

February 17, 2015

Dear Neighbor,

Thank you for contacting us about the Tehachapi Renewable Transmission Project (TRTP). We recognize that construction activities are disruptive to neighboring communities and appreciate your patience as we work to complete this important project. Please know that I have shared your questions and comments with the TRTP team here at Southern California Edison (SCE).

In this letter, I will share with you some information to address issues raised by you and some of your neighbors. This includes information about the state and federal agencies that regulate us, electric and magnetic fields, rights-of-way, home values, the Federal Housing Authority's loan guarantees and the undergrounding work we are currently undertaking in the City of Chino Hills. If you still have questions about the TRTP project, I encourage you to contact my staff directly through the TRTP project hotline at 877-795-8787.

#### **Regulatory Agencies**

The CPUC regulates utilities in the state of California, including overseeing siting of transmission projects that SCE designs and builds. TRTP is a necessary upgrade to provide full deliverability to a variety of renewable generators. SCE is obligated per Federal Energy Regulatory Commission (FERC) tariffs to move forward with this important project. You can find more information on the CPUC at their website at [www.cpuc.ca.gov](http://www.cpuc.ca.gov) and on FERC on their website at [www.ferc.gov](http://www.ferc.gov).

#### **EMF Analysis**

As part of its process, the CPUC reviewed SCE's Field Management Plan, which analyzed potential magnetic field reduction measures for TRTP. The CPUC determined that proposed field reduction measures for TRTP complied with the CPUC's EMF Policy.

The CPUC's EMF Policy is designed to reduce public exposure to electric and magnetic fields that originate from power lines and facilities. EMF reduction measures incorporated in the design for the Ontario segment of TRTP includes arranging power line conductors to cancel and reduce magnetic fields. Helpful information about TRTP's EMF reduction measures can also be found in the Final EIR (section 5.3.1, pages 5-26 to 5-42), which is available on the project website at [www.sce.com/trtp](http://www.sce.com/trtp). Additionally, SCE can also arrange to have an EMF technical specialist contact you.

#### **Rights of Way**

The vast majority of TRTP, including the portion through Ontario, is in existing rights-of-way. In this way, TRTP is consistent with state policy that encourages utilities to site and expand transmission infrastructure within existing rights-of-way. The transmission corridors through Ontario located to the north (Segment 8B) and south (Segment 8A/C) of Archibald Ranch were originally established in the 1930s and 1940s respectively. The shorter corridor to the east (Segment 8A) of Archibald Ranch was originally established in the 1960s and expanded as part of TRTP.

### **Home Values**

The Final EIR included a thorough analysis of property values and found that property-specific factors such as neighborhood features, home square footage, size of lot, and irrigation potential are more likely to be major determinants in affecting property values than the presence of overhead transmission lines. See Final EIR at 3.12-24 – 3-29.

### **Federal Loan Guarantees**

The Federal Housing Authority (FHA) provided testimony on the issue of federal loan guarantees for homes in proximity to electrical transmission rights-of-ways and easements during an April 14, 2012 Congressional hearing. I have included the letter from the FHA on this issue in this packet of information for you.

According to the letter, FHA regulations do not place any special restrictions or requirements on homes that are located *outside* of transmission rights-of-ways. All residential properties in Ontario are outside of the TRTP rights-of-way.

### **Undergrounding through Chino Hills**

Undergrounding portions of the transmission lines running through the city of Chino Hills is being done at the direction of the CPUC following extensive evidentiary hearings and Commission review in 2013. The Commission considered a multitude of factors, including the type of transmission structures, the distance from the tower/pole to the edge of rights-of-way, the height of structures, and the location and number of residential structures in Chino Hills, Chino, Duarte, and Ontario. The Commission found the city of Chino Hills to be disproportionately impacted compared to neighboring communities.

SCE is obligated to comply with the CPUC order, and is focused on the safe construction of this portion of the project to deliver more renewable energy. Please note that major construction in the city of Ontario is complete. The towers have been erected and wires have been strung. Crews are currently performing inspections and minor adjustments in preparation for energizing the new lines.

Again, thank you for expressing your concerns about TRTP within Ontario. We thank you for your patience as we work to complete this important project. If you have any questions about TRTP or future maintenance, please contact the project hotline at 877-795-8787 or via email at [trtp@sce.com](mailto:trtp@sce.com).

Sincerely,



Veronica Gutierrez



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-1000

ASSISTANT SECRETARY FOR CONGRESSIONAL  
AND INTERGOVERNMENTAL RELATIONS

The Honorable Gary Miller  
Member, United States  
House of Representatives  
2349 Rayburn House Office Building  
Washington, DC 20515-1806

APR 09 2012

Dear Representative Miller:

Your office has expressed concerns regarding the Federal Housing Administration's (FHA) policy related to properties located within, or in close proximity to, an easement serving a high-voltage transmission line. Specifically, you met with Secretary Donovan and Acting Federal Housing Commissioner Galante to discuss the impact of California's Tehachapi Renewable Transmission Project on the residents of Chino Hills, CA, and the availability of FHA-insured mortgages for properties located in the area of the transmission project.

Once a mortgage is endorsed for FHA-insured financing, and barring fraud or misrepresentation by parties to the transaction, subsequent events or conditions that had not occurred or were not in existence or publicly planned at the time of loan closing cannot invalidate the mortgage insurance. For instance, if a property already had an FHA-insured mortgage and high voltage towers were subsequently installed -- and the towers would have made the property ineligible for FHA-insured financing had they been in place prior to the origination of the mortgage -- FHA insurance of the mortgage would continue.

In this case, based upon guidance previously issued by the Department and preliminary investigations conducted by the staff at HUD's Santa Ana Homeownership Center, the properties located in Chino Hills, CA, would be eligible for FHA-insured financing when considering the proximity to the easement serving the Tehachapi Renewable Transmission Project high voltage power lines. Please note that the requirements identified below must be met in order to ensure eligibility for FHA mortgage insurance. It is also important to note that the valuation and marketability of a property which is to be collateral for an FHA-insured mortgage could be impacted by proximity to high voltage transmission lines, but such determination would be made by an FHA Roster appraiser in accordance with FHA appraisal reporting standards and guidelines, and not by FHA.

Chapter 1 of the Homeownership Center (HOC) Reference Guide, available at [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/housing/sfh/ref/sfh1-18f](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/ref/sfh1-18f) provides the following guidance for new FHA mortgage originations:

"The appraiser must indicate whether the dwelling or related property improvements are located within the easement serving a high-voltage transmission line, radio/TV transmission tower, cell phone tower, microwave relay dish or tower, or satellite dish (radio, TV cable, etc).

- 1) If the dwelling or related property improvement is located within such an easement, the DE Underwriter must obtain a letter from the owner or operator of the tower indicating that the dwelling and its related property improvements are not located within the tower's (engineered) fall distance<sup>1</sup> in order to waive this requirement.
- 2) If the dwelling and related property improvements are located outside the easement, the property is considered eligible and no further action is necessary. The appraiser, however, is instructed to note and comment on the effect on marketability resulting from the proximity to such site hazards and nuisances.”

Based on our review of the documentation submitted, it appears that the properties in question are located outside of the easement (item 2 above), making the properties eligible for FHA financing. I hope the information provided is helpful. If I can be of further assistance, please let me know.

Sincerely,



Peter A. Kovar  
Assistant Secretary for Congressional  
and Intergovernmental Relations

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<sup>1</sup> The height of a tower is not necessarily the same as the fall distance due to modern engineering standards.