STATE OF CALIFORNIA Edmund G. Brown Jr., Governor

PUBLIC UTILITIES COMMISSION
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

August 16, 2012

Ms. Cristina Holstine
Pacific Gas and Electric Company
Land Planner, Technical and Land Services
245 Market Street, Rm. 1054A
San Francisco, CA 94105-1702

Subject: Crazy Horse Switching Station – Approval of Minor Project Modifications #1-4

Dear Ms. Holstine:

The California Public Utilities Commission (CPUC) has reviewed the request for Minor Project Modifications #1-4 submitted by PG&E on July 31, 2012 for the approved Crazy Horse Switching Station Project (Project). Attachment A includes an analysis of the potential environmental impacts of these four minor project modifications.

This letter serves to notify you that the CPUC has approved the Minor Project Modifications #1-4, subject to the following condition of approval for Minor Project Modifications #2 and #4:

- **Condition of Approval #1:** PG&E shall remove no more than 6.25 acres of oak woodland from the project site. PG&E shall reduce the amount of temporary work area (already approved) by 0.46 acre of oak woodland to offset the additional oak woodland to be removed for the Minor Project Modifications. The area to be omitted from temporary workspace should be shown on a map provided to the CPUC prior to initiation of the Minor Project Modifications.

Please contact me or Jeff Smith at Panorama Environmental at (650) 373-1200 or jeff.smith@panoramaenv.com if you have any questions.

Sincerely,

Andrew Barnsdale
CPUC Project Manager

cc: Jeff Smith, Panorama Environmental, Inc.
Aaron Lui, Panorama Environmental, Inc.
Janet Liver, TRC
Judi Mosley, PG&E Attorney

Attachment A: Memorandum from Panorama Environmental, Inc., Approving Minor Project Modifications #1-4, dated August 17, 2012

PANORAMA
ENVIRONMENTAL, INC.

MEMORANDUM

To: *Andrew Barnsdale, CPUC*

From: *Jeff Smith*

Date: *August 16, 2012*

Subject: *Crazy Horse – Analysis of PG&E Minor Project Modifications #1-4*

SUMMARY

This memorandum provides an analysis of the minor project modifications #1-4 proposed by PG&E for the Crazy Horse Switching Station project. A description, environmental impact analysis, and significance conclusion for each of these four proposed modifications is provided below. The PG&E proposal is included as Attachment A.

The proposed modifications are shown in the table below.

Table 1: PG&E Proposed Minor Modifications

Modification #	Changes	Net Acreage Change/Additional Tree Removal
1	CDFG-directed use of the Hollister Project helicopter landing zone and access road	1.5 acres
2	Alteration to the workspace area footprint for project construction	3.6 acres
3	Additional Segment of Access Road	215 feet long, 0.079 acre
4	Increased oak tree removals	76 additional oak trees; 0.46 acre of oak woodland

The environmental effects of the proposed modifications are similar to those of the originally proposed project. Minor Project Modifications #2 and #4 could result in an increase of 0.46 acre of oak woodland removed from the site. The following condition of approval is recommended to ensure that Minor Project Modification #4 would not result in any increased project impacts:

- **Condition of Approval #1:** *PG&E shall remove no more than 6.25 acres of oak woodland from the project site. PG&E shall reduce the amount of temporary work area (already approved) by 0.46 acre of oak woodland to offset the additional oak woodland to be removed for the Minor*

Project Modifications. The area to be omitted from temporary workspace should be shown on a map provided to the CPUC prior to initiation of the Minor Project Modifications.

The implementation of this condition of approval would ensure that the proposed minor project modifications would not result in new significant effects. The proposed Minor Project Modifications #1-4 are not substantial, no substantial changes to the IS/MND are necessary, and there is no substantial new information. The PG&E request for project modifications can be approved without modifying the IS/MND.

CEQA REQUIREMENTS RELATED TO PROJECT REFINEMENTS

CEQA Section 15162 identifies the requirements for a lead agency if there are changes to a project after an Initial Study/Mitigation Negative Declaration (IS/MND) has been adopted:

"When an EIR has been certified or a negative declaration adopted for a project, no subsequent EIR shall be prepared for the project unless the lead agency determines, on the basis of substantial evidence in the light of the whole record that:

(1) Substantial changes are proposed in the project which will require major revisions of the previous … negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;

(2) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous … negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant impacts; or

(3) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous … negative declaration was adopted, shows any of the following:

(A) The project will have one or more significant effects not discussed in the previous … negative declaration;

(B) Significant effects previously examined will be substantially more severe than shown in the previous EIR;

(C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or

(D) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative."

