12-20-83

PRESIDENTIAL PERMIT PP-79 AUTHORIZING THE SAN DIEGO GAS & ELECTRIC COMPANY TO CONSTRUCT, CONNECT, OPERATE AND MAINTAIN ELECTRIC TRANSMISSION FACILITIES ACROSS THE INTERNATIONAL BORDER BETWEEN THE UNITED STATES AND MEXICO

BACKGROUND

On September 24, 1982, San Diego Gas & Electric Company (SDG&E) filed an application with the Economic Regulatory Administration (ERA) of the Department of Energy (DOE) for a Presidential Permit pursuant to Executive Order No. 10485, as amended by Executive Order No. 12038. SDG&E requested authority to construct, connect, operate and maintain at the international border of the United States and Mexico two 230 kilovolt (kV) overhead transmission circuits between its proposed Imperial Valley Substation and the U. S.-Mexican international border, where it will interconnect with similar circuits owned and operated by the Comision Federal de Electricidad (CFE), originating at CFE's planned La Rosita Substation. Hereafter these proposed circuits are referred to as the Imperial Valley-La Rosita transmission circuits.

The major portion of the Imperial Valley-La Rosita transmission circuits will be constructed on land under the jurisdiction of the Department of the Interior's Bureau of Land Management (BLM). BLM offered, and DOE agreed subject to its review, to assume the lead in preparing environmental documentation required to satisfy the National Environmental Policy Act of 1969 (NEPA). On October 14, 1983, BLM produced an Environmental Assessment (EA) which was adopted by DOE on November 22, 1983. The EA concluded that the proposed Imperial Valley-La Rosita transmission circuits would have no significant impacts on the quality of the human environment and that all NEPA documentation requirements were satisfied.

After a review of appropriate data, DOE staff concluded on November 1, 1983, that the operation of one Imperial Valley-La Rosita transmission circuit in 1984 would not impair or reduce the reliability of the U. S. electrical bulk power supply system and, in fact, may enhance the reliability of the Arizona-California electrical region. Details of this Determination have been made part of the permanent docket file. A determination of the electrical reliability impact associated with the installation of the second Imperial Valley-La Rosita circuit will be made prior to this circuit being energized.

The Secretary of State by letter dated November 28, 1983, and the Secretary of Defense by letter dated November 29, 1983, have recommended that the Presidential Permit be granted. Upon consideration of this matter, the DOE finds that the issuance of this Presidential Permit, as provided hereafter, is appropriate and consistent with the public interest.

AUTHORIZATION

Pursuant to the provisions of Executive Order No. 10485, as amended by Executive Order No. 12038, and the Rules and

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Regulations thereunder (Title 10, Code of Federal Regulations, section 205.320 et seq.), permission hereby is granted to SDG&E to construct, connect, operate and maintain at the international border of the United States and Mexico, two 230 kV electric transmission circuits as further described in Article 2 below, upon the following conditions:

<u>Article 1</u>. The facilities herein described shall be subject to all conditions, provisions and requirements of this Permit. This Permit may be modified or revoked by the President of the United States without notice, or by DOE after public notice, and may be amended by DOE after proper application thereto.

<u>Article 2</u>. The facilities covered by and subject to this Permit shall include the following facilities and all supporting structures within the right-of-way occupied by such facilities:

Two 60 cycle, 3 phase, 230 kV transmission circuits from the Imperial Valley Substation to the point of interconnection on the U. S.-Mexican border with similar transmission circuits owned and operated by the CFE, a distance of approximately 4.5 miles. The facilities authorized by this Permit are more specifically shown and described in the application filed by SDG&E with the DOE on September 24, 1982.

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Article 3. The facilities described in Article 2 will be designed and operated in accordance with the applicable criteria established by the Western Systems Coordinating Council (WSCC) and consistent with that of the North American Electric Reliability Council (NERC). Furthermore, the proposed facilities will be operated under the following conditions and limitations:

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- 1. Initially, the facilities described in Article 2 will be operated in such a manner that the maximum electrical power entering the SDG&E system through a combination of the initial Imperial Valley-La Rosita circuit and the existing Miguel-Tijuana 230 kV transmission circuit will not exceed 220,000 kilowatts (KW) at any time.
 - 2. In order for the import limit defined in paragraph 1 above to be amended, SDG&E must perform appropriate power flow and transient stability studies to determine the power transfer limit for electrical imports from the CFE system based on a single Imperial Valley-La Rosita circuit. These studies are to be coordinated with the CFE and with electric utilities in the U. S. which may be affected by the resulting increase in electric power imports.

Such studies will be made available to DOE upon request.

