Appendix D

A 110-mile line built for 500-kv operation will be the third transmission intertie between Pacific Gas & Electric Co and Pacific Power and Light Co. Each company will build half the line, which will run from Klamath Falls, Ore., to Round Mountain in Shasta County, Calif. Cost is estimated at \$10 million.

Construction will begin as soon as possible, and completion is expected by the fall of 1963. Initial operation will be at 230 kv, and conversion to 500 kv will be made when joint studies of load and operating requirements indicate the increase to EHV should be made.

The line closely parallels a line proposed by PG&E in 1960, which was not built after Sen. Murray's (D-Mont) Interior and Insular Affairs Committee indicated that the Committee felt it would conflict with larger proposals also being studied at the time. That proposal, however, was contingent on sale of surplus power by Bonneville Power Administration to PG&E, while no such agreement is included in the present line.

Capacity of the new line was not disclosed, but the capacity of the 230-kv line proposed in 1960 was 200 Mw. At present there are two interconnections between PG&E and PP&L -- the 110-kv Cottonwood line and the 69-kv Stillwater line, which run from separate PG&E switching stations in Shasta County to PP&L's transmission system in Siskiyou County, Ore.

In announcing the line PG&E's president Norman R. Sutherland said, "We have had interconnections for many years with the utility company to the north of us, as well as with the companies bordering our service territory to the East and to the South. Such interconnections have been augmented and expanded as needed. This new line will assure transmission capability for the additional power that will become available as we and the other companies expand our capacities in the years ahead."

A paragraph in the contract between the two companies reads: "We shall continue to study jointly the economic feasibility, in the light of developing circumstances, of converting the line to operation at not less than 500 kv and also of extending it in a northerly and southerly direction to provide an EHV intertie between the Pacific Northwest and California. It is understood that we will convert the line to operation at not less than 500 kv and extend it in both directions at such time as we jointly determine that such actions are economically justified."

Charles F. Luce, Bonneville Power Administrator and chairman of the special task force that proposed an EHV tie linking California and the Northwest (EW, Dec. 25, 1961, p. 34), called the PG&E-PP&L proposal "consistent with engineering recommendations of our task force report."

Luce also noted, "The companies' proposal could provide an important link in a full-length EHV common carrier intertie between the generating plants of the Northwest and California. Pacific Power and Light has expressed willingness to lease capacity in the intertie to BPA and other Pacific Northwest utilities."