The proposed refinements to the project description do not require preparation of a subsequent IS/MND because the changes to the project and the related impacts are not substantial, do not require substantial revisions to the IS/MND, and do not present new information of substantial importance. In addition, the project refinements do not create any new significant impacts, the applicant has not refused to implement feasible mitigation measure, and none of the conditions of CEQA Guidelines Section 15162 requiring a subsequent negative declaration are met.

The project refinements proposed by PG&E would only trigger the requirement to prepare a subsequent or supplemental EIR if the refinements involve one of the circumstances described in Section 15162 above. The proposed minor project modifications do not involve any new significant environmental effects or any substantial increases in the severity of previously identified significant effects, nor do they otherwise trigger the need to prepare a supplemental or subsequent IS/MND or EIR. The discussion below explains the basis for this conclusion.

PROPOSED MINOR PROJECT MODIFICATIONS

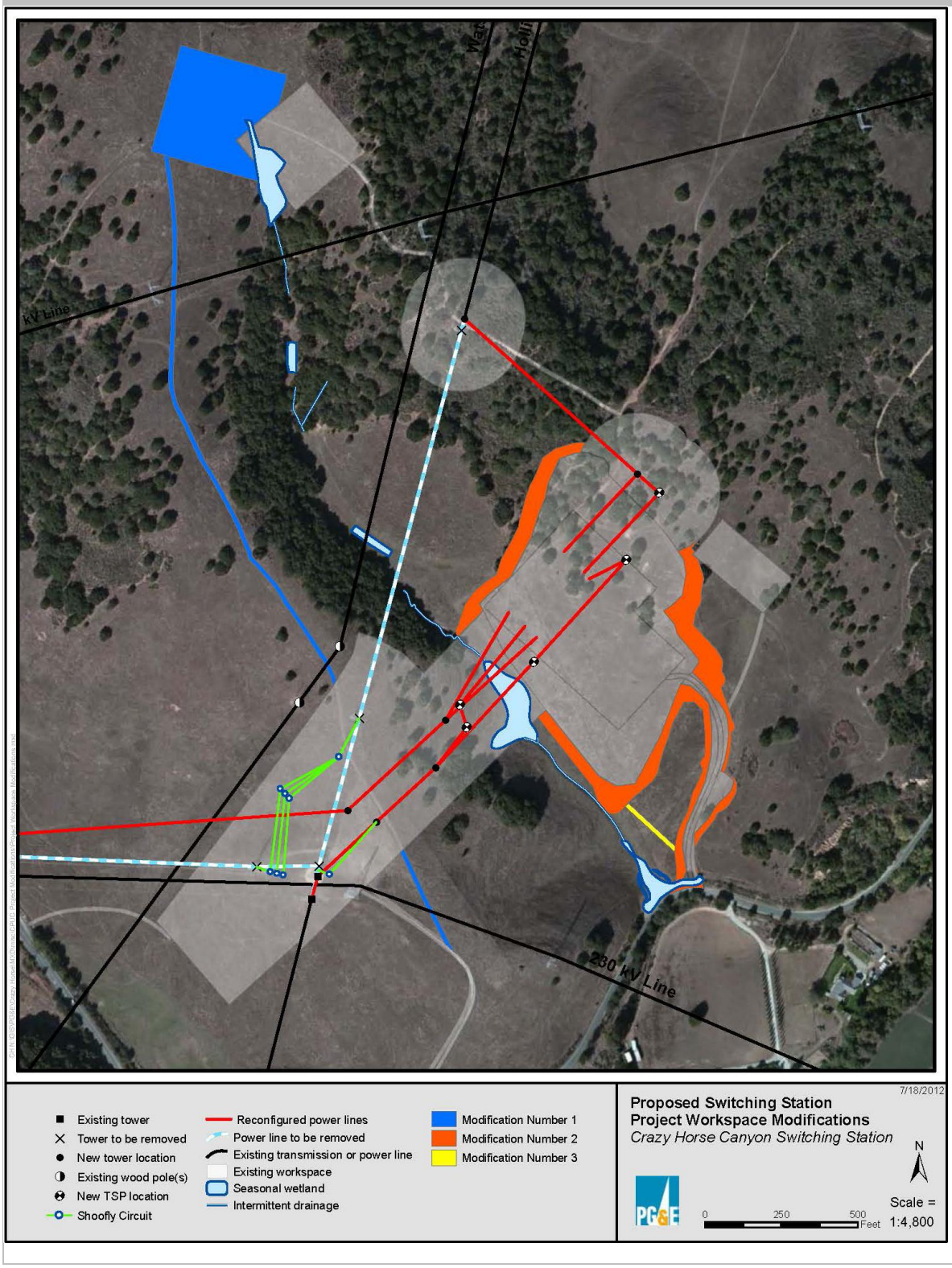
A description of the four minor project modifications is provided below.