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- 3. Upon completion of the studies identified in paragraph 2 above, SDG&E will submit a summary technical report to DOE identifying the power transfer limit for imports from CFE and any other pertinent operating limitations determined by the studies. The limit determined therein must be consistent at all times with NERC and WSCC reliability criteria.
- 4. After receipt of the technical report identified in paragraph 3 above, DOE will decide within 30 days whether to accept or reject the data contained therein. If the findings in this report are accepted by DOE, the initial 220,000 KW import limitation for power transfers from the CFE system will be changed to the power transfer limits established in the technical report. Thereafter SDG&E will notify DOE by similar technical reports of any significant changes in the power import limitation as determined by studies performed by SDG&E staff.
- Before the second Imperial Valley-La Rosita circuit may be energized, SDG&E must notify DOE of its

plans to place this circuit in service and submit sufficient information for DOE to make a determination of the reliability impact of this second circuit. Before DOE will approve the energizing of the second Imperial Valley-La Rosita circuit, DOE will:

- a) Request appropriate power flow and transient stability analyses from SDG&E and complete a review of these analyses within 30 days from their receipt;
- b) Obtain the opinion of WSCC on the reliability impact of the second Imperial Valley-La Rosita circuit;
- c) Solicit public comments on the reliability impact of the second circuit by publishing DOE's preliminary findings in the <u>Federal</u> <u>Register</u>. The public comment period will not exceed 30 days.
- 6. SDG&E will notify DOE in writing, at least 60 days in advance, of any planned changes in the amount of firm power contracted for with the CFE.

Article 4. No change shall be made in the facilities covered

by this Permit or in the authorized operation of these facilities unless such change has been approved by DOE.

<u>Article 5</u>. SDG&E or its agent shall at all times maintain the facilities covered by this Permit in a satisfactory condition so that all requirements of the National Electric Safety Code in effect at the time of construction are fully met.

<u>Article 6</u>. The operation and maintenance of the facilities covered by this Permit shall be subject to the inspection and approval of a properly designated representative of the DOE, who shall be an authorized representative of the United States for such purposes. SDG&E shall allow officers or employees of the United States with written authorization free and unrestricted access into, through and across any lands occupied by these facilities in the performance of their duties.

<u>Article 7</u>. SDG&E shall investigate any complaints from nearby residents of radio or television interference identifiably caused by the operation of the facilities covered by this Permit. SDG&E shall take appropriate action to mitigate such situations. Complaints from individuals residing within one-half mile of the center of the transmission circuits are the only ones which must be resolved. SDG&E shall maintain written records of all complaints received and of the corrective actions taken.

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Article 8. The United States shall not be responsible or liable for damages to or loss of the property of, or injuries to, persons; for damages to, or loss of the property of SDG&E; the person of or for damages to, or loss of the property of, or injuries to, SDG&E's officers, agents, servants or employees, or of others who may be on said premises; any of which may arise from or be incident to the exercise of the privileges granted herein; and SDG&E shall hold the United States harmless from any and all such claims.

Article 9. SDG&E shall arrange for the installation and maintenance of appropriate metering equipment to record permanently the hourly flow of all electric energy transmitted between the United States and Mexico over the facilities authorized herein. SDG&E shall prepare, maintain and preserve complete and accurate records concerning the transfer of such electric energy; and shall furnish to DOE an annual report, which will be due on or before February 15th of each year, detailing the transmission of such electric energy, as follows: (1) the gross amount of kilowatt-hours of electric energy received and delivered; (2) the maximum hourly rate of transmission in kilowatts; and (3) the consideration paid and received for such energy during each month of the preceding calendar year.

Article 10. Neither this Permit nor the facilities covered

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by this Permit, or any part thereof, shall be transferable or assignable, except in the event of the involuntary transfer of the facilities by the operation of law. In the case of such an involuntary transfer, this Permit shall continue in effect for a period of sixty days and then shall terminate unless an application for a new Permit pursuant to Title 10, Code of Federal Regulations, section 205.323, has been received by DOE. Upon receipt by DOE of such an application, this existing Permit shall continue in effect pending a decision on the new application. During this decision period, the facilities authorized herein shall remain substantially the same as before the transfer.

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Article 11. Upon the termination, revocation or surrender of this Permit, the 230 kV overhead electric transmission circuits which are owned, connected, operated and maintained by SDG&E and described in Article 2 of this Permit, shall be removed within such time as DOE may specify and at the expense of SDG&E. If SDG&E fails to remove such facilities or any portion thereof authorized by this Permit, DOE may direct that actions be taken for the removal of the facilities or the restoration of same at the expense of SDG&E. SDG&E shall have no claim for damages by reason of such possession, removal or repair.

Article 12. This Permit shall be valid upon receipt by DOE

of the Testimony of Acceptance properly executed.

In Witness Whereof, I, Rayburn Hanzlik, Administrator, Economic Regulatory Administration, hereunto sign my name, this

20th day of December , 1983, in the City of Washington, District of Columbia.

Rayburn Hanzlik Administrator Economic Regulatory Administration Department of Energy