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DEPARTMENT OF PUBLIC WORKS

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AGENDA: SEPTEMBER 12, 2000

August 30, 2000

SANTA CRUZ COUNTY BOARD OF SUPERVISORS
701 Ocean Street
Santa Cruz, CA 95060

SUBJECT: UNDERGROUND UTILITY DISTRICTS: INCLUSION OF
NEW RULE 20A ELECTRIC SERVICE PANEL CONVERSION
ALLOWANCE IN PROJECT ALLOCATIONS

Members of the Board:

California Public Utility Commission (PUC) Electric Rule 20A requires electric service providers, including Pacific Gas and Electric Company (**PG&E**), to allocate **funds** to California cities and counties annually for the specific purpose of placing overhead utility lines underground. Historically, these funds could not be used to make the electric service panel conversions required for individual property owners to receive underground electric service. Effective December 7, 1999, however, an amendment to Electric Rule 20A (attached) provides for an allotment from a city or county's underground utility allocation to make the private electric service panel conversions. The project currently under design in Underground Utility District No. 17, Davenport, is the first of the County underground utility projects eligible for the service panel conversion provision.

According to the amendment, the electric service provider will, upon request from a governing body, pay up to \$1,500 per service conversion necessitated by a Rule 20A utility undergrounding project in the body's jurisdiction. It should be noted that the individual property owner must still undertake the work necessary to convert the property owner's electric service panel, and that permit fees are not covered by the allotment.

If your Board wishes to approve the inclusion of the electric service panel conversion allotment, it is necessary that a request be forwarded to **PG&E** asking that they include the electric service panel conversion allotment in all future Santa Cruz County Rule **20A** underground utility projects, beginning with the current project in the Davenport Underground Utility District.

It is therefore recommended that the Board of Supervisors take the following action:

1. Approve the inclusion of the \$1,500 per electric service panel conversion provision of Paragraph A.3 .b of California Public Utility Commission Electric Rule 20 in all **future** applicable underground utility projects in the unincorporated area of Santa Cruz County.
2. Direct the Clerk of the Board to inform Pacific Gas and Electric Company that your Board has requested inclusion of the electric service panel provision in all **future** applicable underground utility projects.

Yours truly,

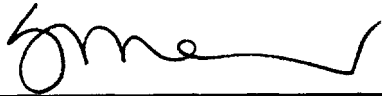


THOMAS L. BOLICH
Director of Public Works

GG:bbs

Attachment

RECOMMENDED FOR APPROVAL:



County Administrative Officer

copy to: Pacific Gas and Electric
Pacific Bell
AT&T Cable
Department of Public Works



Pacific **Gas and Electric Company**
San Francisco, California

Cancelling

Revised
Revised

Cal. P. U. C. Sheet No.
Cal. P.U.C. Sheet No.

11239-E
7854-E

RULE 20-REPLACEMENT OF OVERHEAD WITH UNDERGROUND ELECTRIC FACILITIES

(L)

4. PG&E will, at its expense, replace its existing overhead electric facilities with underground electric facilities along public streets and roads, and on public lands and private property across which rights-of-ways satisfactory to PG&E have been obtained by PG&E, provided that:

1. The governing body of the city or county in which such electric facilities are and will be located has:

- a. Determined, after consultation with PG&E and after holding public hearings on the subject, that such undergrounding is in the general public interest for one or more of the following reasons:

- 1) Such undergrounding will avoid or eliminate an unusually heavy concentration of overhead electric facilities;
- 2) The street or road or right-of-way is extensively used by the general public and carries a heavy volume of pedestrian or vehicular traffic; and
- 3) The street or road or right-of-way adjoins or passes through a civic area or public recreation area or an area of unusual scenic interest to the general public.

- b. Adopted an ordinance creating an underground district in the area in which both the existing and new facilities are and will be located requiring, among other things, (1) that all existing overhead communication and electric distribution facilities in such district shall be removed, (2) that each property served from such electric overhead facilities shall have installed in accordance with PG&E's rules for underground service, all electrical facility changes on the premises necessary to receive service from the underground facilities of PG&E as soon as it is available, and (3) authorizing PG&E to discontinue its overhead service.

(L)

(D)

(D)

(Continued)

Advice Letter No. 1300-E
Decision No. 90-05-032

Issued by
Gordon R. Smith
Vice President and
Chief Financial Officer

Date Filed June 7, 1990
Effective July 17, 1990
Resolution No. 58



Pacific Gas and Electric Company
San Francisco, California

Cancelling

Original

Cal. P.U.C. Sheet No.
Cal. P.U.C. Sheet No.