Minor Project Modification #1 – Use of Hollister Helicopter Landing Zone and Access Road

The project PEA, dated April 2010, described the temporary workspaces and access roads based on preliminary engineering designs. During a June 6, 2012 site visit in which the project manager, the engineering team, construction managers, and environmental team participated, it was determined that there is a need for use of an existing temporary access road that has been previously used for the adjacent PG&E Hollister 115 KV Reconductoring Project (Hollister) to provide access by logging trucks during tree removal, and to transport equipment to Tower 0/4 and the north end of the switching station site. The access road joins the Hollister project staging area and helicopter landing zone. The California Department of Fish and Game (CDFG) requested, as part of the Incidental Take Permit Application process, that both the Crazy Horse and Hollister projects use only one of the two proposed landing zones. PG&E determined that the Hollister helicopter landing zone and associated temporary access road would be the preferred workspace location for both projects. Figure 1 shows the existing helicopter landing zone approved in the Final IS/MND, the Hollister helicopter landing zone, and the Hollister temporary access road.

The originally-proposed helicopter landing zone for the Crazy Horse Project was located at a proposed 2-acre site northwest of Tower 0/4 and the 500 kV transmission line, and accessed by

Figure 1: Proposed Project Workspace Modifications



an existing dirt road from Tower 0/4. PG&E now proposes to use the helicopter landing zone that is part of the approved PG&E Hollister 115 KV Reconductoring Project. This helicopter landing zone is located northwest of the landing zone proposed in the Crazy Horse Canyon Switching Station Project PEA, and the two areas overlap. The use of landing site was addressed in the Hollister project IS/MND (CPUC 2011).

Additionally, PG&E proposes to use the temporary access road currently being used for the Hollister Project. This existing, two-track unpaved road extends from the Lagunitas Switch area north to the Hollister helicopter landing zone. The temporary access road would be used to access the helicopter landing zone, Tower 0/4, and the northern end of the switching station site.

Use of the Hollister helicopter landing zone and associated access road would increase the Crazy Horse project workspace by 0.75 acre as the Hollister landing site is slightly larger. Use of the Hollister access road would increase the temporary workspace of the Crazy Horse project by 0.80 acre. The total change in workspace area for this modification would be a net increase of 1.55 acres of temporary workspace. No additional grading of the road would be required as the road has already been graded and is in use for the Hollister project.

Minor Project Modification #2 – Workspace Modifications

The April 2010 project PEA described the temporary and permanent workspaces during preliminary engineering design. The workspaces were delineated generally based on a specific number of feet in all directions. The final engineering design has now been completed and requires modifications to the workspace area. The modification would result in a net increase in acreage for both temporary and permanent ground disturbance. The changes to the workspace areas are shown in Figure 1.

Table 1 summarizes the requested increases in permanent and temporary workspace areas. The permanent area of disturbance would be increased by 0.4 acre at the switching station and decreased by 0.2 acre along the new permanent access road. The net increase in permanent disturbance would be 0.2 acre. Minor mapping error inconsistencies between the original workspace areas depicted in the PEA and the final engineering design would result in a 3.4-acre increase in temporary workspace area. A portion of this increase in temporary workspace area is the addition of between 16 and 30 feet of workspace around the perimeter of the proposed switching station that is needed for equipment access. The additional area is needed for equipment to install the drainage system around the outside of the benched cut and fill slope and for maneuvering work vehicles and equipment around the switching station cut and fill area once the benches have been created. Portions of these temporary work areas would require tree removal, including up to 0.46 additional acre of oak woodland removal. No permanent structures would be built at the location. A further description of tree removal and oak woodland removal is included in the discussion of Minor Project Modification #4, below.

