
1200 Third Ave.
Suite 1620
San Diego, CA 92101

County of San Diego
Attn. County Counsel
1600 Pacific Hwy
San Diego, CA 92101

City of San Diego
Attn. City Clerk
202 C Street, 2nd Floor
San Diego, CA 92101

Mark Wardlaw, Director
County of San Diego Planning &
Development Services
5510 Overland Avenue,
San Diego, CA 92123

Julian Community Planning Group
Jack Shelver, Chair
Po Box 249
Julian, CA 92036-0249

County of San Diego Air Pollution Control
District, Attention Robert Kard
10124 Old Grove Road
San Diego, CA 92131

California Department of Fish and Wildlife,
Stephanie Rihl, SDG&E NCCP Coordinator
3883 Ruffin Road
San Diego, CA 92123

California Public Utilities Commission
Docket Office
505 Van Ness Avenue
San Francisco, CA 94102

CA State Water Resources Board
Thomas Howard
1001 "I" Street
Sacramento, CA 95814

CA Department of Transportation
Ms. Laurie Berman
4050 Taylor St.
San Diego, CA 92110

Federal Aviation Administration
William Withycombe
Western Pacific Division
P.O. Box 92007 WPC
Los Angeles, CA 90009

CA Air Resources Board
Mary D. Nichols
1001 "I" Street
Sacramento, CA 95814

CA Regional Water Quality Board
David Gibson
9174 Sky Park Court, Suite 100
San Diego, CA 92123-4340

US Army Corp of Engineers
San Diego Field Office
6010 Hidden Valley Rd., Suite 105
Carlsbad, CA 92011

California Energy Commission
Robert Oglesby
1516 Ninth Street, Mail Stop 39
Sacramento, CA 95814

Ramona Community Planning Group
Kristi Mansolf, Secretary
15873 Highway 67
Ramona, CA 92065-7200

Native American Heritage Commission
95 Capitol Mall, Rm. 364
Sacramento, CA 95814

County of San Diego
County Supervisor Diane Jacobs
1600 Pacific Hwy – 3rd Floor
San Diego, CA 92101

Debbie Hobbs
Lands and Special Uses Program Mgr.
Cleveland National Forest
10845 Rancho Bernardo Rd., Ste. 200
San Diego, CA 92127

John R. Kalish, Field Manager
Bureau of Land Management
Palm Springs-South Coast Field Office
1201 Bird Center Drive
Palm Springs, CA 92262-8001

Tulloch Family Partners, LP
28223 Highway 78
Ramona, CA 92065

Mike McFedries, Manager
San Diego County Parks & Recreation
5500 Overland Avenue, Suite 410
San Diego, CA 92123

Patrick Gower, NCCP Coordinator
US Fish & Wildlife Service
6010 Hidden Valley
Carlsbad, CA 92011

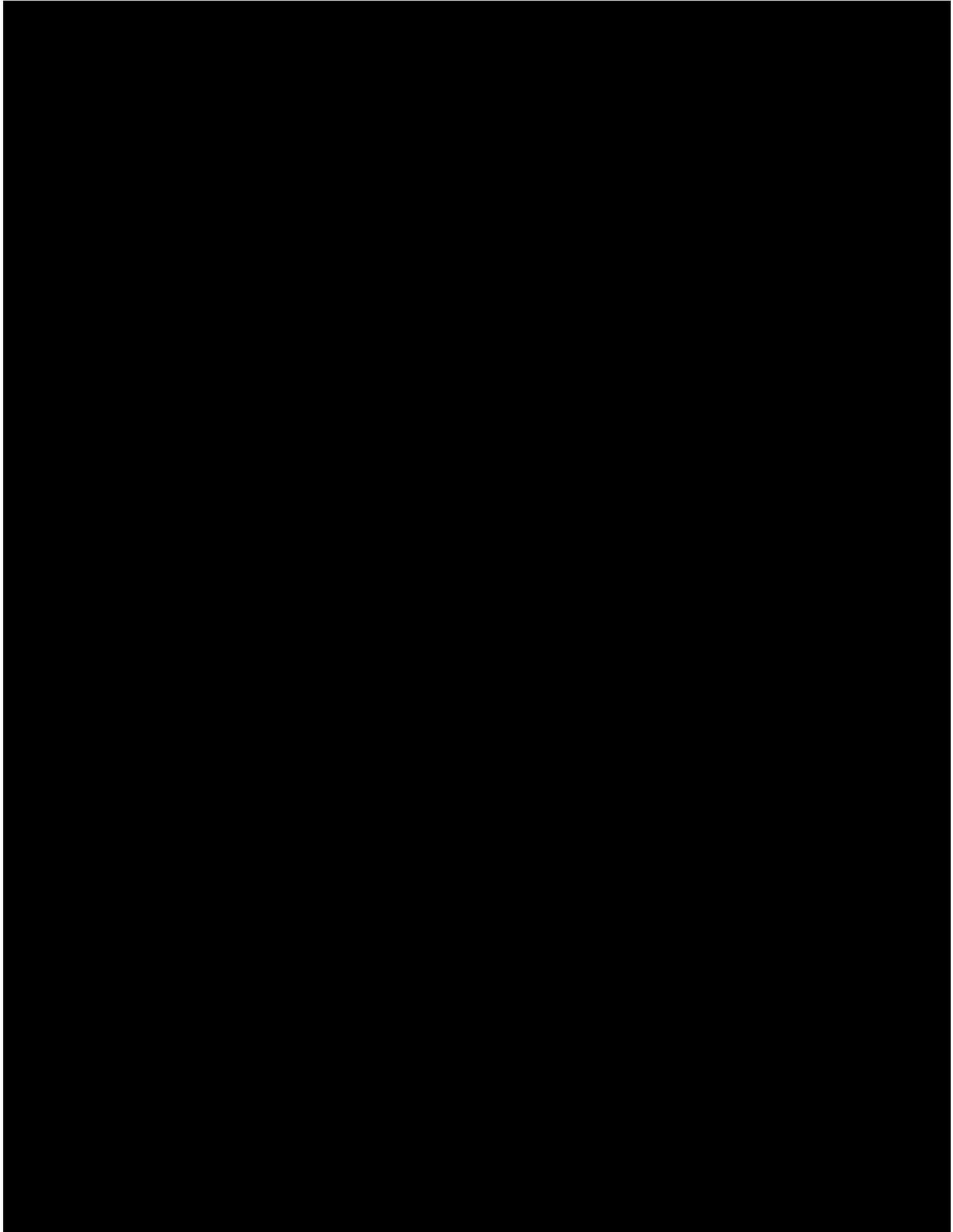
Mr. Mario Trejo, General Manager
San Diego Country Estates Association
24157 San Vicente Road
Ramona, CA 92065

Ms. Barbara Worden
Ramona Chamber of Commerce
960 Main Street
Ramona, CA 92065

California Public Utilities Commission
Nicholas Sher
505 Van Ness Avenue
San Francisco, CA 94102

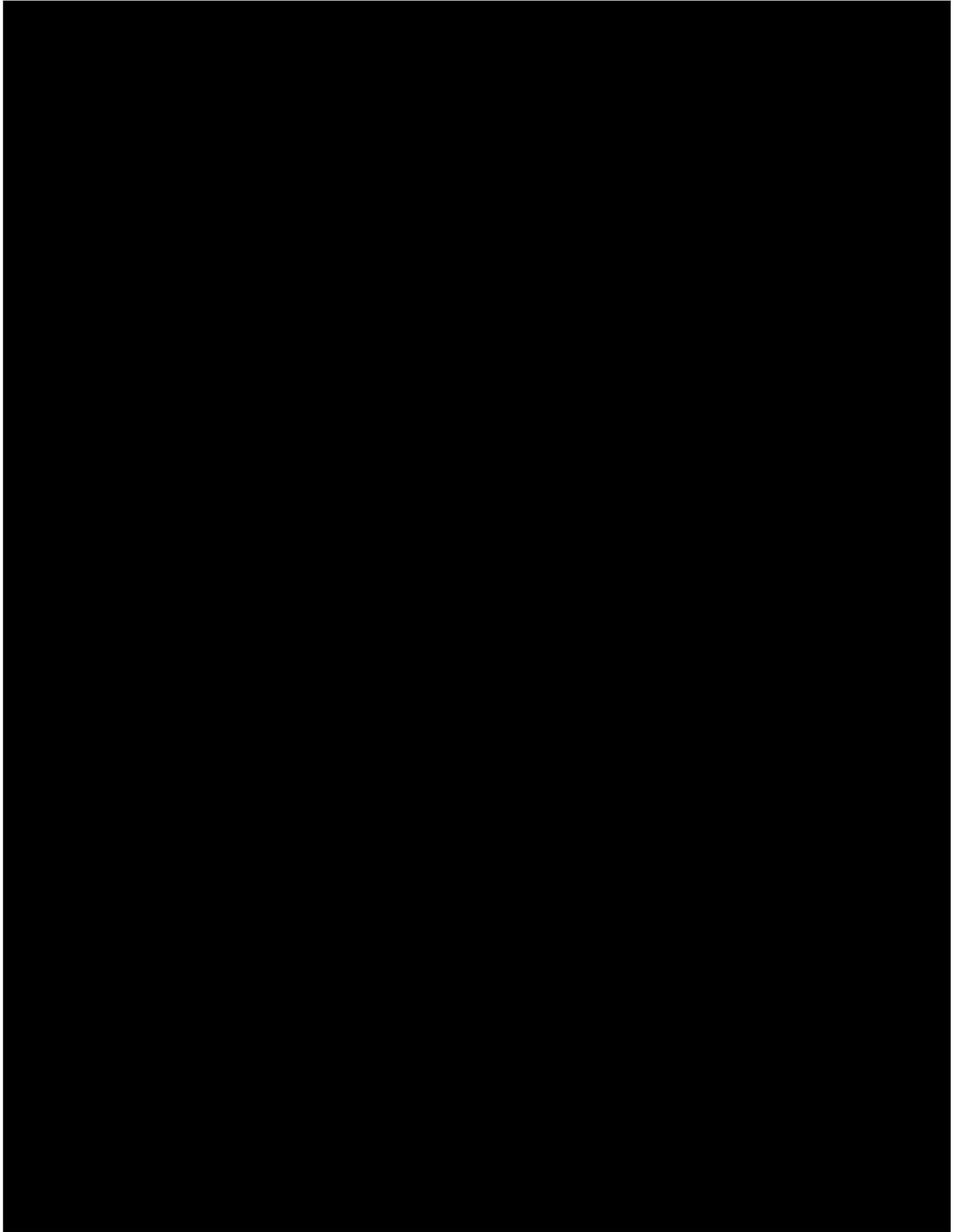
PARCEL AND MAILING INFORMATION FOR PROPERTIES WITHIN 300 FEET OF THE PROPOSED I

Content below this header intentionally redacted to remove personal information (names and residential mailing addresses).