11240-E

RULE 20—REPLACEMENT OF OVERHEAD WITH UNDERGROUND ELECTRIC FACILITIES
(Continued)

A. (Cont'd.)

2. PG&E's total annual budgeted amount for undergrounding within any city or the unincorporated area of any county shall be allocated as follows: (N)
 - a. The amount allocated to each city and county in 1990 shall be the highest of:
 - 1) The amount allocated to the city or county in 1989, which amount shall be allocated in the same ratio that the number of overhead meters in such city or unincorporated area of any county bears to the total system overhead meters; or
 - 2) The amount the city or county would receive if PG&E's total annual budgeted amount for undergrounding provided in 1989 were allocated in the same ratio that the number of overhead meters in each city or the unincorporated area of each county bears to the total system overhead meters based on the latest count of overhead meters available prior to establishing the 1990 allocations; or
 - 3) The amount the city or county would receive if PG&E's total annual budgeted amount for undergrounding provided in 1989 were allocated as follows:
 - a) Fifty percent of the budgeted amount allocated in the same ratio that the number of overhead meters in any city or the unincorporated area of any county bears to the total system overhead meters; and
 - b) Fifty percent of the budgeted amount allocated in the same ratio that the total number of meters in any city or the unincorporated area of any county bears to the total system meters. (N)

(Continued)

58

Advice letter No. 1300-E
Decision No. 90-05-032

Issued by
Gordon R. Smith
Vice President and
Chief Financial Officer

Date Filed June 7, 1990
Effective July 17, 1990
Resolution No. _____



Pacific Gas and Electric Company
San Francisco, California

Canceling

Original

Cal. P.U.C. Sheet No.
Cal. P. U. C. Sheet No.

11241-E

RULE 20—REPLACEMENT OF OVERHEAD WITH UNDERGROUND ELECTRIC FACILITIES (Continued)

1. (Cont'd.)

2. (Cont'd.)

b. Except as provided in Section 2.c., the amount allocated for undergrounding within any city or the unincorporated area of any county in 1991 and later years shall use the amount actually allocated to the city or county in 1990 as the base, and any changes from the 1990 level in PG&E's total annual budgeted amount for undergrounding shall be allocated to individual cities and counties as follows:

- 1) Fifty percent of the change from the 1990 total budgeted amount shall be allocated in the same ratio that the number of overhead meters in any city or unincorporated area of any county bears to the total system overhead meters; and
- 2) Fifty percent of the change from the 1990 total budgeted amount shall be allocated in the same ratio that the total number of meters in any city or the unincorporated area of any county bears to the total system meters.

c. When a city incorporates, resulting in a transfer of utility meters from the unincorporated area of a county to the city, there shall be a permanent transfer of a prorata portion of the county's 1990 allocation base referred to in Section 2.b. to the city. The amount transferred shall be determined:

- 1) Fifty percent based on the ratio that the number of overhead meters in the city bears to the total system overhead meters; and
- 2) Fifty percent based on the ratio that the total number of meters in the city bears to the total system meters.

When territory is annexed to an existing city, it shall be the responsibility of the city and county affected, in consultation with the Utility serving the territory, to agree upon an amount of the 1990 allocation base that will be transferred from the county to the city, and thereafter to jointly notify PG&E in writing.

(N)

(N)

58

(Continued)

Advice Letter No. 1300-E
Decision No. 90-05-032

Issued by
Gordon R. Smith
Vice President
Finance and Rates

Date Filed June 7, 1990
Effective July 17, 1990
Resolution No. _____



RULE 20—REPLACEMENT OF OVERHEAD WITH UNDERGROUND ELECTRIC FACILITIES
(Continued)

4. (Cont'd.)

2. (Cont'd.)

