

## Comment Set D NRG Potrero LLC



**NRG Potrero, LLC**  
Potrero Generating Station  
1201-A Illinois Street  
San Francisco, CA 94107

September 16, 2013

Billie Blanchard, CPUC Project Manager  
c/o Aspen Environmental Group  
235 Montgomery Street, Suite 935  
San Francisco, CA 94104-3002

**Re: Draft Mitigated Negative Declaration and Supporting Initial Study for Pacific Gas and Electric Company's Embarcadero-Potrero 230 kV Transmission Project  
(Application [A.12-12-004](#))**

Dear Ms. Blanchard:

NRG Potrero LLC ("NRG") is the owner of the former Potrero Power Plant site ("Potrero Site"), which includes the location of the Potrero 230 kV switchyard facilities ("Proposed Potrero Switchyard") described in the above-referenced project. PG&E has proposed to acquire approximately one acre of NRG's property in order to site the Proposed Potrero Switchyard. NRG and PG&E are discussing terms for this acquisition, but no agreement has been reached. NRG has a number of concerns regarding the potential environmental impacts associated with the project as it is currently described in the Proponent's Environmental Assessment (PEA) and Draft Mitigated Negative Declaration and Supporting Initial Study (MND/IS). We have discussed those concerns with PG&E and based on a preliminary review of a revised Proposed Potrero Switchyard design received from PG&E, we believe the project can be revised in a way that addresses the environmental concerns of primary concern to NRG discussed herein.

D-1

At the outset, it should be noted that the Potrero Site is owned by NRG Potrero LLC, not GenOn Energy, Inc., so references to the Potrero Site owner should be updated accordingly.

NRG's concerns with the current project description in the PEA and MND/IS principally relate to potential environmental impacts regarding the "Station A Buildings," a group of unreinforced masonry buildings located on NRG property, consisting of the Station A, Meter, Compressor and Gatehouse buildings. Although the MND/IS assumes that the Station A Buildings are all historical resources, we note that an historical resource eligibility study was not prepared for the Potrero Site relative to this project, the prior studies are outdated, and whether the Station A Buildings or the stack all retain their integrity and qualify as cultural resources has not been fully examined in any new studies; however, we understand that for purposes of the environmental analysis, the MND/IS conservatively assumes those structures to be historical resources, and therefore, we do not object at this time. That issue aside, the MND/IS fails to adequately address several potentially significant environmental impacts associated with the current project description's siting of the Proposed Potrero Switchyard relative to the Station A Buildings.

D-2

Most critically, the MND/IS does not sufficiently address the City's Unreinforced Masonry Building ordinance in San Francisco Building Code Chapters 16B-C ("UMB Ordinance"), which applies to the Station A Buildings, or the Settlement Agreement between NRG and the City and County of San Francisco regarding the Station A Buildings' compliance with the UMB Ordinance ("NRG-City Settlement Agreement"). The UMB Ordinance requires the Station A Buildings to be either demolished, retrofitted, or rehabilitated to meet applicable seismic safety requirements. The Settlement Agreement

D-3

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tolls compliance with the UMB Ordinance pending the preparation of a Site Plan for the redevelopment of the entire former Potrero Site, including treatment of the Station A Buildings.

D-3 cont.

Any reuse of the Potrero Site, including the Proposed Potrero Switchyard, must take into consideration the status of the Station A Buildings as unreinforced masonry buildings and the applicability of the UMB Ordinance and the Settlement Agreement, especially any reuse or redevelopment in their immediate vicinity. In this regard, we note the following specific concerns relative to the Proposed Potrero Switchyard siting described in the MND/IS and associated analysis:

(1) As described and depicted in the MND/IS, the Proposed Potrero Switchyard would be located just ten (10) feet from the 65-foot high Station A building itself. The extreme close proximity to the Station A building is not warranted and creates unnecessary environmental concerns since a 10-foot set back would have safety and structural implications and compromises NRG's ability to comply with the UMB Ordinance given limitations on access for any necessary demolition, retrofit or rehabilitation work that may be required. For the same reasons, this design would conflict with the NRG-City Settlement Agreement.