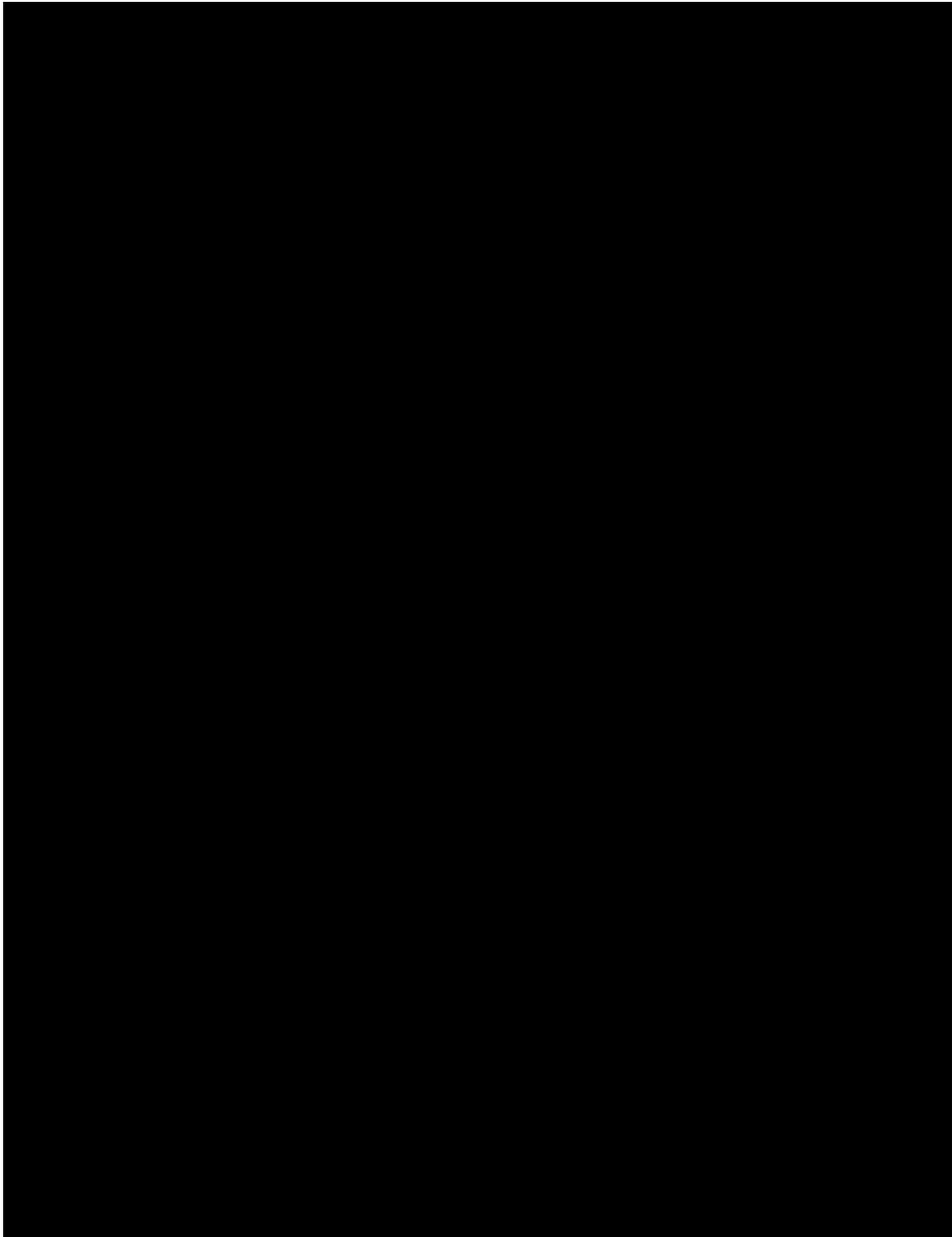
PARCEL AND MAILING INFORMATION FOR PROPERTIES WITHIN 300 FEET OF THE PROPOSED I

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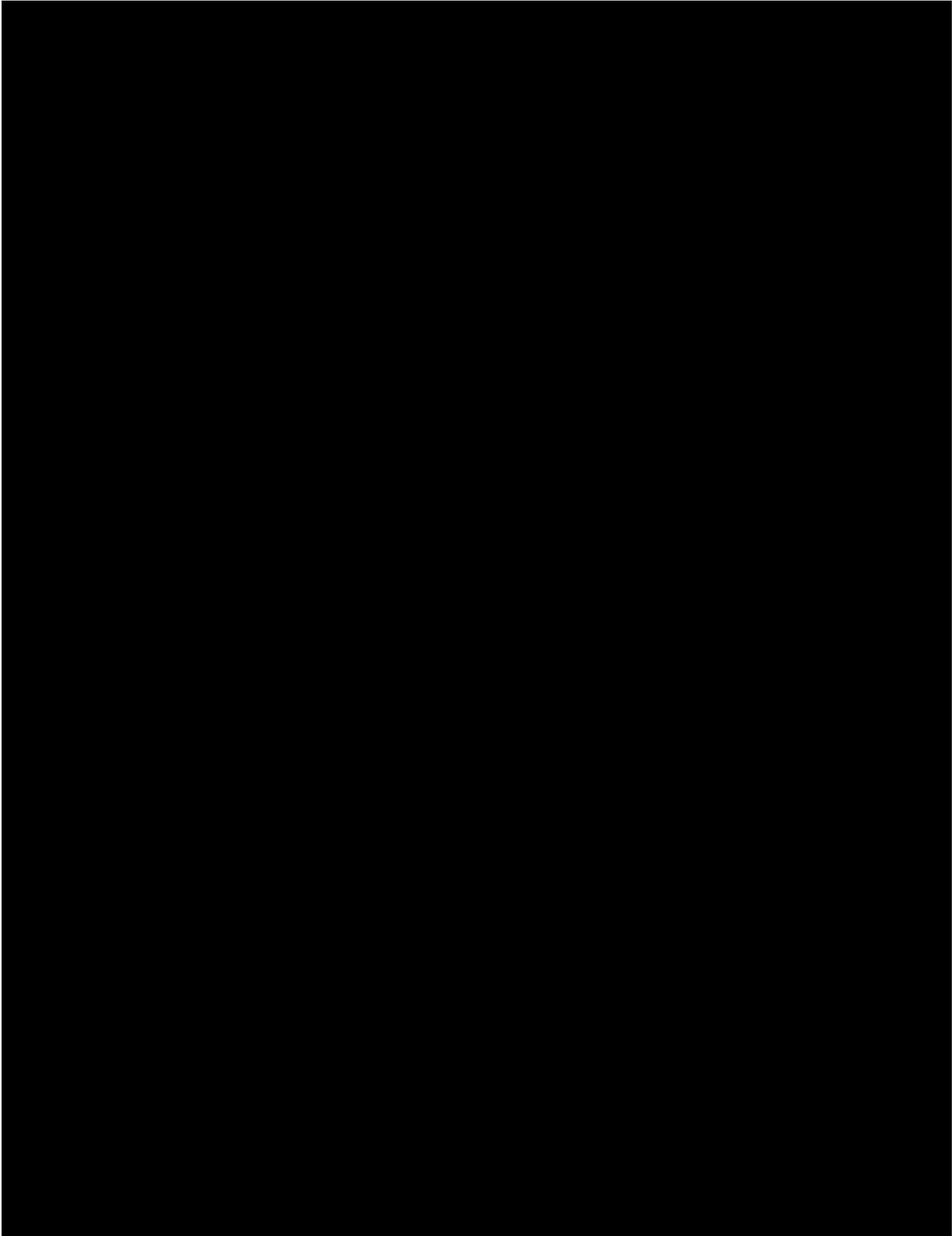
PARCEL AND MAILING INFORMATION FOR PROPERTIES WITHIN 300 FEET OF THE PROPOSED I

Content below this header intentionally redacted to remove personal information (names and residential mailing addresses).



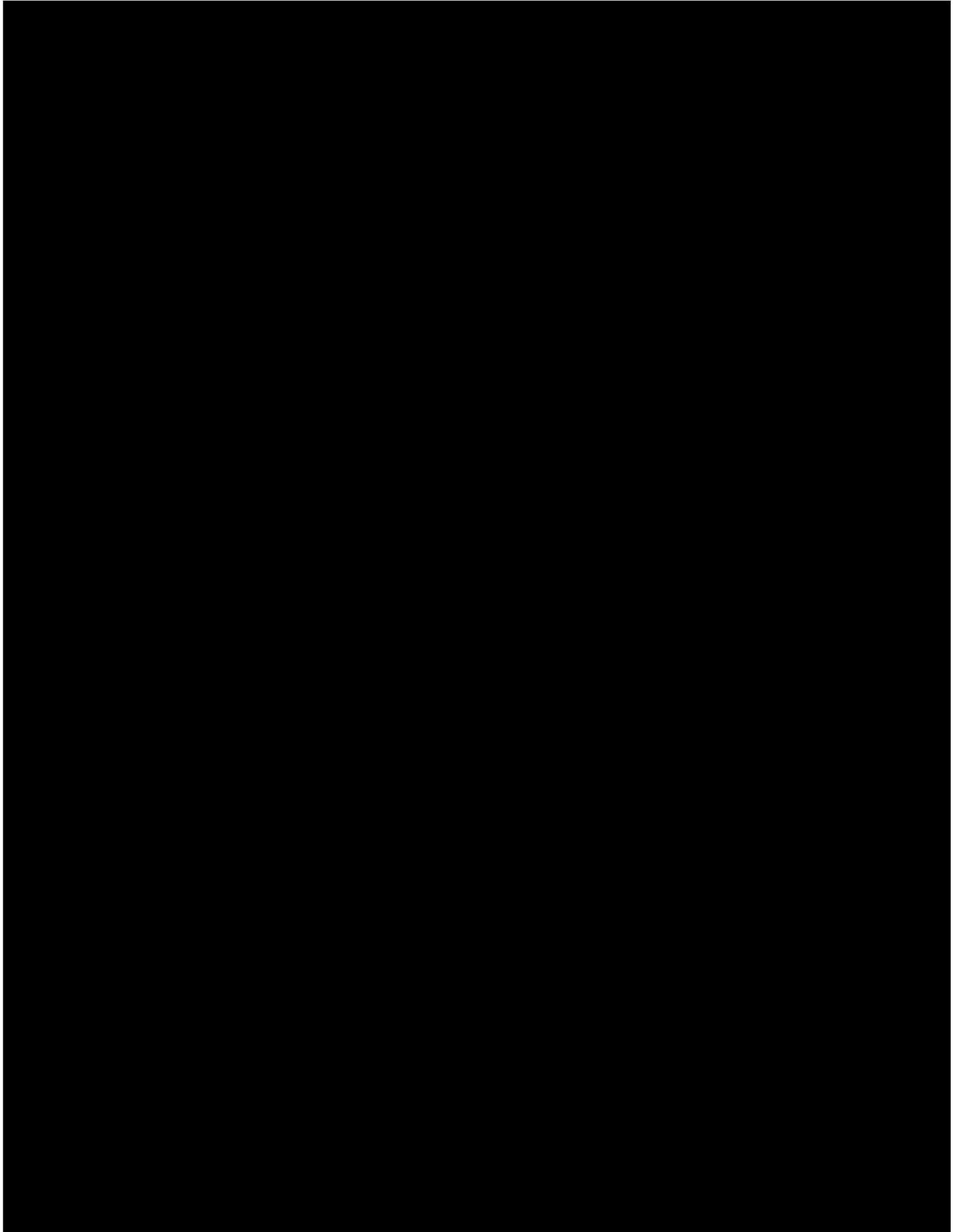
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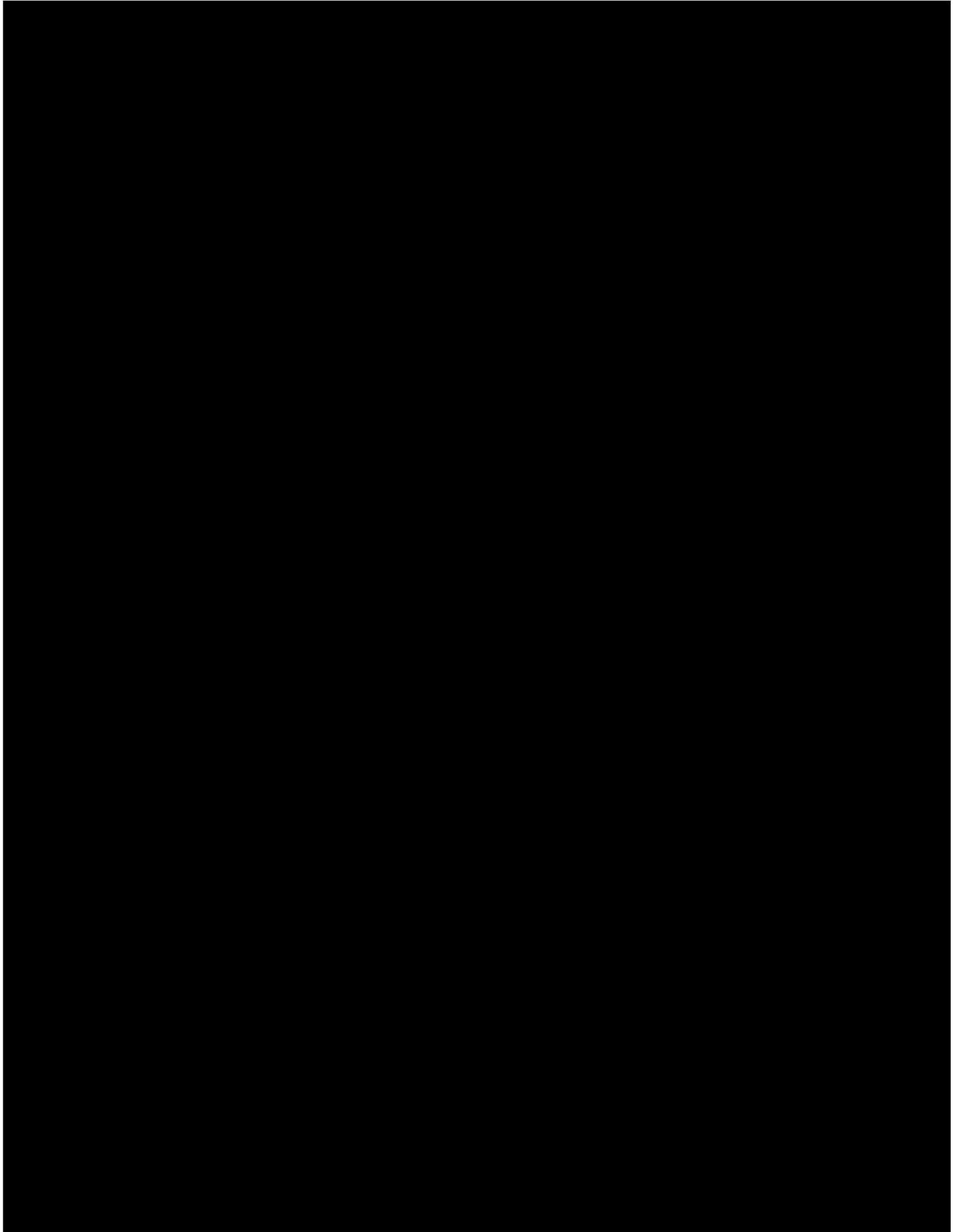
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Content below this header intentionally redacted to remove personal information (names and residential mailing addresses).



