January 24, 2007

Advice Letter 2875-E

Rose de la Torre
Pacific Gas & Electric
77 Beale Street, Room 1088
Mail Code B10C
San Francisco, CA 94105

Subject: General Order 131-D, Metcalf-Hicks/Vasona 230 kV Reconductor Project

Dear Ms. de la Torre:

Advice Letter 2875-E is effective September 3, 2006. A copy of the advice letter is returned herewith for your records.

Sincerely,

Sean H. Gallagher, Director
Energy Division
August 4, 2006

Advice 2875-E
(Pacific Gas and Electric Company ID U39 E)

Public Utilities Commission of the State of California

Subject: Submits Notice of Construction, Pursuant to General Order 131-D, for the Construction of the Metcalf-Hicks/Vasona 230kV Reconstructor Project

Pacific Gas and Electric Company (the Company) hereby submits notice pursuant to General Order (G.O.) 131-D, Section XI, Subsection B.4, of the construction of facilities that are exempt from a Permit to Construct.

Purpose

This advice letter provides a copy of the Notice of Proposed Construction (Attachment I) and the Notice Distribution List, which comply with the noticing requirements found in G.O. 131-D, Section XI.

Background

The Company is proposing to replace existing wires (conductor) with new wires (reconstructor) on approximately 14.2 miles of Power Line in Santa Clara County in order to improve electric system reliability and meet the California Independent System Operator's (CAISO) requirements. The power line begins at Metcalf Substation, at the intersection of Metcalf Road and Monterey Road, just west of Highway 101. The line leaves the substation and travels west over Tulare Hill, the Santa Teresa Golf Club and Santa Teresa County Park. West of Almaden Expressway, the line continues west in a utility corridor through San Jose and Campbell, terminating at El Patio Substation, near the intersection of Highway 17 and Hamilton Avenue in Campbell.

Construction is expected to begin in September, 2006, or as soon possible thereafter, and to be completed by May, 2007, or as soon as possible thereafter.
This project qualifies as exempt from Permit to Construct filing requirements, pursuant to G.O. 131-D, Section III, Subsection B.1 which exempts, "the replacement of existing power line facilities or supporting structures with equivalent facilities or structures," and, "the placing of new or additional conductors, insulators, or their accessories on supporting structures already built."

Additionally, G.O. 131-D requires utilities to employ "no cost" and specified "low cost" measures to reduce public exposure to electric and magnetic fields (EMFs). The following measures are proposed for this project:

- Because there are no EMF mitigation measures available on this project that would meet the CPUC's benchmark of 4% or less of the total project cost, no "no cost" or "low cost" measures will be employed.

This filing will not increase any rate or charge, cause the withdrawal of service, or conflict with any other rate schedule or rule.

Protests

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, by facsimile or electronically, any of which must be received no later than 20 days after the date of this filing, which is August 24, 2006, at the following address:

CPUC Energy Division  
Attention: Tariff Unit, 4th Floor  
505 Van Ness Avenue  
San Francisco, California 94102  
Facsimile: (415) 703-2200  
E-mail: jir@cpuc.ca.gov and jnj@cpuc.ca.gov

Copies of protests also should be mailed to the attention of the Director, Energy Division, Room 4004, at the address shown above.

The protest also should be sent via U.S. mail (and by facsimile and electronically, if possible) to PG&E at the addresses shown below on the same date it is mailed or delivered to the Commission:

Pacific Gas and Electric Company  
Attention: David T. Kraska  
Attorney, Law Department  
P.O. Box 7442  
San Francisco, California 94120  
Facsimile: (415) 973-0516
Pacific Gas and Electric Company
Attention: Brian K. Cherry
Vice President, Regulatory Relations
P.O. Box 770000, Mail Code B10C
San Francisco, California 94177
Facsimile: (415) 973-7226
E-mail: PGETariffs@pge.com

Persons or groups may protest the proposed construction if they believe that the Company has incorrectly applied for an exemption or that the conditions set out in Section III.B.2 of G.O. 131-D exist.

