

## 1.0 INTRODUCTION

### 1.1 SUMMARY OF PROJECT DESCRIPTION

Sierra Pacific Power Company (Sierra Pacific or SPPCo.) is a public utility corporation engaged principally in the business of providing electric service to portions of northern California and northern Nevada. On December 19, 2003, Sierra Pacific filed Application No. 03-12-023 pursuant to the California Public Utilities Commission (CPUC) General Order No. 131-D requesting authority for a Permit to Construct and Operate the Hobart Substation Rebuild project. The Proposed Project would expand, upgrade, and replace the existing substation with newer and more reliable electrical equipment and provide standard three-phase electrical service to an existing customer in the Hobart Mills area. The existing Hobart Substation and expansion site are located on private property in eastern Nevada County, approximately five miles north of the Town of Truckee and two miles east of the Hobart Mills area. Upon completion, the Proposed Project would increase substation capacity to 5,000 kilovolt amperes (kVA), provide standard three-phase electrical service, and increase the voltage of the existing transmission line from 12.5 kV to 14.4 kV. An 8-foot chain-link fence will enclose the 4,500 square foot substation area (see *Section 2, Project Description*, for further details).

### 1.2 AUTHORITY TO PREPARE A MITIGATED NEGATIVE DECLARATION

The CPUC is the lead agency pursuant to the California Environmental Quality Act (CEQA) and is responsible for authorizing the construction of the Hobart Substation Rebuild project. The CPUC's process for granting a Permit to Construct pursuant to its General Order No. 131-D is focused on consideration of the environmental issues and concerns surrounding the project as proposed. In compliance with requirements of CEQA, an Initial Study was prepared for the project. This environmental study is specific to the construction of the Hobart Substation Rebuild project at the proposed site.

Based on the findings of the Initial Study/Environmental Evaluation (see *Section 4, Initial Study/Environmental Checklist*, and *Section 5, Discussion of Environmental Impacts*), the CPUC has made the determination that a Mitigated Negative Declaration (MND) is the appropriate environmental document to be prepared in compliance with CEQA. As provided for by CEQA Section 21064.5, an MND may be prepared for a project subject to CEQA when an Initial Study has identified potentially significant effects on the environment but revisions to the project have been made whereby no significant effects to the environment would occur.

This draft MND has been prepared in conformance with Section 15070, subsection (a), of the State CEQA Guidelines. The purpose of the MND and the Initial Study/Environmental Evaluation is to determine the potential significant impacts associated with the proposed Hobart Substation Rebuild project and incorporate mitigation measures into the project design as necessary to reduce or eliminate the significant or potentially significant effects of the project.

The Proponent's Environmental Assessment (PEA) provides the basis for preparation of this MND and is incorporated by reference. The PEA includes separate technical reports, also incorporated by reference, that provide project information, details, and analysis. These documents are as follows:

- *PEA for the Hobart Substation Rebuild Project* (Sierra Pacific Power Company/Parsons, October 2003).

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- *Biological Resources Technical Report* (Sierra Pacific Power Company/Parsons, October 2003).
- *Cultural Resources Technical Report* (Sierra Pacific Power Company/Parsons, October 2003).

PMC has verified the adequacy of the technical documents prepared by Parsons for the proposed project.

The PEA and technical studies are available for review at the following location:

California Public Utilities Commission, Energy Division  
505 Van Ness Avenue  
San Francisco, CA 94102.

### 1.3 CONTENT AND FORMAT OF MITIGATED NEGATIVE DECLARATION

This MND includes the following:

**Section 1.0, Introduction:** Provides an Introduction to the MND.

**Section 2.0, Project Description:** Provides a detailed description of the Proposed Project evaluated in this MND. This section also includes project purpose and need, location, site selection, project characteristics, construction, operation and maintenance and measures incorporated into the project to reduce environmental impacts.

**Section 3.0, Proposed Finding of No Significant Effect:** Provides the finding that the Proposed Project would not have a significant effect on the environment and the rationale supporting this finding.

**Section 4.0, Initial Study/Environmental Discussion:** Provides an analysis of environmental issues and concerns surrounding the project.

**Section 5.0, Electric Magnetic Fields (EMF):** Describes the CPUC's current policy regarding EMF exposure.

**Section 6.0, Report Preparation:** Provides report preparation personnel.

**Section 7.0, References:** Provides References and Persons Consulted during the preparation of this document.

Appendices to the MND include the following:

**Appendix A, Mitigation Monitoring Plan**

**Appendix B, Nevada County Documents**

**Appendix C, Prevention Spill Prevention and Recovery Plan**

**Appendix D, MND Distribution List**

### 1.4 OTHER AGENCIES THAT MAY USE THE MITIGATED NEGATIVE DECLARATION AND INITIAL STUDY/ENVIRONMENTAL EVALUATION

This MND is intended to be used by responsible and trustee agencies that may have review authority over the project. Sierra Pacific Power Company will obtain all necessary permits as required by law. Based on the analysis in *Section 4* of this document, other permits/approval by responsible agencies with jurisdiction over the Proposed Project include Nevada County, the California Board of Forestry, and the Lahontan Regional Water Quality Control Board.

### 1.5 PUBLIC REVIEW PROCESS

In accordance with the requirements of CEQA, a good faith effort has been made during the preparation of this MND to contact affected agencies, organizations and persons who may have an interest in this project. The distribution list for the MND is provided in APPENDIX D.

At the start of the public review period, the CPUC will provide a notice of availability to property owners within 300 feet of the project and will also publish the notice in the local newspaper, in accordance with the CPUC Rule 17.1 of the Rules of Practice and Procedures. This MND will also be made available on the CPUC's website at the following address (Select "Regulated Areas" and choose "Environmental Projects"): <http://www.cpuc.ca.gov>

While reviewing the MND and Initial Study/Environmental Evaluation, affected public agencies and the interested public should focus on the sufficiency of the document in identifying and analyzing the potential significant impacts on the environment and ways in which those effects are proposed to be avoided or mitigated.

In accordance with Section 15105(b) of the CEQA guidelines, this document will be circulated to the public during the month of July for review and comment. Comments may be made on the MND in writing before the end of the 30-day comment period. Written comments on the MND should be sent to the following address.

John Boccio, California Public Utilities Commission  
c/o Pacific Municipal Consultants  
10461 Old Placerville Road, Suite 110  
Sacramento, CA 95827

Following the close of the public comment period, the CPUC will consider this MND and comments received thereto in determining whether to approve the Proposed Project.