

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



September 2, 2011

Mr. Jim Kiefer  
Director Project Development  
Central Valley Gas Storage, LLC  
3333 Warrentville Road, Suite 130  
Lisle, Illinois 60532

**Subject: Central Valley Natural Gas Storage Project - (Application No. 09.08.008) – Variance Request #9**

Dear Mr. Kiefer:

On August 30, 2011, Central Valley Natural Gas Storage (CVGS) requested a variance from the California Public Utilities Commission (CPUC) to replace an existing 15 foot tall distribution pole owned by a private property owner with a 30-foot tall pole. The pole is being proposed for replacement in order to raise the power line that connects to a landowner's pump used for irrigation of fields. The distribution pole needs to be raised in order to allow safe clearance of construction equipment.

The CPUC voted on October 14, 2010, to approve the CVGS Project (Decision D10-10-001) and a Notice of Determination was submitted to the State Clearinghouse (SCH# 2010042067).

The CPUC also adopted a Mitigation, Monitoring, Compliance and Reporting Program (MMCRP) to ensure compliance with all mitigation measures imposed on the CVGS Project during implementation. The MMCRP also acknowledges that minor changes to the project are anticipated 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, and that no new impacts or increase in impact severity would result from the requested variance activities.

Variance #9 for the construction activities associated with the replacement of the wood pole is granted by CPUC based on the factors described below.

**CVGS Variance Request.** Excerpts from the CVGS Variance Request, received August 30, 2011 are presented below (indented):

During the construction of the pipeline, a floating bridge will be used to span the gap of the channel. The utility power line that runs to the West side of the drain that crossed the Right of Way will be in the way of passing pipeline construction equipment. The equipment will not be allowed to pass under the utility line at the present moment due to lack of appropriate clearance under the line. The power pole must be raised to allow safe clearance of equipment.

## **CPUC Evaluation of Variance Request.**

In accordance with the MMCRP, the subject variance request was reviewed by CPUC to confirm that no new impacts or increase in impact severity would result from the requested variance activities.

The following discussion summarizes this analysis for aesthetics, biological, cultural, paleontological, hydrological resources, traffic, sensitive land uses/noise and other issue areas. A list of bulleted conditions is presented to define additional information and clarifications regarding mitigation requirements.

**Aesthetic Resources** – The visual environment in the area is generally characterized as rural in nature and supports large-scale agriculture. The proposed pole replacement would be located near existing distribution poles that are approximately 15 feet in height. The proposed pole replacement that would increase the pole height from 15 feet to 30 feet would not substantially alter the visual character of the area because of the similar uses in the area and the proposed poles are similar in height to other wood poles in proximity to the proposed pole replacement. No new impacts or increase in impact severity for aesthetic resources are anticipated.

**Biological Resources** - The proposed wood pole replacement is located adjacent to a canal level that consists of aquatic habitat. According to biological reports and surveys completed for the proposed work spaces is located adjacent to an area that supports suitable habitat for a variety of species (giant garter snake, western pond turtle, nesting migratory birds and raptors, Swainson's hawk, burrowing owl, valley elderberry longhorn beetle, and special-status invertebrates). During the recent June surveys, suitable habitat for these species was confirmed; however, none of these special-status species were directly observed. To avoid potential impacts to these species, nesting birds and other wildlife species, CVGS and its contractors will implement the protective measures noted below in the conditions section and included in the MMCRP. No new impacts or increase in impact severity for biological resources are anticipated with the implementation of the conditions.

**Hydrological Resources** – Construction of the wood pole replacement will require excavation of an approximately 18-inch wide, 4 to 6 foot deep hole. There is potential for groundwater to be encountered during excavation. Best Management Practices (BMPs) will be installed in accordance with the Storm Water Pollution Prevention Plan (SWPPP). No impacts to hydrological resources are anticipated with the implementation of the conditions noted below.

**Cultural & Paleontological Resources** – No known resources are known to be present in the area proposed for wood pole construction. In the event of an unanticipated discovery of archaeological materials, all ground-disturbing work within the immediate area of the discovery will be suspended. Any new discoveries shall be managed in compliance with the measures identified in the MMCRP. No new impacts or increase in impact severity for cultural resources is anticipated.

As identified in the CEQA documentation prepared for the proposed project, underground project components could directly disturb or destroy previously unknown paleontological resources or unique geologic features during ground-disturbing activities occurring within the Riverbank and Modesto formations. With implementation of APM CR-4, which requires CVGS to provide paleontologic resources training to construction workers and stop work if resources are discovered; no new impacts or increase in impact severity for paleontological resources are anticipated.

**Traffic.** The work proposed under this request will require construction activities to be completed within the limits of a private property. The Traffic Control Plan approved for the CVGS project includes measures for construction traffic accessing the right-of-way from public roadways. The proposed wood pole replacement activities do not require any additional traffic control measures or revisions to existing measures established in the Traffic Control Plan. No new impacts or increase in impact severity for paleontological resources are anticipated.

**Sensitive Land Uses/Noise.** The area is rural in nature and supports large-scale agriculture. The construction of the wood pole replacement included as part of this variance request would be constructed in close proximity to the alignment proposed gas pipeline. No new impacts or increase in impact severity for sensitive land uses/noise is anticipated.

**Other Issue Areas.** No concerned noted under this variance.

#### **Conditions of Variance Approval.**

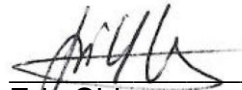
The conditions presented below shall be met by CVGS and its contractors:

1. All applicable project mitigation measures, APM's, and permit conditions shall be implemented. Some measures have on-going/time-sensitive requirements and shall be implemented prior to and during construction where applicable.
2. Copies of all relevant permits, compliance plans, and this Variance approval shall be available on site for the duration of construction activities.
3. Conduct biological monitoring in compliance with APM BIO-3. Biological monitoring is required to occur immediately preceding and during active construction as part of required biological monitoring activities. Drainage features should be fenced off via environmental exclusion fencing prior to construction in order to minimize the potential for impacts during construction.
4. In compliance with APM BIO-14, avoidance and minimization measures will be implemented during construction activities near vernal pool fairy shrimp and vernal pool tadpole shrimp as defined in APM BIO-14.
5. All project personnel, shall be provided an environmental briefing focused on resources in the area, erosion control requirements, and the limits of the work area. A log shall be maintained on-site with the names of all crew personnel trained. All participants will receive a hard-hat sticker for ease of compliance verification.

6. All complaints received by CVGS in regard to the wood pole construction shall be logged and reported immediately to the CPUC. This includes complaints relevant to noise, etc. Complaints shall also be forwarded immediately to Colusa County. If complaints cannot be resolved, activities at the site may need to be modified, depending on the nature of the complaint.
7. In the event that groundwater is encountered during construction, dewatering activities will be completed in accordance with the project's SWPPP requirements. Prior to dewatering activities being completed, CVGS shall provide a dewatering plan to CPUC that identifies how the groundwater would be removed from the excavation, where it would be discharged and the BMPs to be implemented.

Please contact me if you have any questions.

Sincerely,



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Eric Chiang  
CPUC Environmental Project Manager  
Central Valley Gas Storage Project

cc: *D. Hochart and S. Eckardt, Dudek*  
*S. Bushnell-Bergfalk, ICF*  
*J. Kiefer, Central Valley Gas Storage, LLC*  
*N. McIntire and H. Salvage, Flour Inc.*