D-4

(2) Additionally, the Proposed Potrero Switchyard would be located just ten (10) feet from the Compressor building and raises the same concerns relevant to the Station A building.

(3) Although the mitigation measure CUL-6 provides for monitoring the Station A Buildings for integrity during construction work, because the Proposed Potrero Switchyard building includes construction of a full basement, additional setback from the Station A Buildings would be prudent to mitigate construction vibration.

D-5

(4) It is not clear whether the project proposes to remove the brick wall adjacent to Station A (text says the wall may be removed, but the visual simulations do not show it removed), or what impact that removal would have. Further, it is not clear whether there would be any ingress/egress via the existing 23<sup>rd</sup> Street gate (in the same brick wall). For example, the MND/IS p. 4-39 indicates that there would continue to be access via a widened gate at that location, but Figure 4-15 and visual simulations indicate there would be no ingress/egress on this portion of NRG property. As stated above, the design must provide adequate access to the Station A Buildings to allow for compliance with the UMB Ordinance and the NRG-City Settlement Agreement.

D-6

We are pleased to have the opportunity to present these concerns to the CPUC and recommend the revisions that move and reconfigure the Proposed Potrero Switchyard parcel to further set it back from the Station A Buildings (40 feet from Station A building and 30 feet from the Compressor building) and to align it with the existing PG&E switchyard property line, which we understand will be proposed by PG&E to address these concerns. We further understand that PG&E is considering additional aesthetic treatments to improve the visual appearance of the facility and improve consistency with planned development in the neighborhood, and NRG Potrero LLC agrees aesthetic improvement are needed to address such concerns as well.

D-7

Sincerely,



Peter Landreth  
Senior Director, Business Development & Senior Counsel

## Responses to Comment Set D, NRG Potrero LLC

D-1 The comment from NRG Potrero LLC (NRG) identifies NRG as the current owner of the former Potrero Power Plant site that would include the proposed Potrero 230 kV Switchyard facilities, and which includes the red-brick Station A buildings and wall along 23rd Street. This Final IS/MND includes edits to reflect the updated ownership. See Responses to Comments F-10 and F-13 regarding text changes made to the Final IS/MND to reflect the current land acquisition negotiations between PG&E and NRG.

The comment also notes that NRG received revisions in the Potrero Switchyard site design from PG&E after publication of the Draft MND and that NRG made a preliminary review of the revised Potrero Switchyard design. This Final IS/MND incorporates PG&E's revised design to address NRG's concerns, as noted in PG&E's comment letter and Responses to Comment Set F. Specifically, Response to Comment F-15 indicates revisions to Section 4 (Project Description), Section 5 (Initial Study) and Section 6 (Mitigation Monitoring Plan), which reflect refinements that have been made by PG&E to the Potrero 230 kV Switchyard. The remainder of the comment letter identifies environmental issues of NRG's concern related to PG&E's potential acquisition and construction of the site for the Potrero 230 kV Switchyard.

D-2 The comment notes the four buildings contained in Station A (Station A, Meter, Compressor, and Gatehouse buildings) are assumed to be historical resources in the Draft IS/MND, although an historical resource eligibility study was not specifically prepared for the Proposed Project, and NRG queries whether the buildings all retain their integrity. Absent a project-specific eligibility study, by treating the Station A buildings as potential historical resources, the Draft IS/MND conservatively overstates the potential for project effects on the buildings. The description of the Station A buildings, as it appears throughout the Cultural Resources Section 5.5.1, Setting, has been revised in the Final IS/MND to clarify the current ownership and the location of the proposed Potrero 230 kV Switchyard as adjacent to the Station A buildings. The history of ownership has been clarified in Section 5.1.1 under Historical Archaeology Resources, as follows:

Six of these resources (P-38-104,-120, -4325, -4326, -4884, and the Wirth Site [defined below]) are located within 1/4 mile of the northern overland portion of the project; two (the former Potrero Power Plant site currently owned by NRG Potrero LLC, previously owned by PG&E, then subsequently by Southern Company, Mirant Corp. and GenOn Energy, Inc., site and the former power plant Station A Foundations) are within 1/4 mile of the southern overland portion of the project.