PUBLIC REVIEW LOCATIONS

A copy of the application and any amendments may be inspected at the SDG&E business offices as listed below:

436 H Street
Chula Vista, CA 91910

440 Beech Street
San Diego, CA 92101

104 N Johnson Ave.
El Cajon, CA 92020

2405 Plaza Blvd.
National City, CA 91950

336 Euclid Ave. Ste. 502
San Diego, CA 92114

2604-B S El Camino Real
Carlsbad, CA 92008

644 W. Mission Ave.
Escondido, CA 92025

Copies of this notice will be available for viewing and printing on the SDG&E Web site at:
<http://sdge.com/proceedings>.

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

**LIST OF NEWSPAPER(S) PUBLISHING
THE NOTICE OF APPLICATION FOR PERMIT TO CONSTRUCT**

The San Diego Union-Tribune

350 Camino de la Reina
San Diego, CA 92122-0191

North County Times

207 E. Pennsylvania Ave. 92025
Escondido, CA 92025

APPENDIX E
Draft Declaration of Posting of Notice

DECLARATION OF POSTING

I, _____, am a Land Management Representative responsible for managing access, easements, rights of way and fee-owned land for San Diego Gas & Electric Company. On _____, 2013, I posted the project site for the proposed TL 637 Wood to Steel Pole Replacement Project the Notice of Filing of an Application for a Permit to Construct filed with the California Public Utilities Commission, in accordance with the provisions of General Order 131-D, Section XI.B.3.

I declare under penalty of perjury that the foregoing statements are true and correct to the best of my knowledge.

Executed this _____ day of February, 2013, at San Diego, California.

Land Management Representative SDG&E

APPENDIX F
Magnetic Field Management Plan



Detailed Magnetic Field Management Plan
for the
TL 637 Wood-to-Steel
Project

Project Engineer: **V. Huynh**
Project Designer: **R. Ross**

Work Order No.: **WO 2901640**
In-Service Date: **Sept. 2014**

Power & Distribution Lines: **TL 637, TL 626B, 236, 237, 970, 975**

Central File No.: **ELA 140.B.XX**

Prepared by: J. Bennett

Date: 02/27/2013

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I. Proposed Project Scope

The “TL 637 Wood-to-Steel Pole Replacement Project” (Proposed Project) is for TL 637¹ between Creelman and Santa Ysabel Substations and includes pole replacement and re-conductor of this tieline. It is to replace approximately one hundred fifty-six (156) wood poles with equivalent weathering steel structures for a distance of approximately 14.0 miles and will follow the current alignment centered on the existing rights-of-way (ROW) the full length. The reconductor will change out existing 3/0 ACSR/AW with heavier 636-ACSS/AW circuit wire. The steel poles will range in height from approximately 43 to 110 feet and will be located as close as possible to the existing pole locations.

The Proposed Project begins in San Diego County at Creelman Substation located south of Creelman lane and east of San Vicente road in Ramona, California. The line heads north east, staying on the south side of State Highway 78 and ends at Santa Ysabel Substation just west of Columbia Street in Santa Ysabel, California (Please see “Appendix 1 – Proposed Project Segment Map”). TL 637 traverses on private and public lands, including lands owned by the County of San Diego, Bureau of Land Management (BLM), and Cleveland National Forest (CNF). This region of San Diego County (County) is sparsely populated with small, scattered, unincorporated communities. Completion of the Proposed Project will help increase safety and reliability measures for both existing and future electric infrastructure that serves the Ramona to Santa Ysabel area.

The scope of replacing the 156 wood structures will include, approximately 69 directly-embedded and approximately 87 micropile foundations. They will have like pole top configurations compared to the existing wood poles. The new steel poles are approximately 12 feet taller on average, stronger, and with expanded circuit separation placing the three phase circuit wires farther apart from each other. The 636 ACSS/AW circuits themselves are thicker, heavier wire. As a result, they are less likely to be affected by high winds and chance of blow-out will be reduced. This is also referred to as “fire-hardening” for areas which are considered high-risk fire areas, such as major portions of the Proposed Project scope.

There is a small portion of this line coming into Santa Ysabel substation where facilities must support both TL 637 and TL 626B. This line segment is approximately 3,500 feet in length with approximately 12 structures which will be replaced with double circuit steel structures to support the two 69 kV tielines, one 12 kV distribution circuit, and two communications circuits per structure.

The Proposed Project will be constructed within existing easements or ROWs throughout the entire scope. The scope of magnetic field analysis for this “Detailed Magnetic Field

¹ In accordance with CPUC General Order 131-D, the term "power line" is used in this document in reference to TL 637, a 69 kV line. The term "transmission," when used, refers to internal SDG&E operating departments, internal SDG&E standards and/or other guidelines, and is not intended to suggest that TL 637 is designed for immediate or eventual operation at 200 kV or above.

Management Plan (FMP)” does not include the distribution lines, per the “SDG&E EMF² Design Guidelines for Electrical Facilities” which states, “For distribution facilities, utilities would apply no-cost and low-cost measures by integrating reduction measures into construction and design standards, rather than evaluating no-cost and low-cost measures for each project.” Thus, for purposes of this FMP, the term “Proposed Project” only includes the wood-to-steel conversion and re-conductor of electric power line TL 637 and a portion of TL 626B near Santa Ysabel Substation where new double circuit steel poles will be installed. Minor work will be done at Creelman and Santa Ysabel Substations to provide for connection of the re-conducted TL 637 and TL 626B circuit wire and underbuilt distribution line.

II. Magnetic Field Management Design Guidelines

The CPUC requires SDG&E apply its *EMF Design Guidelines for Electrical Facilities* (“Guidelines”) to all new electric transmission projects to reduce public exposure to magnetic fields. SDG&E filed its Guidelines with the CPUC in accordance with CPUC Decision 93-11-013 and updated them in accordance with the 2006 CPUC Decision 06-01-042.

Consistent with SDG&E’s Guidelines and with the CPUC order, magnetic fields and possible magnetic field management measures were evaluated along the power line locations associated with the Proposed Project. The results of this evaluation are contained in this FMP.

The FMP deals solely with magnetic fields. Moreover, reducing the magnetic field strength is but one of many factors to be considered in planning and designing a transmission system, along with other issues such as safety, environmental concerns, reliability, insulation and electrical clearance requirements, aesthetics, cost, operations and maintenance.

III. Methodology

In Decision 06-01-042, the CPUC notes that modeling is used to compare the relative effectiveness of field-reduction options and is not to be used to predict post-construction field levels. CPUC Decision 06-01-042, Finding of Fact 14: “Utility modeling methodology is intended to compare differences between alternative EMF [Electromagnetic Field] mitigation measures and not determine actual EMF amounts.”³ The CPUC also notes that “modeling indicates relative differences in magnetic field reductions between different transmission line construction methods, but does not measure actual environmental magnetic fields.”⁴

In accordance with its Guidelines, SDG&E will take the following measures for the Proposed Project:

- Apply SDG&E’s EMF Guidelines for transmission circuit facilities to the Proposed Project design.
- Identify and implement appropriate “no-cost” measures, i.e., those that will not increase overall project costs but will reduce the magnetic field levels.

² EMF refers to electric and magnetic fields.

³ CPUC Decision D.06-01-042, Finding of Fact 14, p. 20.

⁴ Ibid, p.11.

- Identify and implement appropriate “low-cost” measures, i.e., those measures costing in the range of 4% of the total budgeted project cost that will reduce the magnetic field levels by 15% or more at the edge of the right-of-way (ROW).
- When a sufficiency of “low-cost” measures is available to reduce magnetic field levels, such that it is difficult to stay within the 4% cost guideline, apply these “low-cost” measures by priority, per the Guidelines.

The 15% minimum reduction required for low-cost measures is in addition to any field reduction due to “no-cost” measures. It is not cumulative.

Since the Proposed Project requires permitting under General Order 131-D, a Detailed Field Management Plan (FMP) will be used. The FMP consists of a project description, a checklist table showing evaluation of magnetic field reduction measures adopted or rejected per transmission line, evaluation of “no-cost” and “low-cost” magnetic field reduction techniques, magnetic field models where multiple lines are involved within the same easement or ROW, and a summary with recommendations.

