

Debate over Calif. approach to reliability heats up as firefighting continues

Damage estimated to be \$900 million to \$1.6 billion

From SNL Power *Energy Daily* and Reuters

Whether Southern California should build more transmission capacity or rely on local sources of generation to augment reliability was a matter for heated debate even as wildfires continued for a fifth day and still were only partially contained.

San Diego Gas & Electric Co. (SDG&E) reported early yesterday that its Southwest Powerlink, a 500-kilovolt (kV) line to the Palo Verde hub, had been returned to service after a prolonged outage due to a major fire along the U.S. – Mexico border.

The line had been de-energized since Oct. 21 when fire spread beneath the lines, but flames did not cut the lines.

The Sempra Energy subsidiary reported until it could re-energize transmission lines south of the San Onofre nuclear plant — a critical north-south corridor near Camp Pendleton — the system still was at risk. At least some workers from the nuclear plant were evacuated as thick smoke and debris drifted into the plant site.

SDG&E was on the verge of rolling blackouts at about 2 p.m. yesterday. SDG&E spokeswoman Jennifer Briscoe said many utility employees had to leave their homes or take in friends and relatives from evacuated areas. "It was surreal," she said, describing the evacuation within sight of the ocean.

Some power was imported from plants just south of the U.S. – Mexico border, where Sempra and other merchant generators operate facilities.

Flames fan reliability debate

The *North County Times* newspaper, serving San Diego and Riverside counties, published an Oct. 25 editorial pointing to the battle SDG&E has had keeping the lights on with its only remaining transmission link to the state grid threatened by flames. The paper said SDG&E has been attempting to fend off attacks on its plans to construct the 500-kV Sunrise Powerlink by invoking a scenario that has become reality, namely that it needs a separate transmission line miles from the Southwest Powerlink to keep one fire from taking out both transmission facilities.

The paper noted use of solar power instead of building the line, as some opponents called for, would not be a solution with smoke and ash obscuring the sun for several days and dusting up every surface.

Utilities continued to call on customers to conserve power, including limiting air conditioning, but that was difficult for people seeking refuge behind closed doors and windows from the dense smoke clouds.

MMC Energy Inc. said its Rohr-Chula Vista and Escondido power plants in San Diego County were not directly threatened by the wildfires surrounding San Diego. However, ash and debris required the plants to be taken off-line at intervals for thorough cleaning.

MMC CEO Karl Miller said the plants are critically located inside the constrained San Diego region, but the area needs more capacity. MMC wants to expand and upgrade the two plants by mid-2009, though SDG&E officials contended they would not need more local baseload capacity if the utility could build more transmission facilities.

SDG&E reported yesterday that 17,700 customers still were without power, but in one to two days, the utility would have most of its transmission system and substations in the fire-ravaged areas back in service, a critical step that would allow workers to begin repairing distribution systems. SDG&E officials said after the Cedar fires of 2003, the utility had to replace about 3,000 poles, and noted this fire appears to have caused even more damage.

Southern California Edison Co. (SoCalEd) spokeswoman Vanessa McGrady said the situation was much better in most of the utility's service area late yesterday, though about 7,200 customers were without power in the Lake Arrowhead area.

In areas the Edison International subsidiary's crews could reach for damage assessment, workers found about 450 locations with wires down. They were granted limited access to some areas in the San Bernardino Mountains to conduct inspections, but SoCalEd said it could be days or perhaps weeks before all repairs are completed in the hardest-hit areas as hundreds of poles would have to be replaced.

Other California utilities are sending help to rebuild distribution lines by installing new poles and stringing new wire. Although APS had arranged to send 50 employees and 30 trucks this weekend to assist in repairs, SDG&E this morning cancelled its request for out-of-state assistance as damage to its system is less severe than originally estimated.

Most of the 500,000 people forced to flee in California's largest evacuation were expected to be back in their homes by the weekend and insured losses are estimated to be \$900 million to \$1.6 billion.

As of this morning, the wildfires had blackened some 800 square miles of California and destroyed 2,000 homes and other structures. More than 60 people have been injured, many of them firefighters, and at least 12 people have died in the fires.