Effective Date

The Company requests that this advice filing become effective on September 3, 2006, which is 30 calendar days after the date of filing. (In accordance with G.O. 131-D, construction will not begin until 45 days after notice is first published.)

Notice

In accordance with G.O. 96-A, Section III, Paragraph G, a copy of this advice letter is being sent electronically and via U.S. mail to interested parties shown on the attached list, including the parties listed in G.O. 131-D, Section XI, Paragraphs B.1 and B.2. These parties are identified in the “Notice Distribution List” included in Attachment I. Address changes should be directed to Rose de la Torre at (415) 973-4716. Advice letter filings can also be accessed electronically at: http://www.pge.com/tariffs

Brian K. Cherry
Vice President -- Regulatory Relations

Attachments

cc: Parties Listed in G.O. 131-D, Paragraphs B.1 and B.2
Company name/CPUC Utility No. **Pacific Gas and Electric Company (ID U39)**

<table>
<thead>
<tr>
<th>Utility type:</th>
<th>Contact Person: Michelle Brown</th>
</tr>
</thead>
<tbody>
<tr>
<td>☑ ELC ☐ GAS</td>
<td>Phone #: (415) 973-4662</td>
</tr>
<tr>
<td>☑ PLC ☐ HEAT ☐ WATER</td>
<td>E-mail: <a href="mailto:mtt3@pge.com">mtt3@pge.com</a></td>
</tr>
</tbody>
</table>

**EXPLANATION OF UTILITY TYPE**

| ELC = Electric | GAS = Gas |
| PLC = Pipeline | HEAT = Heat | WATER = Water |

Advice Letter (AL) #: **2875-E**

Subject of AL: **General Order 131-D, Metcalf-Hicks/Vasona 230kV Reconstructor Project**

Keywords (choose from CPUC listing): **Transmission Lines**

AL filing type: ☐ Monthly ☐ Quarterly ☐ Annual ☑ One-Time ☐ Other _______________

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: _______________

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: N/A

Summarize differences between the AL and the prior withdrawn or rejected AL: _______________

Resolution Required? ☐ Yes ☑ No

Requested effective date: **September 3, 2006**

No. of tariff sheets: N/A

Estimated system annual revenue effect (%): _______________

Estimated system average rate effect (%): _______________

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: N/A

Service affected and changes proposed: _______________

Pending advice letters that revise the same tariff sheets: N/A

**Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:**

- **CPUC Energy Division**
  - Attention: Tariff Unit, 4th Floor
  - 505 Van Ness Avenue
  - San Francisco, CA 94102
  - jjr@cpuc.ca.gov and jnj@cpuc.ca.gov

- **Pacific Gas and Electric Company**
  - Attn: Brian K. Cherry
  - Vice President, Regulatory Relations
  - 77 Beale Street, Mail Code B10C
  - P.O. Box 770000
  - San Francisco, CA 94177
  - E-mail: PGETariffs@pge.com

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1 Discuss in AL if more space is needed.
NOTICE OF PROPOSED CONSTRUCTION

PROJECT NAME: Metcalf-Hicks/Vasona 230kV Reconstructor Project
ADVICE LETTER NUMBER: 2875-E

Proposed Project: Pacific Gas and Electric Company (PG&E) is proposing to replace existing wires (conductor) with new wires (reconstructor) on approximately 13.3 miles of Metcalf – Hicks/Vasona 230 kV Transmission Line in Santa Clara County in order to improve electric system reliability and meet the California Independent System Operator’s (CAISO) requirements. The transmission line begins at Metcalf Substation, at the intersection of Metcalf Road and Monterey Road, just west of Highway 101. The line leaves the substation and travels west over Tulare Hill, the Santa Teresa Golf Club and Santa Teresa County Park. West of Almaden Expressway, the line continues west in a utility corridor through San Jose and Los Gatos, terminating at Vasona Substation, at the intersection of Winchester Boulevard and Lark Avenue in Los Gatos. In order to provide safe ground clearance for the new conductor, 11 towers will be raised up to approximately 16 feet and 2 towers will be modified with additional steel members.