Field levels were calculated using the RESICALC program developed and maintained by the Electric Power Research Institute. As the in-service date of the Proposed Project will be September 2014 the projected high usage currents, “2014 heavy summer,” were used in the calculations. For the purpose of evaluating the field management measures, magnetic field levels were calculated and compared at a height of one meter above ground.

To evaluate the effectiveness of various magnetic field reduction measures, calculated values for a given technique were compared to calculated values without the technique. Since all power lines of the Proposed Project are within easements, or franchise ROW, magnetic field levels were calculated and compared at the adjacent parallel property lines, or edges of ROW.

IV. Project Description

The “TL 637 Wood-to-Steel Project” (Proposed Project) begins in San Diego County at the Creelman Substation located south of Creelman lane and east of San Vicente road in Ramona, California. The line heads north east, staying on the south side of Highway 78. This power line ends in San Diego County at the Santa Ysabel Substation, just west of Columbia Street, in Santa Ysabel (see “Appendix 1 – Proposed Project Segment Map”). This region of San Diego County (County) is sparsely populated with small, scattered, unincorporated communities.

The scope of the Proposed Project includes replacing existing wood poles with weathering steel poles with like pole top configurations along the entire route, and re-conductor of the 69 kV power line, TL 637. The new steel poles are approximately 12 feet taller on average, stronger, and with expanded circuit separation placing the three phase circuit wires farther apart from each other. The circuits themselves also are thicker, heavier wire. As a result, they are less likely to be affected by high winds and chance of blow-out will be reduced. This is also referred to as “fire hardening” for areas which are consider high-risk fire areas, such as major portions of this Proposed Project scope.

To further define the Proposed Project land use areas, it is located within eastern San Diego County on county park land (Simon Preserve), BLM land (Mt. Gower Preserve), U.S. Forest Service property (CNF), SDG&E-owned lands, and private property. The Proposed Project involves the entire, approximately 14.0 miles, expanse of TL 637. For purposes of this FMP, the Proposed Project alignment is divided up into five (5) separate Segments of land use from the western to the eastern ends of the line:

- **Segment 1-** (0.93 miles) is located in the unincorporated community of Ramona within a semi-rural residential area with agricultural uses such as crop cultivation and pasture for cattle and horses. This segment of the project alignment is within franchise of Creelman Lane and is bordered by rural residential and undeveloped land use, and ends at the western boundary of Simon Preserve, a County open-space park
- **Segment 2-** (1.3 miles) is located in the Simon Preserve. Uses of the preserve include hiking, equestrian riding, and mountain biking. This segment of the Proposed Project alignment is surrounded by the Preserve as it crosses the southern portion of the Preserve in a west/east alignment and ends at its eastern boundary.
- **Segment 3-** (1.9 miles) is located in the San Diego Country Estates subdivision consisting of tract residential development. This segment of the Proposed Project alignment traverses between private lots, starting at the west edge and continuing across a Home Owners Association (HOA) open-space-easement heading north, then turning east on the north boundary of the subdivision between private lots and the Mt. Gower Preserve BLM property.
- **Segment 4-** (9.7 miles) is located in the Mt. Gower Preserve BLM in the western portion of the unit, and private property for most of the remainder of the unit, except for two pole sites on CNF land. The unit covers a large area of undeveloped land, rangeland, and pastures in a northeasterly direction for approximately 9.7 miles. The main land uses are for preserve and agricultural uses of crop cultivation and rangeland for cattle and horses. The segment briefly crosses CNF land with poles P115 and P116. Both of these poles were previously replaced with steel poles through the Corrective Maintenance Program (CMP) and are not intended to be replaced again in this Proposed Project.
- **Segment 5-** (0.17 miles) is the eastern terminus of TL 637 and is comprised of a small amount of commercial uses, residential development, and the Santa Ysabel Substation in the rural community of Santa Ysabel. This portion of the tieline alignment is where facilities must support both TL 637 and TL 626B on new steel double circuit poles.

Construction for the Proposed Project will typically require one for one structure replacement. Some minor relocations may be made to avoid environmentally, biologically, or culturally sensitive locations. All new structures will typically be placed within six (6) to eight (8) feet from the existing structures in the same alignment.

The small portion of this tieline alignment coming into Santa Ysabel Substation in Segment 5, (see “Appendix 1 – Proposed Project Segment Map”) is where facilities must support both TL 637 and TL 626B. These, approximately 12, wood double circuit structures will be replaced with approximately 5 steel pole structures supported by micropile foundations, and

approximately 7 direct embedded steel pole structures. This portion of TL 626B will be re-conducted along with TL 637.

Currently, the rest of TL 637 consists of approximately 144 wood pole structures and 4 light duty steel pole structures supporting one 69 kV circuit of 3-phase single wire 3/0 ACSR/AW conductor and ranging in minimum sag heights of approximately 41 feet. to 110 feet. above grade. These structures will be replaced by approximately 64 steel pole structures supported by micropile foundations, and 80 direct embedded steel pole structures supporting one 69 kV circuit of 3-phase single wire 636ACSS/AW conductor and will range in minimum sag heights of approximately 41 feet. to 110 feet. above grade. The average height increase of the poles would be approximately 12 feet over the entire alignment – this is an average of approximately 19 percent increase in height.

Existing distribution circuits numbered Ckt. 970, 975, or 222 are currently underbuilt through portions of the TL 637 route between the Creelman and Santa Ysabel Substations, or on their own distribution pole structures. The current distribution underbuilt will be transferred to the new steel poles in an overhead position throughout the majority of the TL 637 route. Where distribution underbuilt circuits currently reside on poles within the corridor and there are distribution circuits that are on separate poles along Creelman Lane, Segment 1, (see, “Appendix 1 – Proposed Project Segment Map”) both will be moved over to the new steel poles creating a second distribution underbuilt to consolidate and “fire-harden” the 12 kV in addition to the 69 kV. After circuits are moved, the old wood poles will be removed creating a significant reduction of poles in the area. In addition, taller poles with a vacant distribution position will be added for those portions of TL 637’s alignment where overhead distribution is not present at this time. This vacant distribution position is being created to support projected growth and future distribution needs in the Ramona to Santa Ysabel area. Completion of this Proposed Project will help increase safety and reliability measures for both existing and future electric infrastructure that serves the Ramona to Santa Ysabel area.

V. Field Management Measures Considered

Per the “EMF Design Guidelines for Electrical Facilities, Table 3-1”, all portions of the power lines, TL 637 and TL 626B, within scope of the Proposed Project were reviewed for suitable application of magnetic field reduction measures, as listed in “*Table 1: Magnetic Field Reduction Measures Adopted or Rejected*” below. These techniques will be discussed under the “Section VI- Magnetic Field Reduction Measures Evaluated for the Project” that follows.

Table 1: Magnetic Field Reduction Measures Adopted or Rejected

Segment(s)	Location (Street, Area)	Adjacent Land Use	Reduction Measure Considered	Measure Adopted? (Yes/No)	Estimated Cost to Adopt
1 - 5	Within TL 637 existing ROW	Residential, Agricultural, Commercial, Undeveloped	Locate power lines closer to center of the utility corridor to extent possible.	No	N/A
	Reason not adopted: The alignment of the new steel poles and re-conductor for all tielines is to be the same as the old poles, which is as close to center of easement as possible. The steel poles will be located as close as possible to the existing pole locations. Therefore this option was rejected.				
1 - 5	Within TL 637 existing ROW	Residential, Agricultural, Commercial, Undeveloped	Increasing structure height	Yes	No-Cost
	<p>By design, the pole height will increase for this Project to compensate for heavier conductor wire while maintaining minimum sag. Per SDG&E Standards for 69kV double circuit and single circuit overhead transmission lines with no distribution underbuild, minimum sag height is 30 feet from lowest circuit wire to ground as per <i>GO-95 Design Standards</i> and 35 feet from lowest circuit wire for double underbuild. In some Segments in this Proposed Project there will be single distribution 12 kV underbuild and/or double distribution underbuild.</p> <p>Through modeling, it was found by raising the sag height from the initial <i>GO-95 Design Standard</i> minimum height for this configuration by an additional three (3) feet (33ft. sag) for Segment 1 and 5 where the alignment is 6-8 feet from edge of franchise or ROW at closest side, an additional six (6) feet (41ft. sag) for Segment 1 where there is double underbuild, and an additional four (4) feet (34ft. sag) for Segments 2-4 where the alignment centers within the easement ,and permanent residence exist (i.e., which also raises pole heights by approx. that amount) the 15% reduction at ROW for a “low-cost” option could be achieved. However, the initial Project design shows minimum sag height to be from 41ft. to 64ft. from lowest circuit wire to ground for TL 637. This is due to an additional vertical separation distance implemented by SDG&E for both power line and distribution circuits sharing the same pole for “safety and maintenance considerations” by design. This should be considered as a “no-cost” EMF reduction measure, as it indeed reduces fields at no additional Project cost. Raising pole heights beyond that imposed by SDG&E for safety and maintenance reasons as a “low-cost” measure would be unreasonable, as the final initial design heights already will be 12 feet higher on average than the existing poles and thereby could create visual and/or aesthetic concerns.</p>				

Segment(s)	Location (Street, Area)	Adjacent Land Use	Reduction Measure Considered	Measure Adopted? (Yes/No)	Estimated Cost to Adopt
1 - 5	Within TL 637 existing ROW	Residential, Agricultural, Commercial, Undeveloped	Reduce conductor (phase) spacing.	No	N/A
	<p>Reason not adopted: The new steel poles in the Proposed Project have equivalent pole top configurations as the existing wood poles had, which provide optimum magnetic field reduction. As part of the enhanced SDG&E transmission design standards for the backcountry in Fire Threat Zone or in High Risk Fire Areas such as this Proposed Project scope, phase spacing will be increased, longer polymer insulators that are less susceptible to contamination will be installed, avian protection will be improved and overall maintenance requirements for the pole will be reduced as a fire hardening measure. There are no alternative poletop configurations to be considered for this Project. Therefore this option was rejected.</p>				
5	Within TL 637 existing ROW	Residential, Agricultural, Commercial, Undeveloped	Phasing Circuits to Reduce Magnetic Fields	No	N/A
	<p>Reason not adopted: Reduction of magnetic field values (milligauss) through phasing techniques was considered and modeled for the Proposed Project for <u>Segments 5</u> where two tielines share a common corridor. For approximately 0.6 miles before Santa Ysabel Substation, TL 637 shares common structures with TL 626B within the same easement. Current flow in these two tielines travels in opposite directions. Double circuits with current flow in opposite directions should be phased the same for lowest magnetic field values at ROW (e.g.,A-B-C (t-b) and A-B-C (t-b)). Modeling showed a difference of 69.6% at left ROW and 58.4% right ROW for same phase configuration vs. opposite phase configuration (e.g.,A-B-C (t-b) and C-B-A (t-b)). Phase currently is (A-B-C (t-b)) for TL 626B and (A-B-C (t-b)) for TL 637 so both should remain as is. Therefore, no "no-cost" or "low-cost" alternatives were considered for this portion of the Proposed Project.</p>				
1 - 5	Within TL 637 existing ROW	Residential, Agricultural, Commercial, Undeveloped	Placing Overhead Underground	No	N/A
	<p>Reasons not adopted: These segments vary in length from several feet to several miles as the tieline travels between Creelman Substation and Santa Ysabel Substation, a total of approximately 13.6 miles. Based on preliminary cost estimates for the Proposed Project, only approximately 0.3 miles of the 13.6 miles could be undergrounded and still be considered a "low-cost" field-reduction measure. As there are no known schools, day-care centers or hospitals on lands adjacent any of these segments, priority for low-cost field reduction would be given to segments adjacent to residential land use. Preliminary review suggests that the total of segment miles adjacent to residences is far greater than 0.3 miles. Though evaluation of "low-cost" measures for these Segments can be prioritized by considering location and/or density of adjacent permanently occupied structures⁵, the population density along most of these Segments is consistently sparse, making prioritization difficult. A more broadly effective "no-cost" measure is proposed for use under "Increasing structure height" in this Table. For these reasons, undergrounding as a "low-cost" field-reduction measure was not adopted.</p>				

⁵ SDG&E Guidelines, p. 12: "When spending for "low-cost" measures would otherwise disallow equitable magnetic field reduction for all areas within a single land use class, prioritization can be achieved by considering location and/or density of permanently occupied structures on lands adjacent to the projects, as appropriate."

