

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



July 14, 2010

Kevin O'Beirne
San Diego Gas & Electric
8330 Century Park Court, CP32D
San Diego, California 92123

Subject: SDG&E South Bay Substation Relocation Project (Application No. 10-06-007)

Dear Mr. O'Beirne:

The California Public Utilities Commission (CPUC), with technical assistance from Dudek, has reviewed San Diego Gas & Electric's (SDG&E's) Permit to Construct (PTC) application, including the Proponent's Environmental Assessment (PEA), dated June 16, 2010, for the South Bay Substation Relocation project. The CPUC's Information and Criteria List and PEA Checklist were used as a basis for evaluating completeness and ensuring that sufficient information has been provided to the CPUC to complete environmental analysis for the subject project, as required by the California Environmental Quality Act (CEQA).

After reviewing the materials submitted, the CPUC Energy Division finds that the information contained in the environmental assessment is currently incomplete. Attachment A identifies the areas of the application that were found to be deficient.

Responses should be submitted to Jensen Uchida (CPUC Energy Division) and David Hochart (Dudek) in electronic as well as printed form. Please submit the information to said recipients no later than July 30, 2010.

If you have any questions regarding this letter or need additional information, please let me know.

Sincerely,

A handwritten signature in cursive script that reads "Jensen Uchida".

Jensen Uchida
CPUC Project Manager

Attachment A: PTC Application SDG&E South Bay Substation Relocation Project – Review for Completeness

**South Bay Substation Relocation Project
SDG&E Application (10-06-XX)**

**Proponents Environmental Assessment
Completeness Review**

July 16, 2010

ADMINISTRATIVE

- 1) Please provide a statement regarding any areas of controversy or whether any opposition to the proposed South Bay Substation Relocation Project (Proposed Project) has been expressed.
- 2) Please provide all agency and public involvement contacts and correspondence to date, including names, addresses, phone numbers, and e-mail addresses. In addition to property owners within and adjacent to the project, please list all other contacts.

CALIFORNIA ENVIRONMENTAL QUALITY ACT CONSIDERATIONS – “WHOLE OF THE ACTION”

- 1) As drafted, the Proponent’s Environmental Assessment (PEA) is insufficient for the California Public Utilities Commission (CPUC) to determine why the analysis has been exclusively limited to the Proposed Project. Insufficient information exists within the PEA to accurately distinguish the factors related to decommissioning of the South Bay Power Plant (SBPP) and the Reliability Must Run (RMR) Termination from the Proposed Project. Please provide information to distinguish the Proposed Project from other potential projects (SBPP decommissioning, Otay Mesa Energy Center, Sunrise Powerlink Project, and a peaker generation facility) to sufficiently support within the record why the PEA should not consider these actions as part of the “whole of the action” in the environmental review.

Please provide the following information in order to make a determination as to whether other projects mentioned in the PEA are sufficiently separate and distinct projects:

- Is the Proposed Project a reasonably foreseeable consequence of the decommissioning of the SBPP and the RMR Termination or any other projects mentioned in the PEA?
- Would any other project mentioned in the PEA including removal of the RMR Termination and decommissioning of the SBPP happen regardless of the approval of the Proposed Project?

South Bay Substation Deficiency Letter (Continued)

- Is construction of the Proposed Project a required action as a result of any other projects mentioned in the PEA, such as decommissioning of the SBPP and the RMR Termination?
- Would implementation of the Proposed Project result in later activities not considered in the environmental review presented in the PEA?
- Please identify whether in absence of the SBPP decommissioning, the existing South Bay substation would be able to accommodate existing and projected energy requirements for the South Bay region.

CHAPTER 1.0 PEA SUMMARY

- 1) Attachment A-1, Letter from the City of Chula Vista (May 11, 2010): Please clarify as to whether SDG&E has coordinated with the City of Chula Vista regarding the various components of the Proposed Project presented in the PEA. The City of Chula Vista provided several statements in the letter dated May 11, 2010, that seem to be inconsistent with the components being proposed as part of the Proposed Project. Some of the statements from the May 11, 2010, letter that seem to be inconsistent with the Proposed Project include:
 - a. The removal of this infrastructure along with the remaining transmission and distribution towers and utility poles are a critical component of maximizing the opportunity for the Bay Front Master Plan.
 - b. The City appreciates SDG&E's and the San Diego Unified Port District's cooperation in moving forward another component of the SDG&E/City MOU, the development of a new, smaller, and lower profile substation at the southern edge of the existing South Bay Power Plant.
 - c. The construction of a new substation with adequate buffer and screening, including solid walls, the removal of the remaining utility poles and enhanced landscaping softening will allow the proposed facility to co-exist in harmony.
 - d. We strongly encourage the City and Port to incorporate the screening and removal of the remaining wooden utility and transmission poles and undergrounding from J Street to the Substation in its application to CPUC.