Table 1: Workspace and Tree Removal		
Type of Disturbance	**Previously Approved in the Final IS/MND**	**Expanded Workspace Areas per Minor Project Modification #2**
Total ground disturbance (acres)	*36.2*	*+3.6*
• *Permanent*	*30.4*	*+0.2*
• *Temporary*	*5.8*	*+3.4*

SOURCE: PG&E 2012

PG&E has reviewed approved areas of temporary workspace to at least partially balance the proposed increases in temporary workspace described above, and has identified approximately 10.8 acres of approved temporary workspace that may not be required and would not be disturbed unless needed. PG&E cannot guarantee at this time that some or all of these 10.8 acres of approved temporary workspace will not be used; the analysis below therefore assumes a worst-case scenario where PG&E must use all of the identified 10.8 acres of approved temporary workspace, and that construction activities would result in a net increase of 3.4 acres of temporary workspace area and 0.2 additional acres of permanent workspace area.

Minor Project Modification #3 – Temporary Logging Road

The Final IS/MND indicated that access to the project site would be from San Juan Grade Road and Crazy Horse Canyon Road, and that a permanent on-site access road would be built from San Juan Grade Road to the switching station. Construction of the switching station and permanent on-site access road would require removal of existing trees, which would be transported offsite by logging trucks. PG&E prepared to access tree removal areas with logging trucks though a system of temporary access roads approved in the Final IS/MND. Subsequent to the adoption of the Final IS/MND, PG&E determined that the approved system of temporary access roads would not be sufficient for tree removal activities, as the logging trucks are required to move in a downhill direction when loaded. Tree removal is scheduled to take place in September 2012, which is before the permanent access road (that would otherwise provide this downhill means of site egress) is scheduled to be installed. PG&E therefore requests to add an additional segment of temporary logging access road to transport trees as they are removed from the project site.

Tree removal activities would last for approximately 3-4 weeks, and would involve approximately 10 logging truck trips per day. Logging trucks would access the site via an existing two-track dirt road (Hollister access road described in Minor Project Modification #1) from Crazy Horse Canyon Road, and would use this existing road to reach the switching station site from the north. The logging trucks would be loaded from the switching station location, and then driven downhill through the switching station workspace to the bottom of the hill. The logging trucks would then pass through an existing gate at the southern point of the switching station workspace, and then travel near the southern edge of the property on a new temporary access road before exiting through the main access gate onto San Juan Grade Road.

A portion of this proposed logging truck route was not included in the Final IS/MND. The proposed new segment of temporary access road is located within the project study area that was analyzed in Final IS/MND and is shown on Figure 1. This segment of new temporary roadway would be approximately 215 feet long and 16 feet wide, and would stretch from the southern point of the approved switching station workspace area to the approved permanent access roadway workspace area. The new segment of temporary access road would increase the acreage of temporary workspace by 0.079 acres, which has been included in the additional temporary workspace acreage totals in Minor Project Modification #2. The new segment of temporary access roadway would require improvement through blading, and would be restored through hydroseeding after completion of tree removal activities.

Minor Project Modification #4 – Revision to Tree Removals

Correction to Count of Oak Trees Approved for Removal

The Final IS/MND indicated that approximately 30 mature oak trees would need to be removed as part of project construction. The applicant's 2010 PEA also stated that project construction would result in approximately 6.25 acres of oak woodland vegetation removal, including the permanent loss of approximately 0.78 acre of oak woodland within the cut and fill area of the project, and the temporary loss of approximately 5.47 acres of oak woodland within temporary work areas.

Subsequent to the adoption of the Final IS/MND, an oak tree survey was performed in December 2011 to assess the size and health of oak trees on the project site. This survey determined that there are more than 30 trees within the 6.25-acre area of oak woodland to be cut. The total acreage of oak woodland to be cut down was stated correctly; however, the previous count of trees was incorrect because it was based on counting tree canopies and not individual trees. The survey identified a total of 126 oak trees that would be directly impacted by grading activities, including 6 mature oak trees that would qualify as Landmark Trees under Monterey County regulations due to their size. The 126 oak trees within the 6.25 acres of oak woodland approved for removal include the removal of 98 oak trees for the construction of the switching station facility, the removal of 5 oak trees for the construction of the new access road, and the pruning or removal of 23 oak trees to accommodate the proposed new towers and poles. As a result of this December 2011 survey, the total number of trees approved for removal in the Final IS/MND increased to 126 oak trees, the number of mature trees to be removed decreased from 30 to 6 oak trees, and the acreage of oak woodland to be removed remained unchanged.