D-3 The comment introduces several potential project effects relative to the Station A buildings, based on the Potrero 230 kV Switchyard shown in the Draft IS/MND. However, as noted in Response to Comment D-1, this Final IS/MND incorporates PG&E's revised design that has arisen from PG&E negotiations with NRG. The revised design would modify the layout and footprint of the proposed switchyard, would add an architectural façade to the 23rd Street frontage, and would include landscaping along the southern side of the gas-insulated switchgear (GIS) building instead of building a perimeter wall. In addition to improving the visual appearance of the facility, the revised design would eliminate or significantly reduce any needed modifications to the brick wall attached to the existing Station A building (see Comment F-4).

The comment identifies San Francisco Building Code Chapters 16B-C (“UMB Ordinance”) and a settlement agreement made between NRG and the City and County of San Francisco regarding compliance of the Station A buildings with the UMB Ordinance. The UMB Ordinance has been added to the Local Regulatory Background discussion in Section 5.1.5 (Cultural Resources, Setting) of the Final IS/MND, as follows:

**San Francisco Building Code Chapters 16B-C (“Unreinforced Masonry Building [UMB] Ordinance”)**. The provisions of the UMB Ordinance are intended as minimum standards for structural seismic resistance for earthquake ground shaking and are established primarily to reduce the risk of life loss or injury. All UMB structures must be structurally altered to conform to the standards in the UMB Ordinance or be demolished. Qualified historical buildings must be strengthened to comply with UMB Ordinance, Chapter 16C, or the alternative provisions contained in California Code of Regulations, Title 24, Part 8, the State Historical Building Code.

Additionally, the following text regarding the UMB Ordinance associated with the Station A buildings has been added to Section 4.10.3 (Potrero 230 kV Switchyard):

Any potential modification or removal of Station A buildings would be in compliance with the San Francisco Building Code Chapters 16B-C (“Unreinforced Masonry Building [UMB] Ordinance”) to meet applicable seismic safety requirements. NRG Potrero LLC and the City and County of San Francisco have a Settlement Agreement for the Station A buildings<sup>3</sup> that tolls compliance with the UMB Ordinance pending preparation of a Site Plan for the redevelopment of the entire former Potrero Power Plant site, including treatment of the Station A buildings.

<sup>3</sup> The “Station A buildings” consist of a small group of unreinforced masonry buildings on the NRG property consisting of the Station A, Meter, Compressor and Gatehouse buildings.

- D-4 See Responses to Comments D-1 and D-3.
- D-5 See Responses to Comments D-1 and D-3.
- D-6 See Response to Comment F-15 regarding revisions to Section 4 (Project Description), Section 5 (Initial Study) and Section 6 (Mitigation Monitoring Plan) that reflect refinements that have been made by PG&E to the Potrero 230 kV Switchyard and elaborate on the ingress/egress at the site. In addition, Figure 5.1-3b (Visual Simulation from 23rd Street East of Illinois Street) and Figure 5.1-4b (Visual Simulation from 23rd Street at Illinois Street) have been revised in the Final IS/MND to reflect the refinements to the switchyard. Although these simulations depict the existing brick wall that fronts Station A, potential removal or modifications could still occur, as is stated in Section 4.10.3 (Potrero 230 kV Switchyard). However, as stated in Comment F-4, the revised design would eliminate or significantly reduce any needed modifications to the brick wall attached to the existing Station A building.
- D-7 See Responses to Comments F-6, F-10 and F-15 for a description of refinements that have been made by PG&E to the Potrero 230 kV Switchyard and that reflect the current land acquisition negotiations between PG&E and NRG. The commenter’s support for the reconfigured switchyard and aesthetic treatments to improve the visual appearance of the facility is noted.