

**NOTICE OF APPLICATION FOR A CERTIFICATE OF PUBLIC  
CONVENIENCE AND PUBLIC NECESSITY**

**PROJECT: Talega-Escondido/Valley-Serrano 500-kV Interconnect Project**

**REFERENCE: CPUC Application No. 07-10-005**

**Date: October 17, 2007**

**1.0 Proposed Project**

The Hydro Company, Inc., doing business in California as Nevada Hydro Company, Inc. (TNHC), seeks a Certificate of Public Convenience and Necessity (CPCN) from the California Public Utilities Commission (CPUC) for the construction, operation, and maintenance of a new, approximately 30-mile long, 500-kilovolt (kV) alternating current regional transmission interconnection that would link Southern California Edison's (SCE) existing Valley-Serrano 500-kV transmission line in western Riverside County with San Diego Gas & Electric Company's (SDG&E) existing 230-kV Talega-Escondido transmission line in northern San Diego County. The project includes the construction and operation of new electrical substations and upgrades to both the SCE and SDG&E systems. This new line will improve system reliability and help direct renewable energy into the San Diego basin.

For convenience, transmission lines are often named after the substations they connect. Using that nomenclature, the existing SCE transmission line is often referred to as the Valley-Serrano 500-kV Line and the existing SDG&E transmission line is often referred to the Talega-Escondido 230-kV Line. Since the proposed project will be interconnecting those line segments, the project is referred to the Talega-Escondido/Valley-Serrano Interconnect Project (TE/VS Interconnect).

The TE/VS Interconnect will serve two functions:

1. Provide a transmission interconnection from the Lake Elsinore Advanced Pumped Storage hydroelectric plant (LEAPS) to the transmission systems of SCE and SDG&E; and,
2. Interconnect the SCE and SDG&E transmission systems and facilitate wholesale bulk power transfers between those systems and from neighboring areas to those systems.

TNHC is a co-applicant with the Elsinore Valley Municipal Water District to the Federal Energy Regulatory Commission (FERC) for a federal license to construct and operate the LEAPS facility at Lake Elsinore (FERC Project Number P-11858) and related entitlements.

A substantial portion of the proposed transmission route will be located on federal lands, some administered by the United States Forest Service (USFS), within the Cleveland National Forest (CNF), and some administered by the United States Department of the Navy and United States Marine Corps.

## **1.1 Facilities**

The TE/VS Interconnect will extend for about 30 statute miles (SM), generally running north to south through the CNF, interconnecting SCE's and SDG&E's existing transmission systems. It is designed for 1,500 megawatts (MW).

Within the CNF, in order to accommodate the requirements of the USFS, an approximately two to three-SM segment of the proposed transmission line will be placed in an underground vault, rather than on overhead structures.

To the north, a substation will be located near Lee Lake (Corona Lake), in the unincorporated area of Alberhill in Riverside County. This new substation will be located on the northern side of the Interstate 15 Freeway and will occupy an area of 40 acres or less.

To the south, an approximately 40-acre substation will be located near SDG&E's existing 230-kV transmission lines on federally owned lands between SDG&E existing Talega and Escondido substations near the northern border of Camp Pendleton.

In order to accommodate the power flows associated with and resulting from the proposed project, as detailed in the filing, additional upgrades, improvements, and modifications will be required to SCE's and SDG&E's existing transmission and distribution facilities in San Diego, Orange, Riverside, and San Bernardino Counties. In addition, other upgrades, improvements, and modifications may be subsequently identified or authorized by the FERC and/or the CPUC and included as part of the proposed project.

## **2.0 EMF Compliance**

The CPUC requires the use of "no cost" and "low cost" measures to reduce public exposure to electric magnetic fields (EMF). TNHC will implement such measures as may be required by the FERC and the CPUC.

## **3.0 Public Review Process**

TNHC has applied to the CPUC for a CPCN for the TE/VS Interconnect. An electronic copy of TNHC's application will be provided on disk to those parties submitting a written request to TNHC the address presented below. Alternatively, copies may be downloaded from the following location: [www.LEAPSforward.org](http://www.LEAPSforward.org).

Pursuant to the CPUC's "Rules of Practice and Procedure," any affected party may, within 30 days of the date on this notice, 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 entitled to receive notice or who requested a hearing.

All protests must be mailed to the CPUC and TNHC concurrently and should include the following:

1. Your name, mailing address, e-mail address, and day-time telephone number.
2. Reference to the CPUC Application Number and Project Name.
3. A clear and concise description of the reason for the protest. Protests for this Application must be mailed within 30 CALENDAR DAYS to:

California Public Utilities  
Commission  
Attn: Docket Office, Room 2001  
505 Van Ness Avenue  
San Francisco, CA 94102

**AND**

The Nevada Hydro Company  
Attn: Legal Department  
2416 Cades Way  
Vista, CA 92081

**AND**

California Public Utilities  
Commission  
Attn: Director, Energy Division  
505 Van Ness Avenue  
San Francisco, CA 94102

For assistance in filing a protest, please call the CPUC Public Advisor in San Francisco at (415) 703-2074 or in Los Angeles at (213) 576-7057.