Segment(s)	Location (Street, Area)	Adjacent Land Use	Reduction Measure Considered	Measure Adopted? (Yes/No)	Estimated Cost to Adopt
1 - 5	Within TL 637 existing Easement	Residential, Agricultural, Commercial, Undeveloped	Increase trench depth	No	N/A
	<p>Reasons not adopted: Undergrounding the 69 kV tieline, TL 637, is not within scope of the Proposed Project and was discarded due to the cost that would far exceed 4% of the total Project cost. (see “Placing overhead underground” above in this table)</p>				

VI. Magnetic Field Reduction Measures Evaluated for the Project

Per SDG&E’s Guidelines this FMP is limited to an assessment of increasing structure height as a field reduction technique, and phasing circuits to reduce magnetic fields for those double circuit pole portions near Santa Ysabel Substation in Segment 5 where TL 637 and TL 626B share a common easement. Other techniques such as locating power lines closer to the center of the easement, reducing conductor (phase) spacing, placing overhead underground to reduce magnetic fields, and increasing trench depth were not implemented.

Locating power lines closer to the center of the easement: The alignment of the new steel poles and re-conductor for all power lines is to be the same as the old poles, which is as close to center of easement as possible. The steel poles will be located as close as possible to the existing pole locations. Therefore locating power lines closer to center of easement was discarded as a reduction technique.

Increasing structure height: By design, the pole height will increase for the Proposed Project to compensate for heavier conductor wire while maintaining minimum sag. Per SDG&E Standards for 69 kV double circuit and single circuit overhead power lines with no distribution underbuild, minimum sag height is 30 feet from lowest circuit wire to ground as per *GO-95 Design Standards* and 35 feet from lowest circuit wire for double underbuild. In some Segments in this Proposed Project there will be single distribution 12 kV underbuild and/or double distribution underbuild.

Through modeling, it was found by raising the sag height from the initial *GO-95 Design Standard* minimum height for this configuration by an additional three (3) feet (**33ft. sag**) for Segment 1 and 5 where the alignment is 6-8 feet from edge of franchise or ROW at closest side, an additional six (6) feet (**41ft. sag**) for Segment 1 where there is double underbuild, and an additional four (4) feet (**34ft. sag**) for Segments 2-4 where the alignment centers on 30-50 easement width and permanent residence exist (i.e., which also raises pole heights by approx. that amount) the 15% reduction at ROW for a “low-cost” option could be achieved. However, the initial Proposed Project design shows minimum sag height to be from **41ft. to 64ft.** from lowest circuit wire to ground for TL 637. This is due to an additional vertical separation distance implemented by SDG&E for both transmission and distribution circuits sharing the same pole for “safety and maintenance considerations” by design. This achieves a magnetic field reduction of **55 - 76%** for no underbuild or single underbuild, and **34 - 65%** for double underbuild

respectively, at the closest ROW without raising milligauss values at the opposite ROW. This should be considered as a “no-cost” EMF reduction measure, as it indeed reduces fields at no additional Proposed Project cost. Raising pole heights beyond that imposed by SDG&E for safety and maintenance reasons as a “low-cost” measure would be unreasonable, as the final initial design heights already will be 12 feet higher on average than the existing poles and thereby could create visual and/or aesthetic concerns. (see “no-cost” options below)

Reducing conductor (phase) spacing: The new steel poles in the Proposed Project have SDG&E Standard pole-head configurations equivalent to those on the existing wood poles which provide optimum magnetic field reduction. As part of the enhanced transmission design standards for the backcountry in “Fire Threat Zone” or in a “High Risk Fire Areas” such as this Proposed Project scope, phase spacing will be increased, longer polymer insulators that are less susceptible to contamination will be installed, avian protection will be improved and overall maintenance requirements for the pole will be reduced as a “fire hardening” measure. Therefore reducing conductor phase spacing to reduce magnetic fields was rejected as a reduction technique.

Phasing Circuits to Reduce Magnetic Fields: Reduction of magnetic field values (milligauss) through phasing techniques was considered and modeled for the Proposed Project for Segment 5 where two tielines share a common easement. For approximately 0.6 miles before Santa Ysabel Substation, **TL 637** shares common structures with **TL 626B** within the same easement. Current flow in these two tielines travels in opposite directions. Double circuits with current flow in opposite directions should be phased the same for lowest magnetic field values at ROW (e.g., A-B-C (t-b) and A-B-C (t-b)). Modeling showed a difference of **69.6%** at left ROW and **58.4%** right ROW for same phase configuration vs. opposite phase configuration (e.g., A-B-C (t-b) and C-B-A (t-b)). Phase currently is **(A-B-C (t-b))** for **TL 626B** and **(A-B-C (t-b))** for **TL 637** so both should remain as is. Therefore, no "no-cost" or "low-cost" alternatives were considered for this portion of the Proposed Project.

Undergrounding to reduce magnetic fields: These Segments vary in length from several feet to several miles as the tieline travels between Creelman Substation and Santa Ysabel Substation, a total of approximately 13.6 miles. Based on preliminary cost estimates for Proposed Project, only approximately 0.3 miles of the 13.6 miles could be undergrounded and still be considered a "low-cost" field-reduction measure. As there are no known schools, day-care centers or hospitals on lands adjacent any of these segments, priority for low-cost field reduction would be given to segments adjacent to residential land use. Preliminary review suggests that the total of segment miles adjacent to residences is far greater than 0.3 miles. Though evaluation of “low-cost” measures for these Segments can be prioritized by considering location and/or density of adjacent permanently occupied structures⁶, the population density along most of these Segments is consistently sparse, making prioritization difficult. A more broadly effective "no-cost" measure is proposed for use under "Increasing structure height" in the Table 1 above. For these reasons, undergrounding as a "low-cost" field-reduction measure was rejected as a reduction technique.

⁶ Ibid

Increasing trench depth: Undergrounding the 69 kV tieline, TL 637, is not within scope of the Proposed Project and was discarded due to the cost that would far exceed 4% of the total Project cost. (see “Table 1: Magnetic Field Reduction Measures Adopted or Rejected: Undergrounding to reduce magnetic fields” above). Therefore this reduction technique was rejected.

VII. Magnetic Field Reduction Measures Recommended for the Project

Reduction of magnetic field values by increasing structure height as a field reduction technique was adopted as a viable method to reduce magnetic fields at the edge-of-ROW for the Proposed Project. The recommended field reduction techniques are:

A. “No-Cost” Field Management Technique:

The Proposed Project design shows minimum sag height to be from **41ft.** to **64ft.** from lowest circuit wire to ground for TL 637. This is due to an additional vertical separation distance implemented by SDG&E for both transmission and distribution circuits sharing the same pole for “safety and maintenance considerations” by design. This achieves a magnetic field reduction of **55 - 76%** for no underbuild or single underbuild, and **34 - 65%** for double underbuild respectively, at the closest ROW without raising milligauss values at the opposite ROW. This constitutes a “no-cost” EMF reduction measure, as it indeed reduces fields at no additional Project cost.

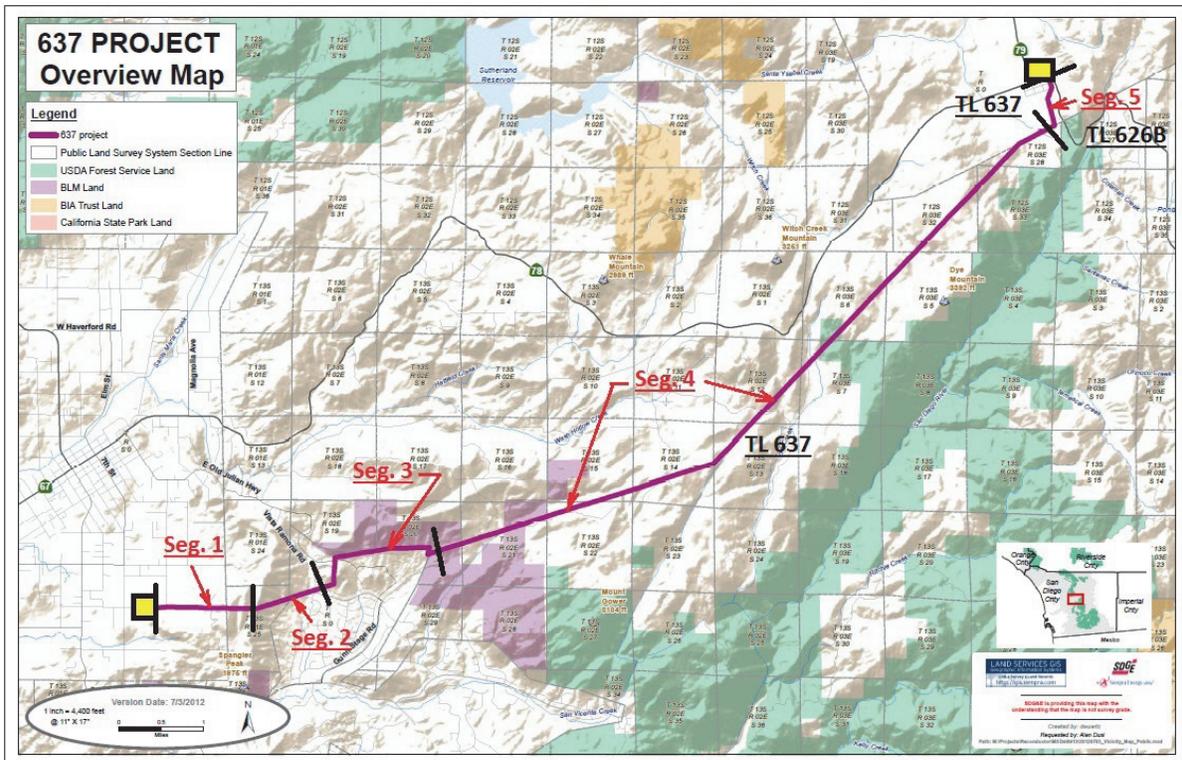
B. “Low-Cost” Field Management Technique:

There are no “low-cost” magnetic field reduction techniques recommended for the Proposed Project.

Appendix 1

Proposed Project

Segment Map



APPENDIX G
Financial Statements

SAN DIEGO GAS & ELECTRIC COMPANY
FINANCIAL STATEMENT
SEPTEMBER 30, 2012

(a) Amounts and Kinds of Stock Authorized:

Preferred Stock	1,375,000 shares	Par Value \$27,500,000
Preferred Stock	10,000,000 shares	Without Par Value
Preferred Stock	Amount of shares not specified	\$80,000,000
Common Stock	255,000,000 shares	Without Par Value

Amounts and Kinds of Stock Outstanding:

PREFERRED STOCK

5.0%	375,000 shares	\$7,500,000
4.50%	300,000 shares	6,000,000
4.40%	325,000 shares	6,500,000
4.60%	373,770 shares	7,475,400
\$1.70	1,400,000 shares	35,000,000
\$1.82	640,000 shares	16,000,000

COMMON STOCK

116,583,358 shares 291,458,395

(b) Terms of Preferred Stock:

Full information as to this item is given in connection with Application Nos. 93-09-069, 04-01-009, 06-05-015 and 10-10-023 to which references are hereby made.