South Bay Substation Deficiency Letter (Continued)

CHAPTER 2.0 PROJECT PURPOSE AND NEED

Attachment 2-A: SDG&E–City of Chula Vista Memorandum of Understanding (MOU)

- 1) Section 1.7 identifies that upon relocation of the South Bay Substation, the 138-kilovolt (kV) circuit located between Tower 281763 and Tower 188701 will be undergrounded once the City of Chula Vista has designated funding. Please clarify whether the 138 kV circuit referenced in the memorandum of understanding (MOU) will be undergrounded as part of the Proposed Project. In the event that the 138 kV line referenced in the MOU is not being undergrounded, please provide an anticipated schedule as to when the 138 kV line will be undergrounded.

CHAPTER 3.0 PROJECT DESCRIPTION

- 1) Section 3.4.4, South Bay Substation Demolition: Please identify how construction methods will differ in the event Dyenergy completes decommissioning of the SBPP and/or components within the existing South Bay Substation concurrently with SDG&E-proposed construction activities.
- 2) Section 3.6.0, H&B Staging Area: Please clarify whether any screening material will be provided along the eastern limits of the staging area during construction.
- 3) Section 3.6.2, Work Areas: Table 3-6 identifies the required temporary work space for pole work areas, underground work areas, pull sites, jack-and-bore pit construction work spaces, etc. Please provide a map with the required temporary work spaces.
- 4) Section 3.6.5, Methods: Please describe the assumptions that were used to generate Table 3-7, Construction Truck Trip Summary.
- 5) Section 3.6.5: Please clarify whether steel or wood pole construction, jack-and-bore operations, and/or construction of underground duck banks would require any dewatering.
- 6) Section 3.6.5, Underground Transmission Construction: Please indicate whether the soil excavated for open-cut trench operations will be hauled off site and/or used as fill within the project limits.

CHAPTER 4.0 ENVIRONMENTAL IMPACT ASSESSMENT

- 1) Please clarify the baseline methods that were used to complete the environmental review provided in the PEA for the various environmental categories. It appears some sections of

South Bay Substation Deficiency Letter (Continued)

the PEA assume the SBPP has been decommissioned and other sections include the presence of the SBPP.

Section 4.1 Aesthetics

- 1) Visual Simulation: The PEA provides a visual simulation of the completed demolition of the South Bay Substation site from the L Street/Bay Boulevard intersection looking west; however, the main project component (Bay Boulevard Substation) cannot be seen in this visual simulation. Please provide a new visual simulation of the Bay Boulevard Substation from the L Street/Bay Boulevard intersection looking south.
- 2) Figure 4.1.3, Visual Simulation: Please provide a visual simulation that includes proposed landscaping per the conceptual landscape plan, which is provided in Figure 4.1.6.
- 3) Section 4.1.3 Impacts: Please identify whether any lighting will be required on the top of proposed structures for Federal Aviation Administration purposes.

Section 4.3 Air Quality and Greenhouse Gas Emissions

- 1) Section 4.3.2, Existing Conditions, and Section 4.3.3, Impacts: Please provide a summary of the requirements associated with San Diego Air Pollution Control District (APCD) Regulation XI, Subpart M (Asbestos), and indicate how the project would comply with these requirements.
- 2) Attachment 4.3-A: Please provide the source of the emissions factors that were used to determine the on-road vehicles emissions. A brief discussion should be provided that identifies how the emission factors were derived for use in the URBEMIS modeling.
- 3) Attachment 4.3-A: Provide a discussion that identifies why a customized equipment list was generated for the Proposed Project air emissions modeling (e.g., engine build/rebuild date of 2005) in place of standard URBEMIS equipment. Please identify whether SDG&E has committed to use of off-road equipment that is 2005 model year or newer, per the assumptions included in the air emissions modeling.
- 4) Attachment 4.3-A: Provide a discussion that identifies the rationale explaining why different assumptions were used for on-road trucks. The air emissions modeling indicates the use of “other material handling equipment” and “off-highway trucks” for on-road trucks (e.g., concrete trucks, relay/telecommunications van).
- 5) Attachment 4.3-A, Greenhouse Gas Emissions from Auxiliary Power Consumption: The emission calculations for N₂O and CH₄ appear to be overestimated by a factor of 1,000.

