

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



August 6, 2014

Mr. Greg Parker
Pacific Gas and Electric Company
Principal Land Planner
1455 E. Shaw Avenue
Fresno, CA 93710

Subject: Shepherd Substation Project – Notice to Proceed #3

Dear Mr. Parker,

The California Public Utilities Commission (CPUC) has received your request for Notice to Proceed (NTP) #3 and Minor Project Modification (MPM) #2 for the Shepherd Substation Project. This letter presents the CPUC findings and authorizes NTP #3.

Project Background

The CPUC adopted a Final Initial Study/Mitigated Negative Declaration (IS/MND) for the Pacific Gas and Electric Company (PG&E) Shepherd Substation Project (project) in accordance with the California Environmental Quality Act (CEQA) on May 23, 2013 (Decision No. 13-05-019, as amended). The IS/MND includes applicant proposed measures (APMs) and mitigation measures (MMs) that were adopted as conditions of project approval, as well as applicable Avoidance and Mitigation Measures (AMMs) included in PG&E's San Joaquin Valley Operations & Maintenance Habitat Conservation Plan (HCP). CPUC also adopted a Mitigation Monitoring, Compliance, and Reporting Program (MMCRP) to ensure compliance with all AMMs, APMs, and MMs during project implementation. The MMCRP describes the CPUC NTP process, which requires PG&E to obtain an approval letter from CPUC, authorizing PG&E to initiate project construction. The MMCRP also describes the MPM process, which requires CPUC's review and concurrence of any project changes for consistency with CEQA requirements.

NTP and MPM Request

On July 1, 2014, PG&E submitted NTP #3 requesting CPUC authorization to commence construction of the power line segment of the project, as described in the IS/MND project description. In addition, PG&E submitted MPM #2 requesting a minor relocation of four tubular steel poles (TSPs) and the use of a temporary shoo-fly to maintain power to adjacent residences. A description of the proposed actions and review of the requests are described in this letter. PG&E's request for NTP #3 and MPM #2, and CPUC review findings for MPM #2, are attached to this letter. An updated version of the Mitigation Monitoring Program Table (Appendix B of the MMCRP) describing the implementation status of each APM, AMM, and MM is also attached.

Proposed Actions

NTP Request #3 – Power Line Construction

In NTP #3, PG&E requested to initiate all activities associated with construction of the 1.5-mile-long power line between E. Copper Avenue and Shepherd Substation. PG&E proposes to begin power line construction on August 11, 2014. Specific activities associated with power line construction include:

- Access, prepare, and mobilize construction equipment and material to power line work areas.
- Auger pole holes and construct TSP foundations.
- Assemble and install power line TSPs and drop-down poles.
- Install power line conductor and ground wires on the new structures between the Shepherd Substation and the Kerckhoff-Clovis-Sanger #1 power line located at E. Copper Avenue.
- Transfer an existing distribution line north of Shepherd Substation and extend the line to E. Copper Avenue as underbuild along the new power line.
- Remove wood poles where the existing distribution line is replaced with power line underbuild, except where other service lines would be disrupted (e.g., communication lines).
- Demobilize, cleanup, and restore power line work areas following construction.

MPM Request #2 – Power Line Modifications

In addition to the actions described above, NTP #3 includes the following actions described in the attached MPM #2 Review Form:

- **TSP Relocation.** Relocate four TSPs¹ between Perrin Avenue and Behymer Avenue up to 19 feet east and into PG&E's Fresno County franchise position, where an existing distribution is located.
- **Temporary Shoo-fly.** Install a temporary shoo-fly approximately 50 feet east of the distribution line alignment between the Shepherd Substation and Behymer Avenue (approximately 0.5 mile). The shoo-fly would be comprised of approximately 10 wood poles.

¹ PG&E renamed the TSP locations following preparation of the IS/MND. TSP numbers from the IS/MND are used in this letter. PG&E used the same numbers on the attached maps, and the new numbering system in their NTP and MPM requests. A TSP location name key is included with the MPM review form.

- **Permanent Wood Poles.** Install one new permanent interset pole east of TSP 315, and relocate two existing wood poles. The relocated poles would be replaced with new wood poles.
- **Distribution Connections.** Establish distribution connections between the existing distribution line, shoo-fly, and served properties adjacent to the shoo-fly and power line corridors.