(c) Brief Description of Mortgage:

Full information as to this item is given in Application Nos. 08-07-029, 10-10-023 and 12-03-005 to which references are hereby made.

(d) Number and Amount of Bonds Authorized and Issued:

<u>First Mortgage Bonds:</u>	<u>Nominal Date of Issue</u>	<u>Par Value Authorized and Issued</u>	<u>Outstanding</u>	<u>Interest Paid in 2011</u>
6.8% Series KK, due 2015	12-01-91	14,400,000	14,400,000	979,200
Var% Series OO, due 2027	12-01-92	250,000,000	150,000,000	7,612,500
5.85% Series RR, due 2021	06-29-93	60,000,000	60,000,000	3,510,000
2.539% Series VV, due 2034	06-17-04	43,615,000	43,615,000	2,562,373
2.539% Series WW, due 2034	06-17-04	40,000,000	40,000,000	2,349,999
2.516% Series XX, due 2034	06-17-04	35,000,000	35,000,000	2,056,249
2.832% Series YY, due 2034	06-17-04	24,000,000	24,000,000	1,409,999
2.832% Series ZZ, due 2034	06-17-04	33,650,000	33,650,000	1,976,936
2.8275% Series AAA, due 2039	06-17-04	75,000,000	75,000,000	134,561
5.35% Series BBB, due 2035	05-19-05	250,000,000	250,000,000	13,375,000
5.30% Series CCC, due 2015	11-17-05	250,000,000	250,000,000	13,250,000
6.00% Series DDD, due 2026	06-08-06	250,000,000	250,000,000	15,000,000
Var Series EEE, due 2018	09-21-06	161,240,000	161,240,000	324,863
6.125% Series FFF, due 2037	09-20-07	250,000,000	250,000,000	15,312,500
6.00% Series GGG, due 2039	05-14-09	300,000,000	300,000,000	18,000,000
5.35% Series HHH, due 2040	05-13-10	250,000,000	250,000,000	13,375,000
4.50% Series III, due 2040	08-15-10	500,000,000	500,000,000	21,812,500
3.00% Series JJJ, due 2021	08-18-11	350,000,000	350,000,000	0
3.95% Series LLL, due 2041	11-17-11	250,000,000	250,000,000	0
4.30% Series MMM, due 2042	03-22-12	250,000,000	250,000,000	0
 <u>Unsecured Bonds:</u>				
5.9% CPCFA96A, due 2014	06-01-96	129,820,000	129,820,000	7,659,380
5.3% CV96A, due 2021	08-02-96	38,900,000	38,900,000	2,061,700
5.5% CV96B, due 2021	11-21-96	60,000,000	60,000,000	3,300,000
4.9% CV97A, due 2023	10-31-97	25,000,000	25,000,000	1,225,000

**SAN DIEGO GAS & ELECTRIC COMPANY
BALANCE SHEET
ASSETS AND OTHER DEBITS
SEPTEMBER 30, 2012**

	2012
1. UTILITY PLANT	
101 UTILITY PLANT IN SERVICE	\$13,487,237,954
102 UTILITY PLANT PURCHASED OR SOLD	13,548,294
104 UTILITY PLANT LEASED TO OTHERS	85,194,000
105 PLANT HELD FOR FUTURE USE	8,151,201
106 COMPLETED CONSTRUCTION NOT CLASSIFIED	-
107 CONSTRUCTION WORK IN PROGRESS	644,811,836
108 ACCUMULATED PROVISION FOR DEPRECIATION OF UTILITY PLANT	(4,891,310,393)
111 ACCUMULATED PROVISION FOR AMORTIZATION OF UTILITY PLANT	(256,001,359)
118 OTHER UTILITY PLANT	696,958,732
119 ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF OTHER UTILITY PLANT	(194,217,472)
120 NUCLEAR FUEL - NET	114,909,686
TOTAL NET UTILITY PLANT	9,709,282,479
2. OTHER PROPERTY AND INVESTMENTS	
121 NONUTILITY PROPERTY	6,313,633
122 ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF NONUTILITY PROPERTY	(546,049)
123 INVESTMENTS IN SUBSIDIARY COMPANIES	-
124 OTHER INVESTMENTS	-
125 SINKING FUNDS	-
128 OTHER SPECIAL FUNDS	891,855,963
TOTAL OTHER PROPERTY AND INVESTMENTS	897,623,547

Data from SPL as of November 29, 2012

SAN DIEGO GAS & ELECTRIC COMPANY
BALANCE SHEET
ASSETS AND OTHER DEBITS
SEPTEMBER 30, 2012

3. CURRENT AND ACCRUED ASSETS		2011
131	CASH	217,557
132	INTEREST SPECIAL DEPOSITS	-
134	OTHER SPECIAL DEPOSITS	-
135	WORKING FUNDS	500
136	TEMPORARY CASH INVESTMENTS	-
141	NOTES RECEIVABLE	-
142	CUSTOMER ACCOUNTS RECEIVABLE	233,612,683
143	OTHER ACCOUNTS RECEIVABLE	20,081,947
144	ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS	(2,863,738)
145	NOTES RECEIVABLE FROM ASSOCIATED COMPANIES	-
146	ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES	16,778,226
151	FUEL STOCK	2,305,557
152	FUEL STOCK EXPENSE UNDISTRIBUTED	-
154	PLANT MATERIALS AND OPERATING SUPPLIES	78,537,372
156	OTHER MATERIALS AND SUPPLIES	-
163	STORES EXPENSE UNDISTRIBUTED	(1,162)
164	GAS STORED	124,296
165	PREPAYMENTS	225,125,013
171	INTEREST AND DIVIDENDS RECEIVABLE	4,010,076
173	ACCRUED UTILITY REVENUES	62,753,000
174	MISCELLANEOUS CURRENT AND ACCRUED ASSETS	187,504,106
175	DERIVATIVE INSTRUMENT ASSETS	44,776,045
TOTAL CURRENT AND ACCRUED ASSETS		872,961,478
4. DEFERRED DEBITS		
181	UNAMORTIZED DEBT EXPENSE	35,714,172
182	UNRECOVERED PLANT AND OTHER REGULATORY ASSETS	2,571,278,815
183	PRELIMINARY SURVEY & INVESTIGATION CHARGES	5,106,648
184	CLEARING ACCOUNTS	976,020
185	TEMPORARY FACILITIES	-
186	MISCELLANEOUS DEFERRED DEBITS	23,303,759
188	RESEARCH AND DEVELOPMENT	-
189	UNAMORTIZED LOSS ON REACQUIRED DEBT	17,089,535
190	ACCUMULATED DEFERRED INCOME TAXES	557,872,815
TOTAL DEFERRED DEBITS		3,211,341,764
TOTAL ASSETS AND OTHER DEBITS		14,691,209,268

Data from SPL as of November 29, 2012

**SAN DIEGO GAS & ELECTRIC COMPANY
BALANCE SHEET
LIABILITIES AND OTHER CREDITS
SEPTEMBER 30, 2012**

5. PROPRIETARY CAPITAL

		2011
201	COMMON STOCK ISSUED	(\$291,458,395)
204	PREFERRED STOCK ISSUED	(78,475,400)
207	PREMIUM ON CAPITAL STOCK	(592,222,753)
210	GAIN ON RETIRED CAPITAL STOCK	-
211	MISCELLANEOUS PAID-IN CAPITAL	(479,665,368)
214	CAPITAL STOCK EXPENSE	25,688,571
216	UNAPPROPRIATED RETAINED EARNINGS	(2,786,794,413)
219	ACCUMULATED OTHER COMPREHENSIVE INCOME	9,755,579
	TOTAL PROPRIETARY CAPITAL	(4,193,172,179)

6. LONG-TERM DEBT

221	BONDS	(3,536,905,000)
223	ADVANCES FROM ASSOCIATED COMPANIES	-
224	OTHER LONG-TERM DEBT	(253,720,000)
225	UNAMORTIZED PREMIUM ON LONG-TERM DEBT	-
226	UNAMORTIZED DISCOUNT ON LONG-TERM DEBT	11,834,550
	TOTAL LONG-TERM DEBT	(3,778,790,450)

7. OTHER NONCURRENT LIABILITIES

227	OBLIGATIONS UNDER CAPITAL LEASES - NONCURRENT	(674,680,029)
228.2	ACCUMULATED PROVISION FOR INJURIES AND DAMAGES	(31,028,287)
228.3	ACCUMULATED PROVISION FOR PENSIONS AND BENEFITS	(330,278,239)
228.4	ACCUMULATED MISCELLANEOUS OPERATING PROVISIONS	0
230	ASSET RETIREMENT OBLIGATIONS	(727,777,372)
	TOTAL OTHER NONCURRENT LIABILITIES	(1,763,763,927)

Data from SPL as of November 29, 2012

**SAN DIEGO GAS & ELECTRIC COMPANY
BALANCE SHEET
LIABILITIES AND OTHER CREDITS
SEPTEMBER 30, 2012**

8. CURRENT AND ACCRUED LIABILITES		2011
231	NOTES PAYABLE	(1,700,000)
232	ACCOUNTS PAYABLE	(355,445,678)
233	NOTES PAYABLE TO ASSOCIATED COMPANIES	-
234	ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES	(19,711,480)
235	CUSTOMER DEPOSITS	(62,850,929)
236	TAXES ACCRUED	(23,942,687)
237	INTEREST ACCRUED	(62,692,511)
238	DIVIDENDS DECLARED	(1,204,917)
241	TAX COLLECTIONS PAYABLE	(5,403,831)
242	MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES	(393,906,897)
243	OBLIGATIONS UNDER CAPITAL LEASES - CURRENT	(36,831,314)
244	DERIVATIVE INSTRUMENT LIABILITIES	(190,728,539)
245	DERIVATIVE INSTRUMENT LIABILITIES - HEDGES	0
TOTAL CURRENT AND ACCRUED LIABILITIES		(1,154,418,783)
9. DEFERRED CREDITS		
252	CUSTOMER ADVANCES FOR CONSTRUCTION	(13,656,727)
253	OTHER DEFERRED CREDITS	(496,869,300)
254	OTHER REGULATORY LIABILITIES	(1,133,746,949)
255	ACCUMULATED DEFERRED INVESTMENT TAX CREDITS	(26,152,469)
257	UNAMORTIZED GAIN ON REACQUIRED DEBT	-
281	ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED	(5,201,256)
282	ACCUMULATED DEFERRED INCOME TAXES - PROPERTY	(1,723,457,126)
283	ACCUMULATED DEFERRED INCOME TAXES - OTHER	(401,980,102)
TOTAL DEFERRED CREDITS		(3,801,063,929)
TOTAL LIABILITIES AND OTHER CREDITS		(\$14,691,209,268)

Data from SPL as of November 29, 2012

SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT OF INCOME AND RETAINED EARNINGS
NINE MONTHS ENDED SEPTEMBER 30, 2012