Construction is expected to begin in September, 2006, or as soon possible thereafter, and to be completed by May, 2007, or as soon as possible thereafter.

Electric and Magnetic Fields (EMF): Pacific Gas and Electric Company will employ “no cost” and specified “low cost” measures to reduce public exposure to EMF in accordance with California Public Utilities Commission (CPUC) Decision 93-11-013 and Pacific Gas and Electric Company’s “EMF Design Guidelines of New Electrical Facilities: Transmission, Substation, and Distribution.” The following measure(s) is proposed for this project:
  • Because there are no EMF mitigation measures available on this project that would meet the CPUC’s benchmark of 4% or less of the total project cost, no “no cost” or “low cost” measures will be employed.

Exemption from CPUC Permit Requirement: CPUC General Order 131-D, Section III.A, exempts projects meeting specific conditions from the CPUC’s requirement to file an application requesting authority to construct. Pacific Gas and Electric Company believes this project qualifies for the following exemption(s):
  • The placing of new or additional conductors, insulators, or their accessories on or replacement of supporting structures already built.

Public Review Process: Persons or groups may protest the proposed construction if they believe that Pacific Gas and Electric Company has incorrectly applied for an exemption or that the conditions set out in Section III.B.2 of General Order 131-D exist;
  a. There is reasonable possibility that the activity may have an impact on an environmental resource of hazardous or critical concern where designated, precisely mapped and officially adopted pursuant to law by federal, state, or local agencies; or
  b. The cumulative impact of successive projects of the same type in the same place, over time, is significant; or
  c. There is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances.

Protests should include the following:
  1. Your name, mailing address and daytime telephone number.
  2. Reference to the CPUC Advice Letter Number and Project Name.
  3. A clear description of the reason for the protest.
  4. Whether you believe that evidentiary hearings are necessary to resolve factual disputes.

Protests for this project must be filed by August 24, 2006, at the following address:

CPUC Energy Division
Attn: Tariff Unit, 4th Floor
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, California 94102

With a copy mailed to:

David Kraska, Law Department
Pacific Gas and Electric Company
P.O. Box 7442
San Francisco, California 94120

Pacific Gas and Electric Company must respond within five business days of receipt and serve copies of its response on each protestant and the Energy Division. Within 30 days after Pacific Gas and Electric Company has submitted its response, the Executive Director of the CPUC will send you a copy of an Executive Resolution granting or denying the request and stating the reasons for the decision.

Assistance in Filing a Protest: For assistance in filing a protest, contact the CPUC Public Advisor in San Francisco at (415) 703-2074 or 1-866-849-8390 (toll-free) or TTY (415) 703-5258 or public.advisor@cpuc.ca.gov

Additional Project Information: To obtain further information on the proposed project, please call Pacific Gas and Electric Company’s Project Information Line at (415) 973-5530.
Notice Distribution List

Metcalf – Hicks/Vasona 230kV Power Line Reconductor Project
Advice 2875-E

Energy Commission

Mr. Bob Therieksen, Executive Director
California Energy Commission
1516 Ninth Street, Mail Stop 39
Sacramento, CA 95814

Mr. Terry O’Brien, Deputy Director
California Energy Commission
1516 Ninth Street, Mail Stop 39
Sacramento, CA 95814

City of San Jose

Mr. Joseph Horwedel
Acting Director of Planning
San Jose Planning Department
200 East Santa Clara Street
San Jose, CA 95113-1905

City of Los Gatos

Bud Lortz
Community Development Director
110 E. Main Street
Los Gatos, CA 95030

Newspaper

San Jose Mercury News
PG&E Gas and Electric Advice
Filing List
General Order 96-A, Section III(G)

