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Department of Commerce
Division of Public Utilities

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ACTION REQUEST RESPONSE

To: Public Service Commission

From: Division of Public Utilities
Chris Parker, Director
Artie Powell, Manager
Joni Zenger, Technical Consultant
Sam Liu, Utility Analyst
Craig Houmand, Utility Analyst

Date: October 2, 2012

Re: **Docket No. 12-035-97**, Application of Rocky Mountain Power for a Certificate of Public Convenience and Necessity Authorizing Construction of the Sigurd – Red Butte No. 2 345 kV Transmission Line.

RECOMMENDATION (Convene a Scheduling Conference)

The Division of Public Utilities (Division) recommends that the Utah Public Service Commission (Commission) provide notice of, and convene, a scheduling conference in the matter of Rocky Mountain Power's (Company) request for approval of its application for a Certificate of Public Convenience and Necessity (CPCN) authorizing construction of the Sigurd – Red Butte No. 2 345 kV transmission line. In addition to setting dates for testimony, discovery, and a hearing in this docket, the Division further recommends that the Commission clarify the purpose and scope of this proceeding, as it has in prior transmission CPCN dockets.

ISSUE

On September 17, 2102, the Company filed an application to the Commission requesting approval of a CPCN authorizing construction of a 345 kV transmission line, known as the Sigurd

– Red Butte No. 2 Transmission Line (Project). On September 19, 2012, the Commission issued an Action Request to the Division requesting response by October 19, 2012. This memorandum is the Division’s response to the Action Request.

DISCUSSION

According to the Company’s Application, the Project consists of a new, single circuit 345 kV transmission line to be built between the existing Sigurd substation in Sevier County, extending approximately 160 miles, to the existing Red Butte substation in Washington County. A significant portion of the Project will be located on federal land administered by the U.S. Bureau of Land Management (BLM) and the U.S. Forest Service (USFS). The BLM has been designated as the lead agency in the federal environmental review process. The final route of the Project will be based on the environmental impact statement (EIS) that is currently under review in accordance with the National Environmental Policy Act (NEPA). The draft EIS was published for public review and comments in May of 2011, and a final EIS is expected to be issued in October, 2012.

The Company states that it has obtained required conditional use permits from the following governmental entities: Beaver County, Iron County, Millard County, Sevier County, Washington County, and Richfield. The Company anticipates that it will need to acquire additional permits from various state agencies for actual construction and operation of the Project, once the final transmission siting and alignment has been determined.

The Division notes, that in previous dockets dealing with transmission line projects (Populus to Terminal¹ and Mona to Oquirrh²), parties have intervened with concerns of siting, cost issues, and other matters that fall outside the scope of a CPCN proceeding (See Utah Code Ann. § 54-4-25). In each of the Commission’s respective Scheduling Orders in the previously noted dockets, the Commission stated the following:

¹ Docket No. 08-035-42.

² Docket No. 09-035-54.

The Commission desires to clarify the purpose of this proceeding. This proceeding is not about the location or siting of the Transmission Line, if it is built. The Commission does not have jurisdiction over the siting of transmission lines. This proceeding is to determine if present or future public convenience and necessity does or will require construction of a transmission line. We trust and expect that Rocky Mountain Power will work in good faith with interested parties in seeking the most appropriate siting for transmission lines.³

The Division requests that the Commission similarly consider clarifying the purpose and scope of the proceedings in this docket when it issues its Scheduling Order.

CONCLUSION

The Division requests that the Commission conduct a Scheduling Conference to set a schedule for the proceedings in this docket. The Division further recommends that the Commission clarify and define the scope of this proceeding in its Scheduling Order. With this memo and suggested recommendations, the Division requests that the Commission close this Action Request.

CC:

Service List

³ Docket No. 08-035-42, Populus to Terminal CPCN, Scheduling Order, May 20, 2008; and Docket No. 09-035-54, Mona to Oquirrh CPCN, Scheduling Order, January 12, 2010.