PUBLIC UTILITIES COMMISSION 505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298



May 15, 2013

Mr. Koral Ahmet Devers-Palo Verde No. 2 Transmission Project 6 Point Drive, 1st Floor Brea, CA 92821-6320

RE: SCE Devers-Palo Verde No. 2 Transmission Line Project - Variance Request #85

Dear Mr. Ahmet,

On March 11, 2013 and revised on May 14, 2013, Southern California Edison (SCE) submitted a variance request to the California Public Utilities Commission (CPUC) for improvements to remain in place following construction at the request of landowners at the Beaumont 1, Perris, Indio 1, Desert Center 1 and Desert Center 2 Yards of the Devers-Palo Verde No. 2 (DPV2) Transmission Project.

The CPUC voted on January 25, 2007 to approve the SCE DPV2 Transmission Line Project (<u>Decision D.07-01-040</u>). On May 14, 2008, SCE filed a Petition for Modification (PFM) of the existing Certificate for Public Convenience and Necessity (CPCN) approved per Decision D.07-01-040. SCE requested that the CPUC authorize SCE to construct DPV2 facilities in only the California portion of DPV2 and the Midpoint Substation (now called the Colorado River Substation) near Blythe, California. The CPUC approved SCE's PFM on November 20, 2009 in <u>Decision D.09-11-007</u>.

After the CPUC's 2009 Decision regarding the PFM, several large solar power projects were proposed in the Blythe and Desert Center areas. SCE filed Permit to Construct applications addressing expansion of the Colorado River Substation and construction of a new Red Bluff Substation. These components were not covered in the original DPV2 Final EIR/EIS, because the solar power projects had not yet been proposed, and supplemental environmental review has been conducted. The Colorado River Substation Expansion and the Red Bluff Substation were both approved by the CPUC on July 14, 2011 in Decisions D.11-07-011 and D.11-07-020, respectively.

The BLM issued a Record of Decision approving the Project on July 19, 2011 and approved exclusionary fencing activities on August 23, 2011. The Project also crosses lands under jurisdiction of the U.S. Department of Agriculture Forest Service on the San Bernardino National Forest within an existing Forest Service-issued easement. The Forest Service will issue a revised easement signed by the Forest Supervisor. The area requested under this variance does not fall under Forest Service jurisdiction.

The CPUC also adopted a Mitigation, Monitoring, Compliance and Reporting Program (MMCRP) to ensure compliance with all mitigation measures imposed on the DPV2 Project during implementation. The MMCRP also acknowledges that minor project refinements as a result of final engineering are anticipated and common practice for construction efforts of this scale and that a Variance Request would be required for these activities. This letter documents the CPUC's thorough evaluation of all activities covered in this variance. The CPUC has concluded that the activities under this variance are located within the geographic boundary of the study area of the Final EIR/EIS and Supplemental EIR, and do not, without mitigation, result in a new significant impact or a substantial increase in the severity of a previously identified significant impact based on the criteria used in the environmental documents;

DPV2 Project Page 2

conflict with any mitigation measure or applicable law or policy; or trigger an additional permit requirement.

Variance #85, which approves that improvements remain in place at five construction yards, is granted by CPUC for the proposed activities based on the factors described below.

SCE Variance Request. SCE has requested a variance under NTPs #1 and #4 to leave improvements in place at five construction yards at the request of the property owners. Excerpts from SCE's revised Variance Request, received on May 14, 2013, are presented below (indented).

Subsequent to approval of the Construction and Helicopter Yard NTPR (NTP #1 dated June 23, 2011) and Indio Yard NTPR (NTP #4 dated 9/20/11) by the CPUC, the property owners for several construction yards have requested that the improvements stay in place, post construction.

- 1. Beaumont 1 Construction Yard. The landowner requests that the fence and rock/stabilization be left in place. This yard is within an industrial area. Future use will be determined by proposed development and subject to the approval of local authorities. Prior to construction the eastern portion of the yard had asphalt and the western portion was undeveloped and unimproved with spare vegetation. Development of the yard modified the condition of the undeveloped site, making it more consistent with the surrounding development and provided the owner property security and deterred dumping and vandalism.
- 2. Perris Construction Yard. The landowner requests that the fence and rock/stabilization be left in place. These improvements will provide the property security and deter dumping and vandalism. This yard is within an industrial area with development on the north and east, while the west and south are undeveloped. Future use will be determined by proposed development and subject to the approval of local authorities. Prior to construction, the eastern portion of the yard was paved with a block wall, and the western portion appeared to be tilled. Construction of the yard included installation of a fence and gravel on the western portion of the yard, since existing improvements were already present on the eastern portion.
- 3. Indio 1 Yard. The landowner negotiated that the fence and rock/stabilization be left in place. This yard is within an industrial/ business park area; a self-storage facility lies adjacent to the west and a vacant property with industrial buildings beyond lie to the east. Future use will be dictated by proposed development and local authorities. The improvements left in place will provide the property security and deter dumping and vandalism that was present prior to development of the yard. Prior to the current development of the site, the property was vacant with rudural vegetation. The current development of the yard is consistent with the surrounding businesses and buildings.
- 4. **Desert Center 1 Yard**. The landowner negotiated that the rock/stabilization and screening be left in place. This yard is within an area that is visually characterized by mixed uses such as residential and commercial/industrial buildings and immediately adjacent to an industrial storage yard. Future use will be determined by proposed development and subject to approval of local authorities. Prior to construction the perimeter fence was already in place and the yard surface was compacted sand.
- 5. Desert Center 2 Yard. The landowner negotiated that the fence and rock/stabilization be left in place. This yard is within an area that is visually characterized by mixed uses such as residential and commercial/industrial buildings and abandoned buildings located on the property adjacent to the west. Future use will be determined by proposed development and subject to approval of local authorities. These improvements will provide the property security and deter dumping and vandalism.