PG&E proposed the changes presented in MPM #2 in order to move the power line alignment south of Behymer outside of land owned by the Fresno Metropolitan Flood Control District and into the Fresno County franchise position where an existing distribution line is located. Realigning the power line segment would require PG&E to take the existing distribution line out of service during construction. PG&E would construct the temporary shoo-fly to maintain power to properties that are served by the existing distribution line. The shoo-fly would remain in place until the power line segment is constructed with distribution underbuild. The changes addressed in MPM #2 are described further in the attached PG&E request and CPUC review forms, which include maps of the TSP relocations and shoo-fly.

CPUC Review

CPUC reviewed NTP Request #3 for compliance with applicable preconstruction requirements listed in the IS/MND, MMCRP, and project permits. The status of preconstruction approval and permit requirements are summarized by category in Table 1. The current status of preconstruction plans are summarized in Table 2. Pre-construction survey requirements are listed in Table 3.

Permit or Authorization	Requirement	Submittal Dates	Status
CPUC Permit to Construct	General Order 131-D, Section III.B	Due: Prior to construction	Complete CPUC authorized a Permit to Construct for the project on May 23, 2013, as amended.
NTP for proposed actions (power line construction)	MMCRP	Due: Prior to construction Received by CPUC: July 1, 2014	Complete This letter serves as NTP #3. An updated version of the Mitigation Monitoring Program Table (Appendix B from the MMCRP) is attached to this letter.
Incidental take of special-status species in the project area	Endangered Species Act, Section 10 CDFW Code, Section 2081	Due: Prior to construction Received by CPUC: April 10, 2012	Complete The United States Fish and Wildlife Service (USFWS) and California Department of Fish and Wildlife (CDFW) verified incidental take coverage for special-status species

Table 1: Applicable Permits, Authorizations, Notifications, and Requirements			
Permit or Authorization	Requirement	Submittal Dates	Status
			under PG&E's HCP on March 28, 2012 and April 6, 2012, respectively.
Notice of Intent (NOI) with National Permit Discharge Elimination System (State Water Resources Control Board)	Construction General Permit Order 2009-0009-DWQ	Due: Prior to construction Received by CPUC: December 20, 2013	Complete PG&E submitted a NOI to the State Water Resources Control Board on December 13, 2013.
Dust Control Plan approved by San Joaquin Valley Air Pollution Control District (SJVAPCD)	SJVAPCD, Rule 8021	Due: Prior to power line construction Received by CPUC: Pending	<i>Pending (Condition of Approval #1)</i>
Notify landowners within 300 feet of the project area of project activities, and residents in areas with heavy construction noise.	MM Land Use-1 APM Noise-7	Due: 30 days prior to work (MM Land Use-1 only) Received by CPUC: August 5, 2014	Complete PG&E sent notification letters to residences within 300 feet of the power line and shoo-fly on January 10 and July 9, 2014.
Suitable habitat and sensitive area flagging (e.g., special-status species habitat, seasonal wetlands/vernal pools, ponds, and canals), as needed if detected during preconstruction surveys.	APM Bio-12 APM Bio-14 APM Bio-19 APM Bio-20 AMM 12 AMM 15 AMM 17 MM Biology-2 APM WQ-2	Due: Prior to activity within 250 feet of the seasonal wetland/vernal pools	<i>Pending (Condition of Approval #2)</i>
Contract an archaeological and paleontological monitor	MM Culultural-2	Due: Prior to construction Received by CPUC: March 26, 2014	Complete Applied EarthWorks has been contracted to provide archaeological and paleontological monitoring services, as described in the Paleontological Resource Management Plan.

Table 2: Applicable Plans and Programs			
Plan or Program	Requirement	Submittal Dates	Status
Cultural Resource Awareness Program	MM Cultural-1	Due: December 21, 2013 Received by CPUC: December 4, 2013	Approved January 14, 2014

Table 2: Applicable Plans and Programs

Plan or Program	Requirement	Submittal Dates	Status
Environmental Training Program (ETP), and an Environmental Compliance Management Plan (ECMP)	APM Bio-6 AMM 1 MM Hazards-2*	Due: December 21, 2013 Received by CPUC: November 27 (ECMP) and December 4, 2013	Approved December 30, 2013 and January 14, 2014
Site Safety Plan (PG&E titled "Health & Safety Plan")	MM Hazards-1	Due: December 21, 2013 Received by CPUC: December 4, 2013	Approved January 31, 2014
Stormwater Pollution Prevention Plan (SWPPP), including an Erosion and Sediment Control Plan (ESCP)	APM Geo-1/WQ-1	Due: Prior to January 21, 2014 Received by CPUC: December 4, 2013	Approved January 7, 2014
Paleontological Resources Management Plan	MM Cultural-2 MM Cultural-3	Due: Prior to Construction Received by CPUC: March 26, 2014	Approved June 27, 2014
Notes:			
* MM Hazards-2 specifies implementation of an Environmental Training and Monitoring Program. PG&E prepared an Environmental Training Program to address worker training, and a separate Environmental Compliance Management Plan to address monitoring requirements.			

