

PRESIDENTIAL PERMIT
IMPERIAL IRRIGATION DISTRICT

ORDER NO. PP-174

I. BACKGROUND

The Office of Fossil Energy (FE) of the Department of Energy (DOE) has the responsibility for implementing Executive Order (EO) 10485, as amended by EO 12038, which requires the issuance of Presidential permits for the construction, connection, operation, and maintenance of electric transmission facilities at the United States international border.

In an application dated February 17, 1998, Imperial Irrigation District (IID) applied to FE for a Presidential permit. IID proposed to expand its existing Bravo Substation in the vicinity of Calexico, California, by 5,825 square feet and to construct either 2,100 feet (Option 1) or 200 feet (Option 2) of 230-kilovolt (kV) transmission line from the expanded substation to the U.S. border with Mexico. At the border, the IID facilities would interconnect with similar facilities owned and operated by Comision Federal de Electricidad (CFE), the national electric utility of Mexico, and continue an additional half-mile to CFE's Aeropuerto Substation. In a letter dated September 29, 1998, IID notified DOE, that it the project would be constructed using Option 2.

The proposed international facilities originally were designed as a 230-kV interconnection creating the possibility of bi-directional power flows between the IID and CFE systems and the supply of up to 60 MW of CFE's transmission and subtransmission load through a block loading operating procedure. However, as a result of discussions with CFE, on March 25, 1999, IID amended its application to redesign the proposed facilities as two 34.5-kV distribution circuits.

Under the revised application, IID would directly supply up to 41 MW of CFE's distribution load via three 34.5-kV cross-border distribution lines. One of these cross-border distribution lines already exists (Presidential Permit PP-90) and extends from IID's Border Substation. The other two distribution lines would be extended from IID's Bravo Substation and are the subject of this Presidential permit. This revised proposal also reduces the level of exports to CFE from 60 MW to a total of 41 MW distributed between IID's Border and Bravo Substations: 8 MW from Border over the PP-90 facilities; 15 MW and 18 MW from the two new 34.5-kV lines from Bravo.

As an instrumentality of the State of California, IID is not jurisdictional to Section 202(e) of the Federal Power Act (FPA) and, therefore, not required to obtain an electricity export authorization prior to commencing exports to CFE. However, other non-governmental entities exporting electric energy to Mexico using the transmission facilities permitted to IID herein will require an electricity export authorization from FE.

Notice of IID's application for a Presidential permit was published in the Federal Register on April 3, 1998, (63 FR 16486) requesting that comments, protests, and petitions to intervene be submitted to DOE by May 4, 1998. A Motion to Intervene (without comments) was received from the Salt River Project Agricultural Improvement and Power District (SRP). A Petition to Intervene and Comments was received from San Diego Gas & Electric Company (SDG&E). Response comments to the intervention request of SDG&E were submitted by the applicant on October 6 and November 11, 1998. However, DOE received no answer in opposition to either request to intervene and, therefore, SRP and SDG&E became parties to this proceeding.

In its comments, SDG&E raised concerns about the operational reliability impacts caused by a 230-kV interconnection with the possibility of bi-directional power flows and parallel operation of the IID and CFE systems. The redesign of the project as radial distribution facilities obviates the concerns raised by SDG&E.

In the April 3, 1998 Federal Register notice announcing receipt of the IID application, DOE proposed to include a condition in the Presidential permit issued in this docket that would require IID to provide comparable, non-discriminatory open access transmission service over the permitted facilities. Such a condition has not been included in this permit at this time, since DOE is considering an administrative action that would apply the principles of non-discriminatory open access to all international transmission lines, including this line.

The Secretary of State and the Secretary of Defense have concurred in the issuance of a Presidential permit to Imperial Irrigation District for the proposed facility.

III. FINDING AND DECISION

DOE has assessed the impact that the construction and operation of the proposed facility would have on the reliability of the U.S. electric power supply system. As a result of this review, DOE has determined that the installation of the proposed 34.5-kV facilities on the IID electric system, as authorized and limited herein, would not adversely impact the reliability of the U.S. electric power supply system. An analysis in support of this finding has been made a part of the record in this docket.

DOE has also determined that this action is among those classes of actions not normally requiring preparation of an environmental assessment or an environmental impact statement and,

therefore, is eligible for categorical exclusion under Appendix B to Subpart D, paragraph B4.12 of the revised DOE Regulations implementing NEPA. Specifically, this categorical exclusion is provided for construction of electric powerlines approximately 10 miles in length or less that are not for the integration of major new generation resources into a main transmission system. Documentation of the use of this categorical exclusion has been placed in this docket.

