



**B0023**

NATURAL RESOURCES DEFENSE COUNCIL

April 9, 2008

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

Re: Draft Environmental Impact Report/Environmental Impact Statement and Proposed Land Use Amendment on the Sunrise Powerlink Project

Dear Ms. Blanchard and Ms. Kastoll:

This letter constitutes the comments of the Natural Resources Defense Council (NRDC) on the above caption document, which analyzes the environmental impacts of the Sunrise Powerlink as proposed by San Diego Gas & Electric Company (SDG&E), and seven major alternatives (along with numerous “sub-alternatives”). NRDC is a national environmental advocacy organization has approximately 1.2 million members and supporters, some 250,000 of whom live in California. NRDC has six major offices, including two in California. We have a long history of efforts to protect and preserve the state’s natural resources, including Anza-Borrego Desert State Park, and in minimizing the societal costs of the reliable energy services that a healthy California economy needs. For example, NRDC participated in the development of the current General Plan for Anza-Borrego and, during that process, urged full protection for its outstanding wilderness values. In addition, we advocate for implementation of the state’s energy policy which places acquisition of all cost-effective energy efficiency and significantly increased renewables as its top two priorities. NRDC is committed to ensuring that renewable energy projects as well as any necessary transmission lines are appropriately sited, with the least possible environmental damage. To that end, we are participating actively in the state’s Renewable Energy Transmission Initiative, along with the California Public Utility Commission (CPUC), the Bureau of Land Management, the California Energy Commission, the California Independent System Operator, the utilities, renewable energy generators and others to achieve that goal and thereby to help address the threat of global warming that looms over our nation and the planet.

NRDC has been concerned about the proposed Sunrise Powerlink project since its route was first made public because of its potential threat to the integrity and outstanding natural resources of Anza-Borrego Desert State Park, the state’s largest park. We entered into this environmental review process at the initial, scoping stage in the belief that there would be other reasonable and feasible alternatives to a 500 kV line through this state treasure, and are extremely pleased that the draft environmental impact report/environmental impact statement (DEIR/DEIS) has concluded that there are. We are grateful to the CPUC and its staff for their responsiveness to the very legitimate concerns about the proposed route raised by NRDC and other members of the public and for their evident commitment to the important objectives of the California Environmental Quality Act and the National Environmental Policy Act. In contrast to many other environmental reviews in which we have participated, this one stands out so far for the open-mindedness of the participating staff and decision-makers.

For the reasons stated below, NRDC urges you to reject SDG&E’s preferred route for the Sunrise

project. The DEIR/DEIS reveals clearly that construction of this transmission line as proposed would have devastating impacts on Anza-Borrego and its resources. Equally important, it reveals that there are other ways to meet San Diego's reliability and renewable energy needs. For example, if the CPUC determines that a major new transmission line is needed, it should select the much more environmentally responsible option, the "environmentally superior southern route (SWPL) alternative," rather than SDG&E's original proposal. And, if the CPUC determines that no major new line is needed in this area, there are other environmentally preferable alternatives that have been identified in the EIR/EIS that should be considered more fully.

#### Proposed Project/Preferred Route

As documented in the DEIR/DEIS, the proposed project "has 50 significant, unmitigable impacts" including "numerous direct impacts within Anza-Borrego Desert State Park." DEIR/DEIS, Executive Summary at ES-4. See also, *id.* at D.3-204, D.3-229 to D.3-234, D.5-30 to D.5-45. Anza-Borrego is not only the state's largest park, it is home to the largest acreage of protected, officially-designated Wilderness in the state. Construction of the proposed Sunrise route would require that state-designated Wilderness land would have to be de-designated. See, Executive Summary at ES-4. This action would set a damaging precedent as this has never occurred before in California and would be totally inconsistent with the purpose of the California Wilderness Act (Public Resources Code §§ 5093.30-5093.40) – i.e., "to secure for present and future generations the benefit of *an enduring resource of wilderness.*" (emphasis added). If constructed on the proposed route, transmission towers and lines would be visible to visitors on trails, in wilderness areas and in campgrounds, as well as in cars, and the park's unparalleled vistas would be destroyed. There is broad support for renewables in California because of their environmental and economic benefits. That support would likely be seriously challenged if the costs of renewables were seen to include irreparable and apparently unnecessary damage to the outstanding resources of Anza-Borrego.

#### Feasible Alternatives

Fortunately, as revealed by the DEIR/DEIS, there *are* other feasible alternatives that would meet most project objectives and at far lower environmental costs. NRDC understands that the issue of need for this particular line, particularly to bring renewables to San Diego, is still unresolved, and urges the CPUC to seriously consider these alternatives and the environmental impacts of the proposed route when making its final decision. In addition, several issues with regard to the question of need have arisen since the proceeding began that must be considered. One issue is the uncertainty that the renewables proposed to be moved on the preferred route will be built. SDG&E's contract for solar energy in Imperial Valley with Sterling Energy is expected to produce a maximum of 900 MW. See, e.g., DEIR/DEIS at B-101. See also SDG&E August 4, 2006, application to CPUC at I-19. However, according to documents filed with the CPUC, as of November 2007, the company had not filed for a CEC permit, let alone begun construction. What is more, there are serious questions about the viability of the Sterling technology. See, e.g., California Energy Markets, February 15, 2008, at 12 (quoting a former designer of Stirling systems as saying "a 'mean time between failure [of operations] of between 2,000 and 10,000 hours must be proven before dish/Stirling can be incorporated in utility-scale installations'" but "current mean time is only a few hundred hours").

