

Appendix E

FOUR CALIFORNIA UTILITIES MAKE EHV TIE OFFER

Principal state investor-owned companies make proposal to transport Northwest power into Southern California

California's four principal investor-owned utilities have offered to construct an extra-high-voltage transmission line to carry Northwest power to southern California.

The offer is in effect a competing proposal to the Interior Department's task force proposal for a 750-kv, dc line between Bonneville Power Administration and California (EW, Dec. 25, 1961, p. 34).

The joint proposal by the four utilities -- Pacific Gas & Electric Co., Southern California Edison Co., California Electric Power Co., and San Diego Gas & Electric Co. -- was made contingent upon Northwest power being available and on terms that will make construction of the line economically feasible. These four utilities recently formed the California Power Pool (EW, Dec. 25, 1961, p. 34).

The offer, referred to in PG&E's just-issued 1961 annual report, was believed to have been made during a meeting with BPA chief Charles Luce and other officials several weeks ago.

To be constructed in stages

The report goes on to say: "This line will be constructed in stages as needed and existing transmission capacity of the California companies will be used to the maximum extent to avoid uneconomic duplication of facilities. In view of the transmission lines now existing and to be constructed by the California companies, there is no need whatever for the federal government to spend vast sums of taxpayer's money to construct the transmission facilities recommended by the (Interior) task force. The lines to be built by the California companies will be at no cost to taxpayers and, furthermore, will be productive of substantial tax revenue."

The proposed line (of not less than 500 kv) would extend south from PG&E's Round Mountain Substation in the Shasta area. North from Round Mountain will be the previously announced \$11-million, 103-mile, 500-kv intertie with PP&L's 230-kv system at Klamath Falls, Ore. (EW, Jan. 29, p. 55).

No mention is made in the PG&E report of a further extension north from Klamath Falls to The Dalles or some other point in the BPA system. Presumably, some sort of extension would have to be built if the California Pool offer is accepted.