



Legislation Details (With Text)

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Sponsors: Oliver L. Baines III
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Date	Ver.	Action By	Action	Result
5/14/2015	1	City Council	adopted	Pass

REPORT TO THE CITY COUNCIL

May 14, 2015

TO: Members of the Fresno City Council

FROM: Councilmember Oliver L. Baines III
President of the City Council,
Representing Council District Three

BY: Gregory A. Barfield
Chief of Staff, Office of Councilmember Oliver Baines

SUBJECT

RESOLUTION - Of support for the Central Valley Coalition for Reliable Energy

RECOMMENDATION

It is recommended the City Council approve a Resolution supporting the Central Valley Power Connect project to ensure electric reliability for the city of Fresno and the Central Valley's growing population including homes, farms and businesses in the region.

EXECUTIVE SUMMARY

The Central Valley Power Connect is a proposed new 230 kilovolt transmission line that was approved by the California Independent System Operator (ISO) in its 2012-2013 Transmission Plan. The Central Valley Power Connect primary purpose is to ensure reliability in the Central Valley.

Without this upgrade, the local transmission system will be unable to accommodate demand for energy in the long term. Central Valley Power Connect will also create economic benefits; allow the Helms Pumped Storage Project to continue running up to full capacity. Pacific Gas and Electric's percentage of Renewables Portfolio Standard eligible deliveries for 2014 was 27 percent, and the utility is on track to reach the state's mandate of 33 percent by 2020. This transmission line will assist in meeting this mandate.

BACKGROUND

The Central Valley Power Connect is a new 230 kilovolt transmission line that was approved by the California ISO in its 2012-2013 Transmission Plan. The California ISO selected Berkshire Hathaway Energy (BHE) U.S. Transmission, Citizens Energy Corporation and Pacific Gas and Electric Company (PG&E) to develop the new line as part of a competitive bid process. PG&E and BHE U.S. Transmission will jointly own the transmission line and lease 25 percent of the line's capacity to Citizens Energy Corporation.

The Central Valley Power Connect primary purpose is to ensure reliability in the Central Valley. Without approval of this project, the local transmission system will not be able to accommodate demand for energy in the long term. Central Valley Power Connect will also create economic benefits; allow the Helms Pumped Storage Project to continue running up to full capacity. PG&E's percentage of Renewables Portfolio Standard eligible deliveries for 2014 was 27 percent, and the utility is on track to reach the state's mandate of 33 percent by 2020.

Citizens Energy Corporation is a nonprofit launched in 1979 to use revenues from successful oil industry ventures to help lower heating costs for seniors and low-income families. Since then, the company has expanded into natural gas and electric power, including wind, solar and transmission businesses. In addition, when coming on-line in 2020, Citizens Energy Corporation will donate 50 percent of its profits from the project to local charitable initiatives. This component of the project will not only ensure reliable energy in the future and create economic benefits such as new jobs, but it will also provide assistance to low-income families in the region.

Central Valley Power Connect is continuing work to identify a preferred route which will be available in summer 2015. Following the route determination, an application will be submitted later this year to the California Public Utilities Commission (CPUC). The CPUC will make the ultimate determination on the project and the route in late 2017.

ENVIRONMENTAL FINDINGS

This resolution of support is not a "project" for the purposes of California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines and is considered an administrative activity that in itself will not result in direct or indirect physical changes to the environment. However, the final proposal filed by the Central Valley Power Connect to the CPUC later this year will be subject to a full CEQA process.

LOCAL PREFERENCE

Local Preference was not considered because this resolution does not include a bid or award of a construction or service contract. It should be noted that a desire for local preference has been communicated to the Central Valley Power Connect when contracting for service or awarding contracts to build the transmission line.

FISCAL IMPACT

There is no impact to the City of Fresno Budget or General Fund by adoption of this resolution.

Attachment(s):

Resolution of the Council of the City of Fresno supporting the Central Valley Power Connect Project
Briefing document from Central Valley Power Connect