Additional Tree Removals Requested in Minor Project Modification #4

Following the December 2011 oak tree survey, it was determined that additional permanent and temporary workspace areas would be required for the project (as described under Minor Project Modification #2). Figure 1 shows the expanded workspace areas and Figure 2 shows where the expanded workspace areas overlap with existing oak woodland.

A second oak tree survey was performed on May 25, 2012 to analyze the expanded workspace areas. It was determined that an additional 0.46 acre of oak woodland would need to be removed to accommodate the expanded workspace areas, increasing the total acreage of oak woodlands to be removed to 6.71 acres. The additional 0.46 acre would involve the removal of 76 additional trees, including 24 coast live oak

trees, as part of the workspace expansion around the switching station facility, and 52 oak trees to accommodate the expanded temporary workspace areas for the new towers and poles. None of these 76 additional trees would qualify as Landmark Trees under Monterey County regulations. The revised tree removal counts would include 122 oak trees for the construction of the switching station facility, 5 oak trees for the construction of the new access road, and 75 oak trees for the new towers and poles. Table 3 provides a comparison of the acreage of oak woodland and the number of trees approved for removal in the Final IS/MND and the additional oak woodland and trees that would be removed for the expanded workspace areas.

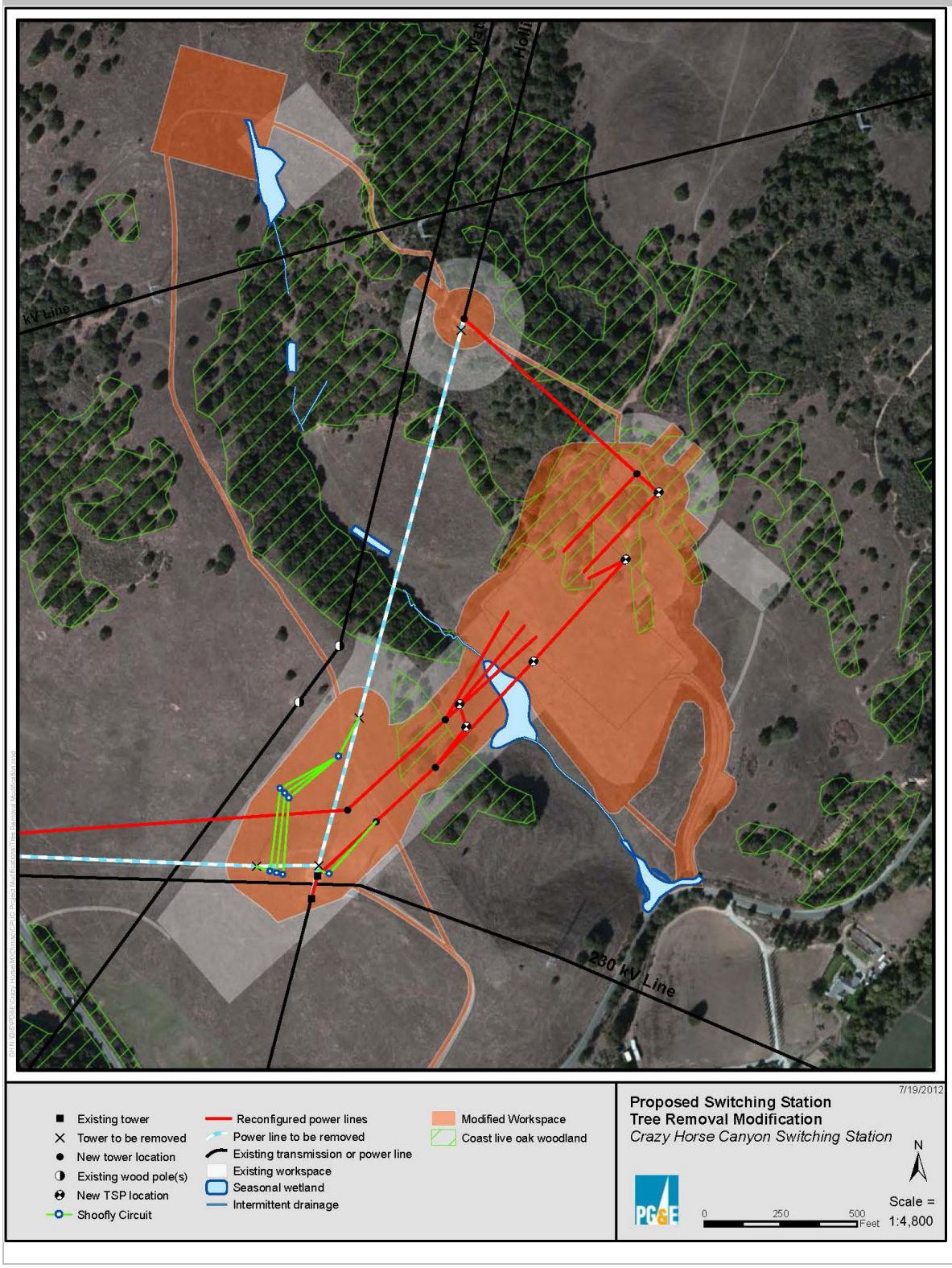
Table 3: Potential Modifications to the Number of Trees to be Removal from the Site