Table 3: Applicable* Preconstruction Surveys

Resource	Requirement	Submittal Dates	Status
Special-Status Wildlife			
California tiger salamander	AMM 17	Due: Prior to construction activities Received by CPUC: Pending	<i>Pending (Condition of Approval #3(a))</i>
Nesting bird	MM Biology-4 AMM 22	Due: Within 30 days prior to ground and vegetation disturbing activities during the avian nesting season (February 1 to September 15) Received by CPUC: Pending	<i>Pending (Condition of Approval #3(b))</i>
Burrowing owl	MM Biology-3	Due: Within 30 days prior to construction activities	<i>Pending (Condition of Approval #3(c))</i>
Kit fox	MM Biology-5		

Table 3: Applicable* Preconstruction Surveys			
Resource	Requirement	Submittal Dates	Status
Molestan blister beetle	MM Biology-2	Received by CPUC: <i>Pending</i>	
American badger	MM Biology-6		
Special-Status Plants			
<ul style="list-style-type: none"> Dwarf downingia (<i>Blooms: March to May</i>) Succulent owl clover (<i>Blooms: April and May</i>) Spiney-sepaled button celery (<i>Blooms: April and May</i>) San Joaquin Valley orcutt grass (<i>Blooms: April to September</i>) 	MM Biology-1	Due: Prior to construction in naturalized areas containing potential habitat Surveys to be conducted during the blooming period for each species Received by CPUC: July 1, 2014	Complete Focused botanical surveys were conducted on May 1, 5, 21, and 22, and June 25, 2014. Spiney-sepaled button celery was identified in abundance in the vicinity of TSPs 305 to 309. Locations are shown on the attached maps. MM Biology-1, AMMs 12, 13, and 14 will be implemented to reduce impacts to the species.
Notes: * Surveys only address work areas associated with the proposed actions listed in this NTP.			

Authorization of NTP #3

CPUC authorizes NTP #3 with conditions of approval. PG&E may commence with the proposed actions as described in the IS/MND and this letter when the conditions of approval have been completed. PG&E must obtain additional NTP authorizations for all other actions that are not addressed in this letter. The conditions of approval listed below apply to NTP #3.

Conditions of Approval

Dust Control Plan

1. PG&E shall submit a Dust Control Plan for the entire project that has been approved by the San Joaquin Air Pollution Control Board to CPUC prior to the start of the proposed actions.

Suitable Habitat and Sensitive Area Flagging/Exclusion Zones

2. PG&E shall flag and avoid appropriate exclusion zones where suitable habitat and sensitive areas are located near access roads and work areas, as required by applicable APMs, AMMs, MMs identified in Table 2.

Preconstruction Surveys

3. PG&E shall conduct applicable preconstruction biological surveys in all work areas associated with the proposed actions as described in Table 3.
 - a. The results of a California tiger salamander survey shall be submitted to the USFWS, CDFW, and CPUC prior to commencing the proposed actions.

- b. The results of a nesting bird survey conducted within 30 days of the nesting season (February 1 – September 15) shall be submitted to CPUC prior to starting work.
- c. The results of the burrowing owl, molestan blister beetle, San Joaquin kit fox, and American badger surveys shall be submitted to CPUC prior to any construction activities in suitable habitat.

Conclusion

PG&E is authorized to begin power line construction activities as described in the IS/MND, and as modified by CPUC review of MPM #1 and MPM #2, once the conditions of approval described in this letter have been met. All project APMs, MMs, permit conditions, and other CPUC requirements shall be implemented as described in the IS/MND and MMCRP.

Please contact me if you have any questions.

Sincerely,

Michael Rosauer
CPUC Project Manager

cc: Chris Howard, PG&E
Tom Johnson, PG&E
Zack Parker, PG&E
Brooke Langle, Terra Verde
Susanne Heim, Panorama
Aaron Lui, Panorama

Attachments

1. PG&E NTP #3 Request Form with Updated Version of the Mitigation Monitoring Program Table (Appendix B of the MMCRP)
2. CPUC MPM #2 Review Form with Attachments