1. UTILITY OPERATING INCOME

400	OPERATING REVENUES		\$3,128,104,838
401	OPERATING EXPENSES	\$1,985,711,620	
402	MAINTENANCE EXPENSES	150,491,317	
403-7	DEPRECIATION AND AMORTIZATION EXPENSES	340,416,565	
408.1	TAXES OTHER THAN INCOME TAXES	66,916,393	
409.1	INCOME TAXES	(60,648,307)	
410.1	PROVISION FOR DEFERRED INCOME TAXES	692,026,077	
411.1	PROVISION FOR DEFERRED INCOME TAXES - CREDIT	(439,860,104)	
411.4	INVESTMENT TAX CREDIT ADJUSTMENTS	349,575	
411.6	GAIN FROM DISPOSITION OF UTILITY PLANT	-	
	TOTAL OPERATING REVENUE DEDUCTIONS		<u>2,735,403,136</u>
	NET OPERATING INCOME		392,701,702

2. OTHER INCOME AND DEDUCTIONS

415	REVENUE FROM MERCHANDISING, JOBBING AND CONTRACT WORK	-	
417.1	EXPENSES OF NONUTILITY OPERATIONS	(2,338)	
418	NONOPERATING RENTAL INCOME	279,720	
418.1	EQUITY IN EARNINGS OF SUBSIDIARIES	-	
419	INTEREST AND DIVIDEND INCOME	3,433,840	
419.1	ALLOWANCE FOR OTHER FUNDS USED DURING CONSTRUCTION	61,143,049	
421	MISCELLANEOUS NONOPERATING INCOME	441,574	
421.1	GAIN ON DISPOSITION OF PROPERTY	-	
	TOTAL OTHER INCOME	<u>65,295,845</u>	
421.2	LOSS ON DISPOSITION OF PROPERTY	-	
426	MISCELLANEOUS OTHER INCOME DEDUCTIONS	<u>2,269,819</u>	
	TOTAL OTHER INCOME DEDUCTIONS	<u>2,269,819</u>	
408.2	TAXES OTHER THAN INCOME TAXES	385,776	
409.2	INCOME TAXES	(50,028,891)	
410.2	PROVISION FOR DEFERRED INCOME TAXES	0	
411.2	PROVISION FOR DEFERRED INCOME TAXES - CREDIT	<u>9,150,462</u>	
	TOTAL TAXES ON OTHER INCOME AND DEDUCTIONS	<u>(40,492,653)</u>	
	TOTAL OTHER INCOME AND DEDUCTIONS		<u>103,518,679</u>
	INCOME BEFORE INTEREST CHARGES		496,220,381
	NET INTEREST CHARGES*		<u>118,248,320</u>
	NET INCOME		<u><u>\$377,972,061</u></u>

*NET OF ALLOWANCE FOR BORROWED FUNDS USED DURING CONSTRUCTION, (25,593,864)

**SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT OF INCOME AND RETAINED EARNINGS
NINE MONTHS ENDED SEPTEMBER 30, 2012**

3. RETAINED EARNINGS

RETAINED EARNINGS AT BEGINNING OF PERIOD, AS PREVIOUSLY REPORTED	\$2,412,437,103
NET INCOME (FROM PRECEDING PAGE)	377,972,061
DIVIDEND TO PARENT COMPANY	-
DIVIDENDS DECLARED - PREFERRED STOCK	(3,614,751)
OTHER RETAINED EARNINGS ADJUSTMENTS	
RETAINED EARNINGS AT END OF PERIOD	<u>\$2,786,794,413</u>

SAN DIEGO GAS & ELECTRIC COMPANY

**COST OF PROPERTY AND
DEPRECIATION RESERVE APPLICABLE THERETO
AS OF SEPTEMBER 30, 2012**

<u>No.</u>	<u>Account</u>	<u>Original Cost</u>	<u>Reserve for Depreciation and Amortization</u>
ELECTRIC DEPARTMENT			
302	Franchises and Consents	\$ 222,841	\$ 202,900
303	Misc. Intangible Plant	77,353,474	5,956,882
	TOTAL INTANGIBLE PLANT	77,576,315	6,159,782
310.1	Land		46,518
310.2	Land Rights	14,526,518	0
311	Structures and Improvements	0	28,099,799
312	Boiler Plant Equipment	83,488,783	48,112,447
314	Turbogenerator Units	163,231,924	31,835,664
315	Accessory Electric Equipment	112,838,130	24,629,097
316	Miscellaneous Power Plant Equipment	81,935,410	5,570,451
	Steam Production Decommissioning	25,801,345	0
	TOTAL STEAM PRODUCTION	481,822,111	138,293,977
320.1	Land	0	0
320.2	Land Rights	283,677	283,677
321	Structures and Improvements	275,650,545	270,613,381
322	Boiler Plant Equipment	556,559,852	419,749,061
323	Turbogenerator Units	142,381,272	137,165,063
324	Accessory Electric Equipment	173,236,427	167,695,922
325	Miscellaneous Power Plant Equipment	314,945,328	238,404,313
107	ICIP CWIP	0	0
	TOTAL NUCLEAR PRODUCTION	1,463,057,102	1,233,911,417
340.1	Land	143,476	0
340.2	Land Rights	2,428	2,428
341	Structures and Improvements	19,292,858	3,354,334
342	Fuel Holders, Producers & Accessories	20,348,101	4,219,943
343	Prime Movers	84,174,818	18,425,712
344	Generators	327,819,991	79,806,403
345	Accessory Electric Equipment	31,708,394	6,932,035
346	Miscellaneous Power Plant Equipment	23,517,224	9,161,900
	TOTAL OTHER PRODUCTION	507,007,290	121,902,754
	TOTAL ELECTRIC PRODUCTION	2,451,886,502	1,494,108,147

<u>No.</u>	<u>Account</u>	<u>Original Cost</u>	<u>Reserve for Depreciation and Amortization</u>
350.1	Land	\$ 40,792,766	\$ 0
350.2	Land Rights	136,915,589	12,620,732
352	Structures and Improvements	285,526,462	37,969,416
353	Station Equipment	963,037,139	160,020,003
354	Towers and Fixtures	657,533,430	90,481,482
355	Poles and Fixtures	264,238,315	52,963,522
356	Overhead Conductors and Devices	405,736,207	173,636,915
357	Underground Conduit	296,317,703	26,013,364
358	Underground Conductors and Devices	322,821,442	27,238,624
359	Roads and Trails	189,171,960	7,688,134
	TOTAL TRANSMISSION	3,562,091,012	588,632,193
360.1	Land	16,176,228	0
360.2	Land Rights	75,238,482	33,153,382
361	Structures and Improvements	3,496,653	1,430,921
362	Station Equipment	400,242,232	83,103,282
364	Poles, Towers and Fixtures	514,829,210	227,985,908
365	Overhead Conductors and Devices	406,981,539	161,271,509
366	Underground Conduit	961,943,312	372,398,607
367	Underground Conductors and Devices	1,275,571,386	750,853,056
368.1	Line Transformers	493,734,055	83,730,898
368.2	Protective Devices and Capacitors	15,811,184	(8,073,411)
369.1	Services Overhead	120,817,092	123,018,731
369.2	Services Underground	307,165,451	216,444,427
370.1	Meters	202,595,561	(10,090,946)
370.2	Meter Installations	48,973,286	(25,352,981)
371	Installations on Customers' Premises	6,513,419	11,287,058
373.1	St. Lighting & Signal Sys.-Transformers	0	0
373.2	Street Lighting & Signal Systems	24,682,390	17,871,226
	TOTAL DISTRIBUTION PLANT	4,874,771,482	2,039,031,669
389.1	Land	7,523,627	0
389.2	Land Rights	0	0
390	Structures and Improvements	31,037,336	18,531,828
392.1	Transportation Equipment - Autos	0	49,884
392.2	Transportation Equipment - Trailers	58,146	2,554
393	Stores Equipment	17,466	16,139
394.1	Portable Tools	19,375,183	6,089,238
394.2	Shop Equipment	328,720	192,373
395	Laboratory Equipment	302,226	43,595
396	Power Operated Equipment	92,162	149,134
397	Communication Equipment	167,869,475	68,724,500
398	Miscellaneous Equipment	1,367,470	198,274
	TOTAL GENERAL PLANT	227,971,811	93,997,520
101	TOTAL ELECTRIC PLANT	11,194,297,122	4,221,929,310

<u>No.</u>	<u>Account</u>	<u>Original Cost</u>	<u>Reserve for Depreciation and Amortization</u>
GAS PLANT			
302	Franchises and Consents	\$ 86,104	\$ 86,104
303	Miscellaneous Intangible Plant	0	0
	TOTAL INTANGIBLE PLANT	86,104	86,104
360.1	Land	0	0
361	Structures and Improvements	43,992	43,992
362.1	Gas Holders	0	0
362.2	Liquefied Natural Gas Holders	0	0
363	Purification Equipment	0	0
363.1	Liquefaction Equipment	0	0
363.2	Vaporizing Equipment	0	0
363.3	Compressor Equipment	0	0
363.4	Measuring and Regulating Equipment	0	0
363.5	Other Equipment	0	0
363.6	LNG Distribution Storage Equipment	2,052,614	695,087
	TOTAL STORAGE PLANT	2,096,606	739,079
365.1	Land	4,649,144	0
365.2	Land Rights	2,218,045	1,216,581
366	Structures and Improvements	11,541,403	9,549,587
367	Mains	133,850,631	60,133,947
368	Compressor Station Equipment	80,292,125	58,124,223
369	Measuring and Regulating Equipment	18,728,435	14,690,619
371	Other Equipment	0	0
	TOTAL TRANSMISSION PLANT	251,279,782	143,714,957
374.1	Land	102,187	0
374.2	Land Rights	8,118,693	6,032,451
375	Structures and Improvements	43,447	61,253
376	Mains	559,330,462	320,306,907
378	Measuring & Regulating Station Equipment	15,057,081	6,731,152
380	Distribution Services	242,910,503	280,997,186
381	Meters and Regulators	138,989,796	37,776,302
382	Meter and Regulator Installations	86,311,288	25,839,727
385	Ind. Measuring & Regulating Station Equipme	1,516,811	1,015,741
386	Other Property On Customers' Premises	0	0
387	Other Equipment	5,223,272	4,676,902
	TOTAL DISTRIBUTION PLANT	1,057,603,539	683,437,621

<u>No.</u>	<u>Account</u>	<u>Original Cost</u>	<u>Reserve for Depreciation and Amortization</u>
392.1	Transportation Equipment - Autos	\$ 0	\$ 25,503
392.2	Transportation Equipment - Trailers	74,501	74,501
394.1	Portable Tools	7,177,745	3,059,517
394.2	Shop Equipment	76,864	29,005
395	Laboratory Equipment	283,094	235,131
396	Power Operated Equipment	162,284	92,500
397	Communication Equipment	1,541,611	945,501
398	Miscellaneous Equipment	198,325	54,067
	TOTAL GENERAL PLANT	9,514,423	4,515,725
101	TOTAL GAS PLANT	1,320,580,454	832,493,487
COMMON PLANT			
303	Miscellaneous Intangible Plant	191,146,549	103,690,346
350.1	Land	0	0
360.1	Land	0	0
389.1	Land	5,612,511	0
389.2	Land Rights	1,080,961	27,275
390	Structures and Improvements	238,943,754	102,545,650
391.1	Office Furniture and Equipment - Other	18,852,648	9,705,372
391.2	Office Furniture and Equipment - Computer E	69,378,197	33,175,342
392.1	Transportation Equipment - Autos	33,942	(338,930)
392.2	Transportation Equipment - Trailers	33,369	1,801
393	Stores Equipment	144,926	84,549
394.1	Portable Tools	1,193,702	133,992
394.2	Shop Equipment	248,289	139,109
394.3	Garage Equipment	969,973	(70,516)
395	Laboratory Equipment	2,236,234	866,738
396	Power Operated Equipment	0	(192,979)
397	Communication Equipment	103,048,288	46,815,016
398	Miscellaneous Equipment	2,440,895	870,667
118.1	TOTAL COMMON PLANT	635,364,239	297,453,433
	TOTAL ELECTRIC PLANT	11,194,297,122	4,221,929,310
	TOTAL GAS PLANT	1,320,580,454	832,493,487
	TOTAL COMMON PLANT	635,364,239	297,453,433
101 & 118.1	TOTAL	13,150,241,816	5,351,876,230
101	PLANT IN SERV-SONGS FULLY RECOVER	\$ (1,164,131,236)	\$ (1,164,131,236)
101	PLANT IN SERV-ELECTRIC NON-RECON Electric	\$ (5,884,704)	\$ 0