	Approved Project	Expanded Workspace Areas per Minor Project Modification #2
Total oak woodland removal (acres)	6.25	+0.46
Permanent	0.78	0
Temporary	5.47	+0.46
Tree Removal:		
Switching Station	98	+24
Access Roads	5	0
Towers and Poles	23	+52
Total Number of Trees Removed	126	+76

SOURCE: PG&E 2012

PG&E has identified up to 1.23 acres of oak woodland that could potentially be saved from removal. It is unknown at this time if all or a portion of these 1.23 acres can be spared from removal, and the analysis below therefore assumes that none of the 1.23 acres can be spared, and that the net change would be an increase of 0.46 acres of oak woodland to be removed, for a new total of 6.71 acres of oak woodland removed from the site.

Figure 2: Proposed Tree Removal Modifications



ENVIRONMENTAL IMPACTS AND ASSESSMENT

An environmental evaluation of the Minor Project Modifications is provided below. The proposed Minor Project Modifications were reviewed to determine whether they would result in a new significant environmental effect or would substantially increase the severity of a previously identified significant environmental effect, and whether the analysis in the Final IS/MND is still valid and consistent

Aesthetics

The switching station site falls within the viewshed of San Juan Grade Road and Old Stage Road. San Juan Grade Road has been proposed by the County as a scenic route and its viewshed is currently considered a significant visual resource by the County. Crazy Horse Canyon Road and San Juan Grade Road are designated as proposed scenic highways and routes in the Monterey County General Plan.

The proposed switching station location is behind a hill, with both Crazy Horse Canyon Road and San Juan Grade Road located at the base of the hill. Due to intervening vegetation and topography, the viewshed for the project is contained to a limited area located south of the site. The additional disturbance areas for the new section of logging road and expanded workspace areas would be visible from San Juan Grade Road; however, the change is incremental and the visual impacts would be negligible as the road is not highly traveled. The Hollister helicopter landing area and access road are not visible from Crazy Horse Canyon Road and San Juan Grade Road, and so the use of these areas would not have a visual impact from these vantage points.

More distant views are available from a portion of Old Stage Road located about 0.5 mile south of the project area. From Old Stage Road, it would be difficult to distinguish the expanded workspace areas and the scattering of additional oak trees to be removed versus the denser part of the oak woodland that would remain. The Hollister Project helicopter landing zone and temporary access road would be visible from a distance as they are located on a ridge crest; however, the Hollister helicopter landing zone and temporary access road is in a similar location and has similar visual impacts as the location proposed in the Final Crazy Horse IS/MND. The project-related visual change seen from Old Stage Road would represent a less than significant incremental visual effect that would not be substantial or particularly noticeable.

Implementation of Applicant Proposed Measures (APMs) Aesthetics-1 through 5, and Mitigation Measures (MMs) Aesthetics-6 through 8 in the Final IS/MND, would ensure that impacts to visual resources resulting from the Minor Project Modifications would remain less than significant.

