

Future of controversial Northern California power line project in doubt

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LIVERMORE — The future of a massive power line project that would cut through the Livermore Valley to deliver renewable energy to Santa Clara and other parts of Northern California is in doubt after the withdrawal of its biggest investor.

The Sacramento Municipal Utility District announced last week that it would no longer support a widely vilified, \$1.5 billion proposal to build a 600-mile stretch of high-voltage transmission lines through the state.

The consortium of municipal power providers behind the project has said it's needed to meet statewide targets for renewable energy. But environmentalists and property owners from across Northern California have raised concerns about possible economic, aesthetic and health impacts.



One of the proposed power line routes would cut through 55 agricultural and viticultural tracts in Livermore and Pleasanton, worrying local residents.

SMUD's decision to withdraw was fueled primarily by regulatory and financial uncertainties, as well as doubts over whether northeastern Shasta County — the proposed starting point for the transmission line system — is the best site for renewable energy, SMUD assistant general manager Jim Shetler said Tuesday.

"A lot more studies have been done of renewable energy zones that have raised some concerns about the economics of the project," Shetler said. "Basically, we've had some work done updating our analysis of where renewables are, and with that additional (information) we felt it would be prudent" to withdraw, he added.

Recent studies have centered around Southern California, Nevada and Oregon as areas with high potential for solar and geothermal power, Shetler said.

He also cited ongoing debates at the state and federal level over how new, large-scale transmission systems should be built and funded.

The public works project in question — one of the West's largest in recent history — would extend from yet-to-be-developed wind and solar farms in the northeastern part of the state. It would wind through parts of the Central Valley and Bay Area, including protected agricultural and viticultural tracts in the Livermore Valley, to furnish power-thirsty urban areas with energy.

The project's sponsor, the Transmission Agency of Northern California, is a group of 15 or so municipal power providers that banded in the 1980s to develop green power. Only five of those members — the Sacramento Municipal Utility, Modesto and Turlock irrigation districts, and the cities of Redding and Santa Clara — had agreed to fund the initial environmental work and, if it is ultimately approved, to finance the project.

SMUD, the largest stakeholder by far, had been expected to shoulder 35 percent of the project's costs. The utility's withdrawal leaves a gaping hole in the project budget and raises questions about its future.

"Over the next couple weeks, all the partners are going to have to examine all the various options and really evaluate where best to go next," said Transmission Agency spokesman Brendan Wonnacott. "The bottom line is that new transmission lines are needed for Northern California. We have to reduce the bottlenecks caused by overburdened transmission lines."

The Tri-Valley Conservancy, a nonprofit that works to preserve agriculture and vineyards in the Livermore Valley, has opposed the project.

"That's a big chunk of their funding," Sharon Burnham, the conservancy's executive director, said of SMUD's decision to withdraw. "We hope this will set them back a bit so they'll have to re-look" at the project.