South Bay Substation Deficiency Letter (Continued)

Please provide a discussion of the emission assumptions and revise the calculations if needed.

- 6) Climate Change Sea Level Rise: Please provide a discussion of the potential impacts related to climate change and sea level rise. Identify whether the proposed graded pad site would be elevated above the projected sea level rise in the area.

Section 4.4 Biological Resources

- 1) Section 4.4.1, Methodology: Please provide a schedule of site visits that were completed to determine the biological conditions. The schedule should include the date, time of visit, observer, and weather conditions.
- 2) Figure 4.4-2: Vegetation Communities Map. Please revise the exhibit to include the true Holland type and codes.
- 3) Section 4.4.2, Existing Conditions: Clarification needs to be provided regarding the statement that no rare plants were observed during site observations completed in March 2010. A rare plant survey may be required prior to construction. Please identify what *Lepidium* species was observed during the site observation and the potential for this *Lepidium* species to be Robinson's peppergrass.
- 4) Section 4.4.2, Existing Conditions: Please provide rationale as to why the horned lark would not likely nest on site. Identify whether routine maintenance of the area occurs that would potentially prevent horned lark nesting on site.
- 5) Section 4.4.2, Existing Conditions: Please provide additional discussion of the potential for nesting birds within the project area. Given the known occurrence of least tern and snowy plover in the area; further discussion is needed to determine the potential likelihood for nesting birds to be present, especially special-status species.
- 6) Section 4.4.2, Existing Conditions: Please discuss the potential for fairy shrimp and other vernal pool species to be present within the seasonal ponds located on site. If there is no potential for these species, please provide a discussion as to the size, depth, and duration of ponding where seasonal ponds are present.
- 7) Section 4.4.2, Existing Conditions: The document states that mulefat scrub is present in the seasonal pond. Please document why the presence of mulefat scrub would not be considered riparian habitat.
- 8) Wetlands delineation report: There appears to be species identified in the report that seem unlikely to occur in this region. Examples include ruby-throated hummingbird.

South Bay Substation Deficiency Letter (Continued)

- 9) Wetlands delineation report: There appears to be discrepancies with the habitat mapping and descriptions provided in the wetland delineation report and Section 4.4 of the PEA. Some discrepancies identified include mapping the large wetland feature in the delineation report as predominately disturbed wetland scrub, while the PEA maps this as seasonal pond. Please clarify why the PEA is not consistent with the wetland delineation report in both acreage and vegetation community mapping.
- 10) Section 4.4.3, Impacts: Coyote brush scrub is considered a sensitive habitat by the City of Chula Vista and California Department of Fish and Game (CDFG) since it is considered a subtype of coastal sage scrub. Please provide further discussion of this vegetation community located on site and indicate why the determination was made that this vegetation is not considered a sensitive habitat.
- 11) Section 4.4.4, Applicant Proposed Measures: Please clarify whether the Applicant Proposed Measures are in addition to the SDG&E protocols and whether the measures are in addition to the requirements of the Natural Community Conservation Plan (NCCP).
- 12) Section 4.4.4, Applicant Proposed Measures: Please provide further discussion regarding the success criteria that would be used for determining the location and required mitigation for impacts to wetland and upland vegetation communities.

Section 4.5 Cultural Resources

- 1) Section 4.5.3, Impacts: Please provide any responses from the Native American scoping letters and any correspondence with the Native American groups. In the event responses have not been received from the Native American groups, please indicate so.

Section 4.7 Hazards and Hazardous Materials

- 1) General: Please provide information regarding the remediation activities that will be required for the Liquefied Natural Gas (LNG) site. The discussion should identify how the tanks located on site will be remediated.
- 2) Section 4.7.1, Methodology: Please verify whether a Phase 1 report was completed for all utility corridors in addition to the proposed substation site.
- 3) Section 4.7.3, Hazardous Material Transport, Use or Disposal: Please provide a discussion as to how substation equipment will be refueled and maintained during operation of the Bay Boulevard Substation. Provide information regarding the location and capacity of gas storage containers on site.

South Bay Substation Deficiency Letter (Continued)

- 4) Section 4.7.3, Hazardous Material Transport, Use or Disposal: Please provide haul routes that will be used for transportation of hazardous materials to and from the project site.
- 5) Section 4.7.3, Hazardous Material Transport, Use or Disposal: Please provide project-specific features that will be included as part of the Spill Prevention, Control, and Countermeasure (SPCC) for the proposed Bay Boulevard Substation.
- 6) Section 4.7d, Groundwater Plume: Please provide further discussion of the specific measures that will be implemented in the event a groundwater plume is encountered during construction.
- 7) Section 4.7.4, APM-HAZ-01: Please provide specific performance criteria that will be used to determine measures and/or procedures that will be required as part of the project-specific hazardous substance management and emergency response plan.