ABAG Power Pool
Accent Energy
Aegle Consumer Alliance
Agnews Developmental Center
Ahmed, Ali
Alcantar & Elsesser
Ancillary Services Coalition
Anderson Donovan & Poole P.C.
Applied Power Technologies
APS Energy Services Co Inc
Ater & Hadden LLP
Avista Corp
Barkovich & Yap, Inc.
BART
Bartle Wells Associates
Blue Ridge Gas
Bohannon Development Co
BP Energy Company
Braun & Associates
C & H Sugar Co.
CA Bldg Industry Association
CA Cotton Ginters & Growers Assoc.
CA League of Food Processors
CA Water Service Group
California Energy Commission
California Farm Bureau Federation
California Gas Acquisition Sves
California ISO
Calpine
Calpine Corp
Calpine Gilroy Cogen
Cambridge Energy Research Assoc
Cameron McKenna
Cardinal Cogen
Cellnet Data Systems
Chevron Texaco
Chevron USA Production Co.
Childress, David A.
City of Glendale
City of Healdsburg
City of Palo Alto
City of Redding
CLECA Law Office
Commerce Energy
Constellation New Energy
CPUC
Cross Border Inc
Crossborder Inc
CSC Energy Services
Davis, Wright, Tremaine LLP
Defense Fuel Support Center
Department of the Army
Department of Water & Power City
DGS Natural Gas Services
Douglass & Liddell
Downey, Brand, Seymour & Rohwer
Duke Energy
Duke Energy North America
Duncan, Virgil E.
Dutcher, John
Dynegy Inc.
Ellison Schneider
Energy Law Group LLP
Energy Management Services, LLC
Exelon Energy Ohio, Inc
Exeter Associates
Foster Farms
Foster, Wheeler, Martínez
Franciscan Mobilehome
Future Resources Associates, Inc
G. A. Krause & Assoc
Gas Transmission Northwest Corporation
GLJ Energy Publications
Goodin, MacBride, Squier, Schlottz & Hanna & Morton
Heeg, Peggy A.
Hitachi Global Storage Technologies
Hogan Manufacturing, Inc
House, Lon
Imperial Irrigation District
Integrated Utility Consulting Group
International Power Technology
Interstate Gas Services, Inc.
IUCG/Sunshine Design LLC
J. R. Wood, Inc
JTM, Inc
Luce, Forward, Hamilton & Scripps
Manatt, Phelps & Phillips
Marcus, David
Matthew V. Brady & Associates
Maynor, Donald H.
McKenzie & Assoc
McKenzie & Associates
Meek, Daniel W.
Mirant California, LLC
Modesto Irrigation Dist
Morrison & Foerster
Morse Richard Weisenmiller & Assoc.
Navigant Consulting
New United Motor Mfg, Inc
Norris & Wong Associates
North Coast Solar Resources
Northern California Power Agency
Office of Energy Assessments
OnGrid Solar
Palo Alto Muni Utilities
PC&E National Energy Group
Pinnacle CNG Company
PITCO
Plurimi, Inc.
PPL EnergyPlus, LLC
Praxair, Inc.
Price, Roy
Product Development Dept
R. M. Hairston & Company
R. W. Beck & Associates
Recon Research
Regional Cogeneration Service
RMC Lonestar
Sacramento Municipal Utility District
SCD Energy Solutions
Seattle City Light
Sempra
Sempra Energy
Sequoia Union HS Dist
SESCO
Sierra Pacific Power Company
Silicon Valley Power
Smurfit Stone Container Corp
Southern California Edison
SPURR
St. Paul Assoc
Stanford University
Sutherland, Asbill & Brennan
Tabor's Caramanis & Associates
Tecogen, Inc
TFS Energy
Transcanada
Turlock Irrigation Dist
US Borax, Inc
United Cogen Inc.
URM Groups
Utility Cost Management LLC
Utility Resource Network
Wellhead Electric Company
Western Hub Properties, LLC
White & Case
WMA