Valuable renewable resources do exist in Imperial Valley, even if SDG&E has not yet contracted for them, but the preferred route may not be the best or the most efficient way to get those resources to San Diego. For example, on February 19, 2008, the Imperial Irrigation District's board of directors voted unanimously to fund the southern leg of the so-called Green Path

transmission project, which means that San Diego will have access to geothermal and solar power generated in the Imperial Valley along a route that is owned in part by SDG&E. See, e.g., E&E News PM, "First leg of San Diego power line gets funding," February 20, 2008.

If a major new line is deemed necessary by the CPUC as indicated above, the DEIR/DEIS reveals that the alternative ranked fourth in terms of environmental superiority – the "environmentally superior southern route (SWPL) alternative" – would be far preferable to the proposed Sunrise route and would meet all of the project objectives. In comparison to Sunrise, this alternative is shorter, would avoid Anza-Borrego, and has a lower fire risk. It would take advantage of existing transmission and road infrastructure and, while it would cross National Forest lands, the lands in question are not roadless and their use for a transmission line is consistent with the applicable land use plan. In short, if a major new transmission line is deemed necessary at this time, the environmental costs of this option appear more acceptable than Sunrise.

The DEIR/DEIS reveals that San Diego's reliability need could be met through the "new in-area all-source generation alternative." From NRDC's standpoint, this alternative is less than ideal because it does not provide for significant new renewables, although it is the most environmentally superior option, would have fewer significant and unmitigable impacts, would need fewer miles of new transmission line, and would not involve any state park or National Forest lands. If this alternative were combined with an alternative that would bring in significant new renewables, like perhaps the IID line mentioned above, it could meet both project objectives. The second highest alternative in terms of environmental superiority is the "new in-area renewable generation alternative." If the goal is to maximize production of renewables, this option – which involves 100% renewable power all generated within the basin and which avoids construction of a major transmission line – deserves further analysis by the CPUC of its viability and financial feasibility. The possibility of combining at least part(s) of this alternative with the "new in-area all-source generation alternative" should also be considered in order to provide for new renewables.

#### Relationship to National Interest Electric Transmission Corridor

NRDC is concerned about the possible relationship between the proposed Sunrise Powerlink project and the Southwest National Interest Electric Transmission Corridor (NIETC) within which it is located. The Southwest NIETC was designated by the U.S. Department of Energy last fall pursuant to the Energy Policy Act of 2005 (EPAAct). EPAAct authorizes the proponent of a transmission line that has not been approved by the relevant state agency within a year to appeal to the Federal Energy Regulatory Commission for an over-ride of the state process and approval of the line. Although SDG&E has already publicly stated its willingness to at least consider using this extraordinary procedure in connection with its Sunrise project, we hope the CPUC will not be swayed by this statement. While this project has unquestionably been delayed, the delay has largely, if not entirely, been the result of SDG&E's actions, not the agencies. See, e.g., Assigned Commissioner's Ruling Addressing Newly Disclosed Environmental Information, In the Matter of the Application of San Diego Gas & Electric Company (U 902 E) for a Certificate of Public Convenience and Necessity for the Sunrise Powerlink Transmission Project, July 24, 2007. Given SDG&E's choice of an extraordinarily controversial route for this proposed major new transmission line and its resistance to exploring alternatives to that route, there was no possibility that this environmental review process could be "fast-tracked." Environmental reviews necessarily take time to carry out, but, in this case, significant additional time was required to identify and evaluate less environmentally damaging options.

Lifecycle Costs

Finally, we wish to call to your attention a major error in the DEIR/DEIS's compilation of the lifecycle costs of the proposed line. The document contains the surprising statement that "the Proposed Project would cause an overall net increase in GHG emissions and a significant climate change impact." DEIR/DEIS at ES-25. This conclusion is contrary to the understanding of all renewables experts with whom we have spoken. The explanation provided for it is that "total construction GHG emissions exceed the GHG reductions achieved due to avoided power plant emissions over 40 years of transmission line operation." Id. It appears that the document's authors assumed that the engines of "most" off-road construction equipment would be running 100% of the time throughout the construction period, see Response to Question 1 in "Response to SDG&E Technical Questions of February 13, 2008." While NRDC has not had the chance to do an in-depth analysis of the lifecycle cost compilation, this particular assumption is very likely inaccurate and the total analysis should be re-examined prior to the release of the final EIR/EIS.

In conclusion, we again commend the CPUC and the BLM for taking so seriously the responsibilities imposed by applicable state and federal law. We urge you to reject the proposed Sunrise Powerlink route and to select, instead, one of the feasible and more environmentally superior alternatives that have been identified in the environmental review process. So doing will earn you the gratitude of present and future generations who will be able to enjoy Anza-Borrego and sensitive areas of the Cleveland National Forest as we do today, and still meet the reliability and renewable energy goals put forward in the proposal.

Thank you in advance for considering our comments.

Sincerely,



Johanna H. Wald  
Senior Attorney



Sheryl Carter  
Co-Director, Energy Program