Section 4.8 Hydrology and Water Quality

- 1) Section 4.8.3, Impacts: Please indicate whether the water quality basins were sized to accommodate a certain stormwater event (i.e., 100 year). Provide hydrologic studies/documentation showing that the flow rates would be maintained at existing conditions.
- 2) Section 4.8.3, Operation and Maintenance: Please identify whether the City of Chula Vista or Port of San Diego will be responsible for maintaining and determining whether connections to existing drainage facilities will be permitted.
- 3) Section 4.8.4, Applicant Proposed Measures: Please provide site-specific best management practices (BMPs) that will be implemented to ensure impacts to water quality will be minimized both during operation and construction of the Proposed Project.

Section 4.10 Noise

- 1) Section 4.10.2, Existing Noise Measurements: Please provide the ambient noise level at the closest residence(s) and noise sensitive receptors (i.e., recreational users within Marina View Park).
- 2) Existing Noise Measurements, Table 4.10-3: Please identify the primary noise source(s) that occurred while the noise measurements were completed.
- 3) Existing Noise Measurements, Table 4.10-3: Measurement duration of only 10 minutes does not appear to be an accurate reflection of the existing ambient noise conditions in the project area because it does not capture the normal 24-hour variation in noise levels

South Bay Substation Deficiency Letter (Continued)

for the area. Please provide noise measurement data that more accurately reflect the daily variation in the ambient noise level in order to determine the change in the ambient noise that would result with project implementation.

- 4) Existing Noise Measurements, Table 4.10-4: Marina View Park is located immediately adjacent to the right of way. Please address potential noise impacts from construction-related activities to recreational users located at Marina View Park.
- 5) Section 4.10.3, Impacts: Please quantify the construction noise level at the adjacent properties and closest noise sensitive receptors (i.e., Marina View Park and San Diego National Wildlife Refuge) and evaluate the noise impact at these locations. A construction noise impact can be significant even though the City of Chula Vista may not have a quantified threshold limit for construction noise.
- 6) Section 4.10.3, Impacts: Please indicate whether the operational noise of the substation will comply with the City's 45 dB Leq(h) noise level limit at the closest sensitive receptors.
- 7) Section 4.10.3, Impacts: Please calculate the Corona transmission line noise level assuming Corona noise attenuates as a linear source rather than a point source.
- 8) Section 4.10.3, Impacts: Please evaluate the potential impacts associated with the use of a helicopter for construction in relation to commercial uses, recreational users, and sensitive wildlife species.
- 9) Section 4.10.3, Impacts: Please provide the limits of the 60 Community Noise Equivalent Level (CNEL) contour that would result during construction. The 60 CNEL contour location is needed to evaluate whether sensitive wildlife would be impacted during construction.

Section 4.12 Public Services

- 1) Section 4.12.4, Applicant Proposed Measures: Please indicate whether SDG&E will be required to pay fees to public service providers.

Section 4.14 Transportation

- 1) Section 4.14.3, Impacts: Please provide the number of construction trips and duration that are anticipated during each construction phase and the average daily traffic (ADT) increase that would result at nearby intersections, including the Bay Boulevard/L Street intersection that is currently operating below an acceptable level of service (LOS).

South Bay Substation Deficiency Letter (Continued)

Section 4.15 Utilities

- 1) Section 4.15.2, Existing Conditions: Please provide a map identifying the location of existing public utilities within the right of way and near the proposed Bay Boulevard and South Bay substations.
- 2) Section 4.15.3, Impacts: Please provide the location and construction methods that will be used to provide a water pipeline connection to the project site.

CHAPTER 5.0 SIGNIFICANT IMPACTS

- 1) Section 5.2, Alternatives, Study Area: Please provide the rationale as to why alternatives were not considered north of J Street.
- 2) Section 5.2, Alternatives, Utility Connections: Please provide a discussion of the general location for utility tie-in's that would be required for each substation site alternative.

GEOGRAPHIC INFORMATION SYSTEM (GIS) DATA REQUESTS

- 1) The "transmission line data" file appears to be corrupted. Please provide a new "transmission line data" file that includes all utility lines that will connect to the proposed Boulevard Substation.
- 2) Please provide the GIS files or CAD files that contain the conceptual site plan provided on Figure 3-3.