IV. ORDER

Pursuant to the provision of EO 10485, as amended by EO 12038, and the Rules and Regulations issued thereunder (Title 10, Code of Federal Regulations, section 205.320 et. seq.), permission is granted to Imperial Irrigation District to construct, connect, operate, and maintain electric transmission facilities at the international border of the United States and Mexico, as further described in Article 2 below, upon the following conditions:

Article 1. 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.

Article 2. 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 34.5-kV electric distribution lines extending south, approximately 200 feet from a point in IID's existing Bravo Substation east of the City of Calexico, California, to the U.S.-Mexico border. This permit also authorizes IID to expand its Bravo Substation by approximately 5,825 square feet and to install a 92/34.5 kV, 50 MVA transformer and associated switchgear to accommodate the distribution facilities authorized herein.

These facilities are more specifically shown and described in the application filed in this docket.

Article 3. The facilities described in Article 2 above shall be designed and operated in accordance with the applicable criteria established by the Western Systems Coordinating Council and consistent with that of the North American Electric Reliability Council. IID also shall implement the following operating procedures and

Remedial Action Schemes (RAS) identified in the March 23, 1999 report titled, *ACFE's 41 MW of Load Transferred to IID's Border and Bravo Substations; Feasibility Study* and in DOE's *Technical Analysis for Reliability Determination*, both of which are contained in this docket file:

- (A) IID shall install the Holtville 92/34.5 kV, 50 MVA transformer at Bravo Substation and integrate no more than 41 MW of CFE distribution load on the IID system. Eight MW of CFE load shall be connected to the existing 34.5 kV cross-border line extending from Border Substation and authorized by Presidential Permit PP-90, and a maximum of 33 MW of CFE load shall be connected to the two proposed 34.5 kV circuits to be extended from Bravo Substation.
- (B) IID shall implement an RAS at Bravo Substation to mitigate adverse impacts caused by the loss of the Bravo 92/34.5 kV, 50 MVA transformer. This RAS shall include the installation of under-voltage relays at Bravo Substation that would trip the new 34.5 kV circuit supplying 15 MW of CFE load upon sensing a 34.5 kV bus voltage below 0.93 per unit.
- (C) In the event that the Holtville 92/34.5 kV, 33 MVA transformer is used as a replacement for the 50 MVA transformer proposed for installation at Bravo Substation:
 - (1) IID shall limit the pick-up of CFE distribution load on the Bravo Substation to 27 MW; and
 - (2) IID shall implement an RAS to include the installation of an overcurrent relay set to trip the Bravo Substation 34.5 kV circuit supplying 15 MW of CFE load for loss of the Perry 92/34.5 kV transformer.

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.

Article 5. IID 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.

Article 6. 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 DOE, who shall be an authorized representative of the United States for such purposes. IID 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.

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

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 facilities covered by this permit; or for damages to, or loss of the property of, or injuries to the person of IID 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 IID shall hold the United States harmless from any and all such claims.

Article 9. IID 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. IID shall make and preserve full and complete records with respect to the electric energy exported to Mexico. IID shall furnish annual reports to DOE, by the 15th of February each year, detailing for each month of the previous year: (1) the gross amount of electricity delivered, in kilowatt hours; (2) the consideration received for such energy; and (3) the maximum hourly rate of transmission, in kilowatts. Annual reports must be filed regardless of current activity and whether or not deliveries of electric energy have been made. If no transactions have been made, a one-sentence report indicating no activity for the previous year is sufficient.

Reports shall be submitted to the U.S. Department of Energy, Office of Fossil Energy, FE-27, 1000 Independence Avenue, SW, Washington, D.C. 20585-0305. Properly identified reports will also be accepted via facsimile at (202) 287-5736 to meet time requirements, but original copies should still be filed at the above address.

Article 10. Neither this permit nor the facilities covered 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 60 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.

Article 11. Upon the termination, revocation or surrender of this permit, the 230-kV transmission line which is owned, connected, operated, and maintained by IID and described in Article 2 of this permit, shall be removed and the land restored to its original condition within such time as DOE may specify and at the expense of IID. If IID fails to remove such facilities and/or any portion thereof authorized by this permit, DOE may direct that such actions be taken for the removal of the facilities or the restoration of the land associated with the facilities at the expense of IID. IID shall have no claim for damages by reason of such possession, removal or repair. However, if certain facilities authorized herein are useful for other utility operations within the bounds of the United States, DOE will not require that those facilities be removed and the land restored to its original condition upon termination of the international interconnection.

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