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Ms. Billie Blanchard
Energy Division
California Public Utilities Commission
505 Van Ness Ave.
San Francisco, CA 94102

Ms. Lynda Kastoll
El Centro Field Office
Bureau of Land Management
1661 S. 4th Street
El Centro, CA 92243

Dear Ms. Blanchard and Ms. Kastoll:

Sempra Generation has reviewed the Draft Environmental Impact Report / Environmental Impact Statement (DEIR/DEIS) for the proposed Sunrise Powerlink Transmission Project (Sunrise Project).

As you know, Sempra Generation currently plans to develop up to 1250 MW of wind energy in several phases in the vicinity of La Rumorosa, Baja California, Mexico (La Rumorosa Wind Energy Project), which would interconnect with the Imperial Valley-Miguel segment of the Southwest Powerlink (SWPL) 500-kV transmission line owned and operated by San Diego Gas & Electric (SDG&E). Sempra Generation has submitted an application for the La Rumorosa Wind Energy Project with the United States Department of Energy (USDOE) for a Presidential Permit to allow construction of a 230-kV or 500-kV transmission line from the international border to interconnect with SWPL. In addition, to Sempra Generation, at least two other renewable energy developers have requested interconnection to SWPL in this area. To accommodate such interconnection requests, SDG&E has indicated it will propose to construct a loop-in substation in the area. This substation is identified as the "Jacumba Substation" in the DEIR/DEIS. The DEIR/DEIS purports to analyze the potential environmental impacts of this Substation.

The Jacumba Substation is not a "Connected Action" in relation to the Sunrise Project.

Under NEPA, the range of actions that must be considered in an Environmental Impact Statement include "connected actions." Actions are connected if they:

- (i) *Automatically trigger other actions which may require environmental impact statements.*

Sempra Generation is not the same company as the utility, SDG&E or SoCalGas, and the California Public Utilities Commission does not regulate Sempra Generation's products and services.

(ii) *Cannot or will not proceed unless other actions are taken previously or simultaneously.*

(iii) *Are interdependent parts of a larger action and depend on the larger action for their justification.*

(40 C.F.R. 1508.25(a)(1).)

The DEIR/DEIS states that the Jacumba Substation is a "connected action" under NEPA "because testimony of SDG&E has indicated that the construction of the Sunrise Powerlink would allow development of additional wind generation in San Diego County and in Mexico, and that this generation would be transmitted via the existing SWPL, which passes through the Jacumba area" (DEIR/DEIS at B-101.)

That the construction of Sunrise could create transmission capacity on SWPL does not render the Jacumba Substation a "connected action" as defined by the NEPA regulations. Construction of the Sunrise Project will not "automatically trigger" the construction of the Jacumba Substation. The need for the Jacumba Substation is triggered by projects looking to interconnect into SWPL in this area and will exist or not independent of the Sunrise Project.

In addition, construction of the Jacumba Substation is not predicated on the construction of Sunrise. The California Independent System Operator (CAISO) has indicated to Sempra Generation in conjunction with the La Rumorosa Wind project interconnection request and related studies, that either Sunrise *or some other transmission solution* is necessary to deliver energy to California from La Rumorosa and the other projects in the area¹. If "some other transmission solution" is implemented instead of or before Sunrise is constructed, the Jacumba Substation would proceed without Sunrise. Finally, the Jacumba Substation and Sunrise are not interdependent parts of a larger action. Construction of Sunrise does not depend on construction of the Jacumba Substation, nor does construction of the Jacumba Substation depend on construction of Sunrise.

SDG&E's testimony confirms that the Jacumba Substation is not related to the Sunrise Project. In a motion to the CPUC filed by SDG&E on August 16, 2007, SDG&E clearly stated that the Jacumba Substation is in the early stages of development and is independent of the Sunrise Project. Specifically, SDG&E stated:

In sum, the information before the Commission shows that the wind generation potential and developer interest in Eastern San Diego and just across the border in Mexico has caused SDG&E to evaluate a possible substation interconnecting to SWPL in that area. SDG&E's studies of this potential substation have been conceptual in nature and no plan of service has yet been prepared to accommodate the interconnection of new wind generation. Such studies have not yet been performed for the purpose of developing cost estimates. No substation site has been selected. SDG&E's Transmission Planning Group has examined other alternative means of accessing this new wind generation. No firm commitment to building a new substation by SDG&E has been made. Further, the renewables substation is not a "connected action" to Sunrise because the initial phase is independent of whether Sunrise is ultimately constructed.

(San Diego Gas & Electric Company's (U 902-E) Motion to Clarify Assigned Commissioner's Ruling and for a Schedule Adjustment, Application No. 06-08-010, filed August 16, 2007, page 13.)

¹ See also Robert Sparks, Regional Transmission Engineer for the California Independent System Operator (CAISO) testimony filed March 12, 2008, page 22 and 23.

Data Request responses submitted by SDG&E to the CPUC in support of the motion also confirm that the Jacumba Substation is independent of the Sunrise Project:

Subject to interconnection cost studies being completed, SDG&E's present expectation is that it is likely SDG&E will propose this project for construction, irrespective of Sunrise, as required by FERC to provide electric interconnection to generators who have applied for interconnection via the CAISO Large Generator Interconnection Procedures (LGIP)...

...SDG&E's present expectation is that this substation will be constructed absent the Sunrise Powerlink, and the need for this substation is not dependent upon the Sunrise Powerlink for its justification...