<u>No.</u>	<u>Account</u>	<u>Original Cost</u>	<u>Reserve for Depreciation and Amortization</u>
101	PLANT IN SERV-ASSETS HELD FOR SALE		
	Electric	\$ (23,714,257)	\$ (600,716)
	Common	(8,861,299)	\$ 0
		<u>(32,575,555)</u>	<u>(600,716)</u>
101	PLANT IN SERV-LEGACY METER RECLASS		
	Electric	<u>\$ (23,070,475)</u>	<u>\$ 66,831,561</u>
101	PLANT IN SERV-SUNRISE FIRE MITIGATION		
	Electric	<u>\$ 0</u>	<u>\$ 0</u>
118	PLANT IN SERV-COMMON NON-RECON		
	Common - Transferred Asset Adjustment	<u>\$ (2,894,035)</u>	<u>\$ (2,894,035)</u>
101	Accrual for Retirements		
	Electric	\$ (1,625,051)	\$ (1,625,051)
	Gas	(1,166,032)	(1,166,032)
	TOTAL PLANT IN SERV-ACCRUAL FOR RE	<u>(2,791,083)</u>	<u>(2,791,083)</u>
102	Electric	0	0
	Gas	<u>0</u>	<u>0</u>
	TOTAL PLANT PURCHASED OR SOLD	<u>0</u>	<u>0</u>
104	Electric	85,194,000	738,033
	Gas	<u>0</u>	<u>0</u>
	TOTAL PLANT LEASED TO OTHERS	<u>85,194,000</u>	<u>738,033</u>
105	Plant Held for Future Use		
	Electric	8,151,201	0
	Gas	<u>0</u>	<u>0</u>
	TOTAL PLANT HELD FOR FUTURE USE	<u>8,151,201</u>	<u>0</u>
107	Construction Work in Progress		
	Electric	691,573,134	
	Gas	46,045,820	
	Common	<u>60,506,228</u>	
	TOTAL CONSTRUCTION WORK IN PROGRESS	<u>798,125,183</u>	<u>0</u>
108	Accum. Depr SONGS Mitigation/Spent Fuel Disallowance		
	Electric	<u>0</u>	<u>221,468</u>

<u>No.</u>	<u>Account</u>	<u>Original Cost</u>	<u>Reserve for Depreciation and Amortization</u>
108.5	Accumulated Nuclear Decommissioning Electric	0	800,593,254
	TOTAL ACCUMULATED NUCLEAR DECOMMISSIONING	0	800,593,254
101.1	ELECTRIC CAPITAL LEASES	778,390,265	74,999,690
118.1	COMMON CAPITAL LEASE	25,803,159	17,682,391
		804,193,424	92,682,081
120	NUCLEAR FUEL FABRICATION	62,963,775	40,861,208
143	FAS 143 ASSETS - Legal Obligation	116,218,782	(688,610,630)
	FIN 47 ASSETS - Non-Legal Obligation	72,842,470	30,051,014
143	FAS 143 ASSETS - Legal Obligation	0	(1,335,631,302)
	TOTAL FAS 143	189,061,252	(1,994,190,918)
	UTILITY PLANT TOTAL	<u>\$ 13,866,583,564</u>	<u>\$ 3,189,195,847</u>

**SAN DIEGO GAS & ELECTRIC COMPANY
SUMMARY OF EARNINGS
NINE MONTHS ENDED SEPTEMBER 30, 2012
(DOLLARS IN MILLIONS)**

<u>Line No.</u>	<u>Item</u>	<u>Amount</u>
1	Operating Revenue	\$3,128
2	Operating Expenses	<u>2,735</u>
3	Net Operating Income	<u><u>\$393</u></u>
4	Weighted Average Rate Base	\$5,738
5	Rate of Return*	8.40%

*Authorized Cost of Capital

APPENDIX H
Listing of Governmental Agencies Consulted and Statements of Position

**AFFIDAVIT OF COMMUNICATION
OF PROPOSED PROJECT TO AGENCIES**

I, Brian D. Swanson, am a Land Management Representative for San Diego Gas & Electric Company. In accordance with the provisions of General Order 131-D, Section XI.B.1.d., I made written requests for a brief position statement by the property owners/representatives listed in Appendix H concerning the Tieline 637 wood to steel project filed with the California Public Utilities Commission. To the best of my knowledge and belief, as of the date of this affidavit, no other agencies other than those included in Appendix 1-A have submitted a position statement to SDG&E.

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

Executed this 6th day of March 2013, at San Diego, California.



Land Management Representative, SDG&E

**AFFIDAVIT OF COMMUNICATION
OF PROPOSED PROJECT TO AGENCIES**

I, Juanita C. Hayes, am a Public Affairs Manager responsible for managing community outreach for San Diego Gas & Electric Company. In accordance with the provisions of General Order 131-D, Section XI.B.1.d., I made written requests for a brief position statement by the agencies listed in Appendix H concerning the Tieline 637 wood to steel project filed with the California Public Utilities Commission. To the best of my knowledge and belief, as of the date of this affidavit, no other agencies other than those included in Appendix 1-A have submitted a position statement to SDG&E.

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

Executed this 6th day of March 2013, at San Diego, California.



Public Affairs Manager, SDG&E

**AFFIDAVIT OF COMMUNICATION
OF PROPOSED PROJECT TO AGENCIES**

I, Leroy E. Gomez, am a Right-Of-Way Agent for San Diego Gas & Electric Company. In accordance with the provisions of General Order 131-D, Section XI.B.1.d., I made written requests for a brief position statement by the agencies listed in Appendix H concerning the Tieline 637 wood to steel project filed with the California Public Utilities Commission. To the best of my knowledge and belief, as of the date of this affidavit, no other agencies and property owners other than those included in Appendix 1-A have submitted a position statement to SDG&E.

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

Executed this 6th day of March 2013, at San Diego, California.



Right-Of-Way Agent, SDG&E

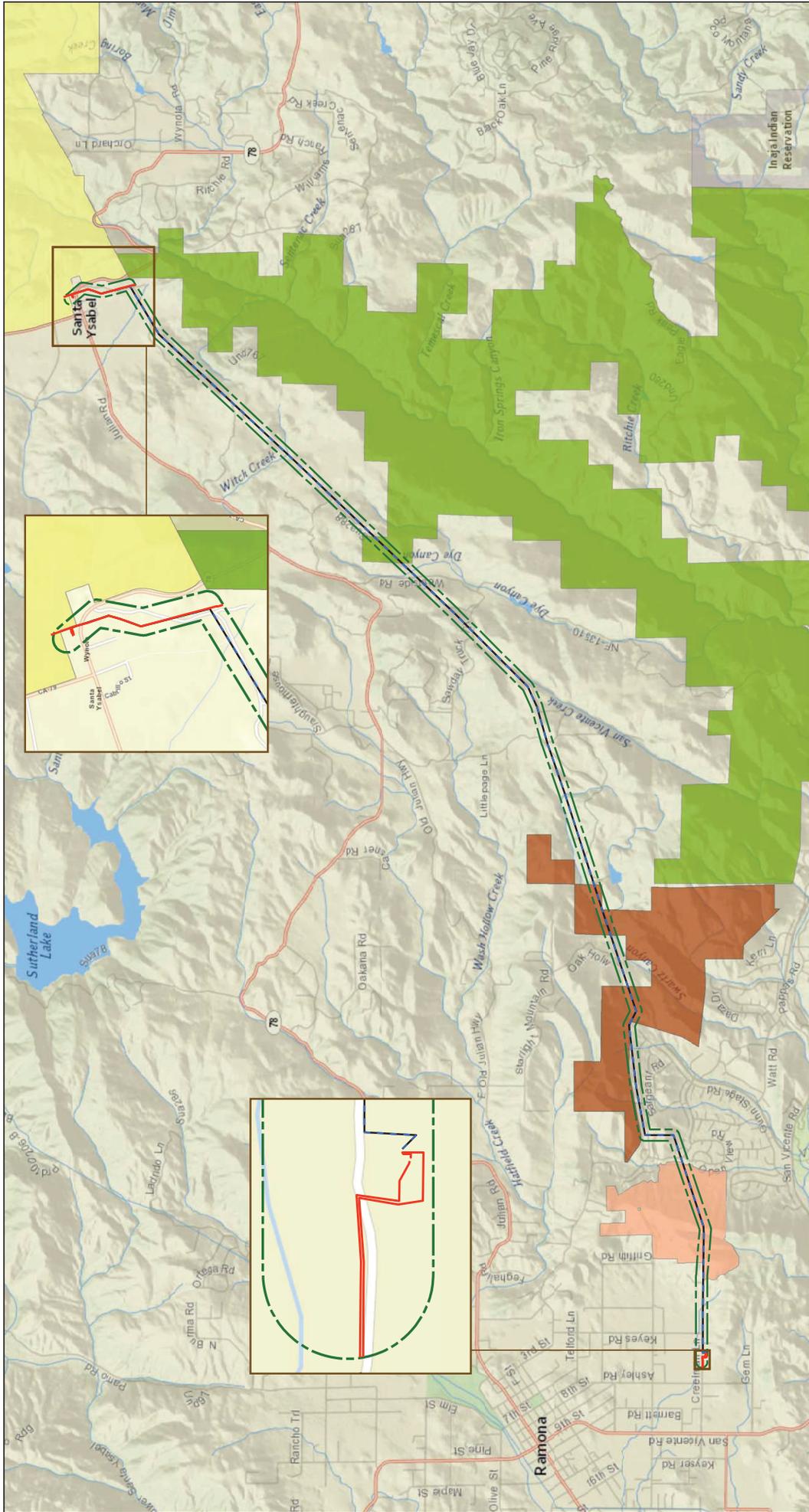
APPENDIX I
Estimated Cost Range for Proposed Project

TL 637 – PTC Estimated Cost Range

The approximate cost for the TL 637 Wood to Steel Project is between \$30 million and \$50 million.

** All costs are approximate and based on preliminary engineering. Final costs will be determined based on approved final project scope and contracting costs.*

APPENDIX J
Map of Proposed Project



Tie-Line 637 Wood-To-Steel Project

Existing Power Line Map

- Santa Ysabel Valley WA, Edwards Ranch West
- Cleveland National Forest
- Mt. Gower Preserve
- Simon Preserve
- Existing 69kV Power Line
- Tie-Line 637 Alignment
- 300 foot Buffer

Created For: Brad Carter	
Created By: TRC	
Date: 2/1/2013	

SDG&E is providing this map with the understanding that the map is not survey grade.



A Semptra Energy utility

Source: SDG&E 2012, California Protected Areas Database, July 2012; TRC 2012; National Geographic, Esri, DeLorme, et. al.

VOLUME II
Proponent's Environmental Assessment

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