- d. However, Section 2 a, b, and c shall not apply to PG&E where the total amount available for allocation under Rule 20-A is equal to or greater than 1.5 times the previous year's statewide average on a per customer basis. In such cases, PG&E's total annual budgeted amount for undergrounding within any city or the unincorporated area of any county shall be allocated in the same ratio that the number of overhead meters in the city or unincorporated area of any county bears to the total system overhead meters.
- e. The amounts allocated in accordance with Section 2 a, b, c, or d may be exceeded where PG&E establishes that additional participation on a project is warranted. Such allocated amounts may be carried over for a reasonable period of time in communities with active undergrounding programs. In order to qualify as a community with an active undergrounding program the governing body must have adopted an ordinance or ordinances creating an underground district and/or districts as set forth in Section A. 1 .b. of this Rule, Where there is a carry-over, PG&E has the right to set, as determined by its capability, reasonable limits on the rate of performance of the work to be financed by the funds carried over. When amounts are not expended or carried over for the community to which they are initially allocated they shall be assigned when additional participation on a project is warranted or be reallocated to communities with active undergrounding programs.

(L)

(Continued)

58



Pacific Gas and Electric Company
San Francisco, California

Cancelling

Original
Revised

Cal. P.U.C. Sheet No.
Cal. P.U.C. Sheet No.

16665-E
11242-E

0543

RULE 20—REPLACEMENT OF OVERHEAD WITH UNDERGROUND ELECTRIC FACILITIES
(Continued)

A. (Cont'd.)

3. The undergrounding extends for a minimum distance of one block or 600 feet, whichever is the lesser.

Upon request of the governing body, PG&E will pay from the existing allocation of that entity &

- a. The installation of no more than 100 feet of each customer's underground electric service lateral occasioned by the undergrounding.

- b. The conversion of electric service panels to accept underground service, up to \$1,500 per service entrance, excluding permit fees.

The governing body may establish a smaller footage allowance, or may limit the amount of money to be expended on a single customer's electric service, or the total amount to be expended on all electric service installations in a particular project.

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58
(Continued)

Advice Letter No. 1930-E
Decision No.

41302

Issued by
DeAnn Hapner
Vice President
Regulatory Relations

Date Filed October 28, 1999
Effective December 7, 1999
Resolution No. _____



Pacific Gas and Electric Company
San Francisco, California

Revised
Cancelling
Revised

Cal. P.U.C. Sheet No.
Cal. P.U.C. Sheet No.

15611-E
11243-E

RULE 20-REPLACEMENT OF OVERHEAD WITH UNDERGROUND ELECTRIC FACILITIES
(Continued)

3. In circumstances other than those covered by A above, PG&E will replace its existing overhead electric facilities with underground electric facilities along public streets and roads or other locations mutually agreed upon when requested by an applicant or applicants when all of the following conditions are met:

1. a. All property owners served from the overhead facilities to be removed first agree in writing to have the wiring changes made on their premises so that service may be furnished from the underground distribution system in accordance with PG&E's rules and that PG&E may discontinue its overhead service upon completion of the underground facilities; or

b. Suitable legislation is in effect requiring such necessary wiring changes to be made and authorizing PG&E to discontinue its overhead service.

2. The applicant has:

a. Furnished and installed the pads and vaults for transformer and associated equipment, conduits, ducts, boxes, pole bases and performed other work related to structures and substructures including breaking of pavement, trenching, backfilling, and repaving required in connection with the installation of the underground system, all in accordance with PG&E's specifications, or, in lieu thereof, paid PG&E to do so;

b. Transferred ownership of such facilities, in good condition, to PG&E; and

c. Paid a nonrefundable sum equal to the excess, if any, of the estimated costs, of completing the underground system and building a new equivalent overhead system. (T)

3. The area to be undergrounded includes both sides of a street for at least one block or 600 feet, whichever is the lesser, and all existing overhead communication and electric distribution facilities within the area will be removed.

(Continued)

5

Advice Letter No. **1765-E**
Decision No. 97- 12-098

Issued by
Thomas E. Bottorff
Vice President
Rates & Account Services

Date Filed May 11, 1998
Effective July 1, 1998
Resolution No. _____



RULE Z-O-REPLACEMENT OF OVERHEAD WITH UNDERGROUND ELECTRIC FACILITIES
(Continued)

- C. In circumstances other than those covered by A or B above, when mutually agreed upon by PG&E and an applicant, overhead electric facilities may be replaced with underground electric facilities, provided the applicant requesting the change pays, in advance, a nonrefundable sum equal to the estimated cost of the underground facilities less the estimated net salvage value and depreciation of the replaced overhead facilities. Underground services will be installed and maintained as provided in PG&E's rules applicable thereto. (L)
- D. The term "underground electric system" means an electric system with all wires installed underground, except those wires in surface mounted equipment enclosures. (L)

58