

2.0 Environmental Determination

2.1 Environmental Factors Potentially Affected

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklists in Chapter 3 for the following resources areas:

- | | | |
|---|---|---|
| <input type="checkbox"/> Aesthetics | <input type="checkbox"/> Agriculture and Forestry Resources | <input type="checkbox"/> Air Quality |
| <input type="checkbox"/> Biological Resources | <input type="checkbox"/> Cultural Resources | <input type="checkbox"/> Geology and Soils |
| <input type="checkbox"/> Greenhouse Gas Emissions | <input type="checkbox"/> Hazards and Hazardous Materials | <input type="checkbox"/> Hydrology and Water Quality |
| <input type="checkbox"/> Land Use and Planning | <input type="checkbox"/> Mineral Resources | <input type="checkbox"/> Noise |
| <input type="checkbox"/> Population and Housing | <input type="checkbox"/> Public Services | <input type="checkbox"/> Recreation |
| <input type="checkbox"/> Transportation/Traffic | <input type="checkbox"/> Utilities and Service Systems | <input type="checkbox"/> Mandatory Findings of Significance |

2.2 Determination

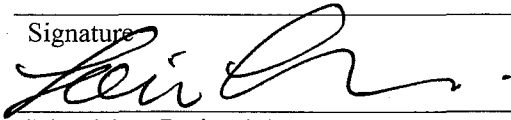
Determination: (To Be Completed by the Lead Agency)

On the basis of this initial evaluation:

- I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
- I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
- I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.

- I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Signature



Iain Fisher, Project Manager
Energy Division

Date

9/20/2010.

Agency: California Public
Utilities Commission

3.0 Evaluation of Environmental Impacts

This Initial Study provides an analysis of the environmental issues listed below. These issues are the same as those identified in Appendix G of the California Environmental Quality Act (CEQA) Guidelines, California Code of Regulations Section 1500 et. seq.

3.1	Aesthetics	3.10	Land Use and Planning
3.2	Agriculture and Forestry Resources	3.11	Mineral Resources
3.3	Air Quality	3.12	Noise
3.4	Biological Resources	3.13	Population and Housing
3.5	Cultural Resources	3.14	Public Services
3.6	Geology and Soils	3.15	Recreation
3.7	Greenhouse Gas Emissions	3.16	Transportation/Traffic
3.8	Hazards and Hazardous Materials	3.17	Utilities and Service Systems
3.9	Hydrology and Water Quality	3.18	Mandatory Findings of Significance

The Proponent's Environmental Assessment (PEA) for the project, as prepared by PG&E (the applicant) and submitted to the California Public Utilities Commission (CPUC) as part of Application No. A. 09-02-023 for a Permit to Construct, contains project information that was incorporated into the Initial Study. The PEA was used extensively to develop Chapter 1.0, particularly the Description of the Project and the Applicant's Purpose and Need. The full PEA is available for public review on the Internet at: http://www.cpuc.ca.gov/Environment/info/ene/palermo/Palermo_East_Nicolaus.html

Additional project information was submitted by the applicant after the PEA filing date in response to CPUC requests for further information. The data requests and responses occurred over a period of time beginning on March 27, 2009 and ending on August 3, 2010. The applicant's responses to the requests for further information were incorporated into the Initial Study and will be available in the Administrative Record prepared at the completion of the CEQA process.

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