CPUC Evaluation of Variance Request

In accordance with the MMCRP, the subject variance request was reviewed by CPUC to confirm that the proposed request was within the geographical context of the Final EIR/S and that no new impacts or increase in impact severity would result from the requested variance activities. The following discussion summarizes this analysis for Air Quality, Noise, Biological Resources, Visual Resources, and

DPV2 Project Page 3

Transportation and Traffic, and other issue areas. A list of mitigation compliance conditions is presented below to define additional information and clarifications regarding mitigation requirements.

Air Quality. The landowners have requested/negotiated that the fence and rock/stabilization be left in place, namely to provide security and deter dumping and vandalism. Following completion of DPV2 construction, SCE's temporary use of the five properties as construction yards would end, as was stated in the Final EIR/EIS (2006) and the CPUC Mitigation Consistency Determination memo (May 2011). There is no indication that additional construction activity or resulting emissions would take place at the sites. If the property owner wishes to develop the site in the future, additional permits and approvals from other agencies, such as Riverside County, would be required. Leaving the existing improvements in place is not expected to contribute to additional air quality impacts at the five sites in the future.

Biological Resources. The five yards were sited and approved in accordance with biological resource mitigation measures for temporary impacts described in the DPV2 EIS/EIR and additional conservation measures in the Biological Opinion. These measures mitigated construction and operation impacts of the five yards below a level of significance. None of the five sites presently support special-status biological resources, due to the existing land use.

All temporary and permanent project impacts to habitat, including impacts from construction yards, were mitigated through off-site compensation of comparable habitat, described in the DPV2 Habitat Acquisition Plan (HAP), which was approved by CPUC, BLM, California Department of Fish and Wildlife (CDFW) and United States Fish and Wildlife Service (USFWS) on March 30, 2012. Allowing improvement to remain in place at the five yards would not affect the overall compensation acreage as required for project impacts to biological resources.

Sites that are temporarily impacted by the project will be rehabilitated according to the Habitat Restoration and Compensation Plan (HRCP). Allowing improvements to remain in place at the yards would rule out on-site rehabilitation of project disturbance at the five sites. Because of the approved habitat compensation provided in the HAP, the rehabilitation of the sites under the HRCP is not necessary to reduce impacts to biological resources to less than significant. Absent site rehabilitation, there would be no additional impacts to habitat or new or substantially more significant impacts to biological resources beyond those described in the Final EIS/EIR (2006).

Noise. The surrounding land uses are generally industrial with some mixed uses surrounding the Desert Center 1 and Desert Center 2 Yards, which are also located adjacent to Interstate 10 (I-10).

For all five yards, the landowner has requested/negotiated that the fence and rock/stabilization be left in place, namely to provide security and deter dumping and vandalism. Following completion of DPV2 construction, SCE's temporary use of the properties as construction yards would end, as was stated in the Final EIR/EIS (2006) and the CPUC Mitigation Consistency Determination memo (May 2011). If the property owner wishes to develop the site in the future, additional permits and approvals from other agencies, such as Riverside County, would be required. Leaving the existing improvements in place is not expected to contribute to additional noise at the sites in the future.

Visual Resources. All of the yards, except the Desert Center 1 and Desert Center 2 Yards, are located in industrial areas. The Desert Center 1 and Desert Center 2 Yard are located adjacent to I-10 and would be seen, but the Desert Center area has other buildings adjacent to the freeway as well. The Desert Center 1 Yard is also immediately adjacent to an industrial storage yard.

For all five yards, the landowner has requested/negotiated that the fence and rock/stabilization be left in place, namely to provide security and deter dumping and vandalism. Following completion of DPV2 construction, SCE's temporary use of the properties as construction yards would end, as was stated in DPV2 Project Page 4

the Final EIR/EIS (2006) and the CPUC Mitigation Consistency Determination memo (May 2011). There is no indication that additional construction activity would take place at the sites. However, if the property owner wishes to develop the site in the future, additional permits and approvals from other agencies, such as Riverside County, would be required. Overall, the yards would be consistent with adjacent land uses and may improve site conditions with fencing and improvements in place.

Given the industrial nature of the surrounding land uses, the incremental visual change from temporary to permanent yards would not result in a new or substantially more severe significant impact to visual resources.

Transportation and Traffic. The landowners have requested/negotiated that the fence and rock/stabilization be left in place, namely to provide security and deter dumping and vandalism. Following completion of DPV2 construction, SCE's temporary use of the properties as construction yards would end, as was stated in the Final EIR/EIS (2006) and the CPUC Mitigation Consistency Determination memo (May 2011). There is no indication that additional construction activity would take place at the sites, so no additional traffic impacts are expected. If the property owner wishes to develop the site in the future, additional permits and approvals from other agencies, such as Riverside County, would be required.

Other Issues. There are no other issues of concern associated with leaving the yards as permanent features.

Mitigation Compliance Conditions of Variance Approval.

Once project construction is completed and SCE vacates the five yards, no mitigation compliance conditions are required by the CPUC under this variance.

Please contact me if you have any questions or concerns.

Sincerely,

Billie Blanchard

Billie Blanchard CPUC Environmental Project Manager DPV2 Transmission Project

cc: Kelly Pell, Southern California Edison Sylvia Granados, Southern California Edison Patty Nevins, Southern California Edison Vida Strong, Aspen Environmental Group Hedy Koczwara, Aspen Environmental Group Jamison Miner, Aspen Environmental Group Rosina Goodman, Aspen Environmental Group Ryann Loomis, Aspen Environmental Group