(San Diego Gas & Electric Company's (U 902-E) Motion to Clarify Assigned Commissioner's Ruling and for a Schedule Adjustment, Application No. 06-08-010, filed August 16, 2007, Exhibit Z, pages 2-3 (emphasis added).)

For these reasons, the DEIR/DEIS should not have analyzed the Jacumba Substation as a "connected action."

The La Rumorosa Wind Energy Project is Not an "Indirect Effect" of the Sunrise Project.

The DEIR/DEIS purports to assess the potential impacts of the La Rumorosa Wind Energy Project as "indirect effects" of the Sunrise Project. Under both NEPA and CEQA, an indirect effect of a project must be caused by the project and "reasonably foreseeable". (See 40 CFR 1508 8(b) and California Public Resources Code section 21065) Effects not caused by a project cannot be said to be indirect effects and agencies are not required to engage in speculation if indirect impacts are not or cannot be known.

The La Rumorosa Wind Energy project is not an indirect effect of the Sunrise Project. Construction of Sunrise will not cause construction of the La Rumorosa Project, nor is it required for La Rumorosa to move forward. Moreover, as discussed below, the DEIR/DEIS analysis of the impacts is based on incorrect information about the project and amounts to speculation.

For these reasons, the DEIR/DEIS should not have analyzed the La Rumorosa Wind Energy Project as an "indirect effect" of the Sunrise Project.

The DEIR/DEIS Analysis of the Jacumba Substation and La Rumorosa Wind Energy Project is Premature and Flawed.

Even assuming that the Jacumba Substation and La Rumorosa Project were a "connected action" and an "indirect effect," respectively, of the Sunrise Project, the analysis contained in the DEIR/DEIS is based on erroneous assumptions about the La Rumorosa project and, as a result, the analysis is flawed.

With respect to the Jacumba Substation, the DEIR/DEIS states that the substation will occupy approximately 20 acres in a location assumed to be "just east of the point where the Interstate 8 Alternative diverges from the SWPL." (DEIR/DEIS at page B-118) However, even the DEIR/DEIS notes that the Jacumba Substation location has not yet been identified, and Sempra Generation is not aware that the final size, design, or layout of the Substation has been selected. Without more definitive information about the fundamental details of a substation, the analysis contained in the DEIR/DEIS is purely speculative.

With respect to the La Rumorosa Wind Energy Project itself, the DEIR/DEIS contains numerous incorrect assumptions about the basic elements of the project, including the location, size of the project, and number of

turbines. For example, Figure B-48 in the DEIR/DEIS shows the project location, transmission line routing, and town of La Rumorosa all in incorrect locations. In addition, the DEIR/DEIS erroneously states that the La Rumorosa project will include 125 turbines and will likely commence commercial operations in 2010. None of these assumptions is correct. The DEIR/DEIS also contains several misstatements about the project details, including turbine foundation sizes, laydown areas and other design features. In addition, the DEIR/DEIS purports to analyze impacts of the La Rumorosa project within Mexico. It is important to note that Mexico is a sovereign nation with regulatory authority over the assessment of these impacts. As such, Mexican regulatory agencies will be reviewing the environmental impacts of the La Rumorosa project.

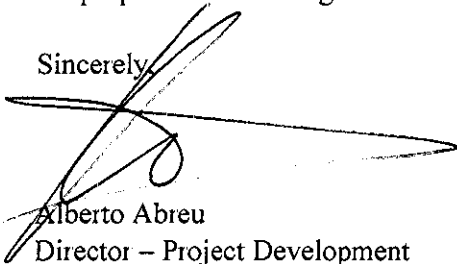
Environmental analysis of the Jacumba Substation and La Rumorosa Wind Energy Project should be based on complete and accurate information about those projects. By attempting to analyze those projects prematurely, the DEIR/DEIS creates an inaccurate record and confusion, which will unnecessarily complicate the environmental review process for those specific projects by the agencies with permitting jurisdiction over them. For these reasons, the DEIR/DEIS should not have attempted to analyze the potential environmental impacts of the Jacumba Substation or the La Rumorosa Wind Energy Project and that analysis should be removed in the Final EIR/EIS.

The Potential Environmental Impacts of the Jacumba Substation and the La Rumorosa Wind Energy Project Will Be Analyzed By the Appropriate Agencies with Jurisdiction Over those Projects.

Because the Jacumba Substation and the La Rumorosa Project are neither connected actions nor indirect impacts of the Sunrise Project, the environmental impacts of the La Rumorosa Project are beyond the scope of this DEIR/DEIS. Assessment of the potential impacts of these projects should be left to the agencies with jurisdiction over those projects and based upon accurate project descriptions and other information about the projects. Sempra Generation anticipates that if and when a project description of an SDG&E substation is developed, the CPUC will review the environmental impacts in compliance with CEQA as part of its review and approval of the project. Likewise, the USDOE is in the early stages of reviewing the La Rumorosa Wind Energy Project in compliance with NEPA, and Sempra Generation anticipates that one or more state or local agencies with permitting jurisdiction over the La Rumorosa Wind Energy Project will comply with CEQA.

Thank you for the opportunity to comment on the DEIR/DEIS. Please include me on the list of interested persons for purposes of receiving notices related to this project.

Sincerely,



Alberto Abreu
Director – Project Development

cc: Anthony Como, USDOE
Ellen Russell, USDOE