Agriculture and Forestry Resources

Agriculture

The project site is located on agricultural lands subject to a Williamson Act contract. Facilities approved by the CPUC are considered an acceptable use consistent with the requirements of Government Code Section 51290 et. seq. The land on the project site is designated as grazing land, and is not designated as

prime farmland, farmland of statewide importance, or as unique farmland. The additional areas of temporary ground disturbance would be hydroseeded and returned to grazing land once construction activities are complete, and the 0.2 acre of additional permanent ground disturbance represents a negligible increase in the amount of lost grazing land. Agriculture impacts from the additional segment of temporary road would be less than significant and consistent with the impacts evaluated in the Final IS/MND.

Forestry

The additional area of temporary disturbance also includes approximately 0.46 acre of additional oak woodland, containing an additional 76 oak trees for removal. The increased area of oak woodland removal could represent a minor increase in forestry impacts. Removal of fewer mature trees would reduce the effects. Implementation of Condition of Approval #1 would ensure that forestry impacts are consistent with those evaluated in the Final IS/MND.

- **Condition of Approval #1:** *PG&E shall remove no more than 6.25 acres of oak woodland from the project site. PG&E shall reduce the amount of temporary work area (already approved) by 0.46 acre of oak woodland to offset the additional oak woodland to be removed for the Minor Project Modifications. The area to be omitted from temporary workspace should be shown on a map provided to the CPUC prior to initiation of the Minor Project Modifications.*

Air Quality and Greenhouse Gases

The Hollister helicopter landing zone is immediately adjacent to, and overlaps, the originally-proposed Crazy Horse helicopter landing zone (Figure 1). Use of the Hollister helicopter landing zone would be consistent with that described for the original Crazy Horse helicopter landing zone, and would not result in a change to air quality and greenhouse gas impacts.

The increase in permanent and temporary workspace areas would not require a significant increase in the use of heavy equipment and, therefore, would not substantially increase emissions, including fugitive dust, beyond what was analyzed in the Final IS/MND. The workspace modifications would not cause any changes to emissions of objectionable odors, expose sensitive receptors to increased pollutant concentrations, or otherwise significantly affect air quality. Potential air quality and greenhouse gas impacts are consistent with those evaluated in the Final IS/MND, and the workspace revisions would not create significant additional impacts to air quality and greenhouse gases.

The additional tree removal proposed as part of Minor Project Modification #4 would last 3-4 weeks. Although more trees will be removed, there will be substantially fewer mature trees removed. More young trees will fit on trucks so any increased duration of tree removal activities would likely be nominal and represent an insignificant increase in the air emissions produced by heavy equipment during tree removal activities. The increased amount of pollutant and greenhouse gas emissions produced by the project would not be substantial. Potential air quality and greenhouse gas impacts would be consistent with those evaluated in the Final IS/MND.

Biological Resources

The Hollister temporary access road is an existing unpaved road (two-track) being used by the Hollister project. Use of the Hollister helicopter landing zone and associated access road would reduce the need for additional temporary ground disturbance for the Crazy Horse project; therefore, the use of these Hollister project facilities would not result in a significant environmental effect or a substantial increase in the severity of previously identified biological impacts.

The additional areas of permanent and temporary workspace impacts were evaluated for the presence of biological resources. Table 2 below provides the approximate acreage for the sensitive vegetation communities that would be affected by the proposed increases in permanent and temporary workspace areas.

Table 2: Impacts of Expanded Workspace Areas on Sensitive Vegetation Communities

Habitat Type	Previously Approved in the Final IS/MND		Changes from Minor Project Modification #2	
	Permanent	Temporary	Permanent	Temporary
Non-native annual grassland	4.81	20.73	0.0	5.86
Central coast scrub	0.0	0.17	0.0	0.21
Northern mixed chaparral/Maritime chaparral	0.0	3.07	0.0	0.0
Coast live oak woodland	0.78	5.47	0.0	0.46
Ruderal	0.01	0.63	0.0	0.04
Seasonal wetland	0.01	0.71	0.0	0.03
Intermittent drainage	0.0	0.02	0.0	0.0
Coastal and valley freshwater marsh	0.0	0.0	0.0	0.0
Total Expanded Acreage	5.61	30.8	0.0	6.6

SOURCE: TRC 2012

Permanent and temporary loss of coast live oak woodland was evaluated in the Final IS/MND, and the removal of the additional trees is within the same approximate footprint of the project area. The approved conceptual landscaping plan indicates the planting of 60 replacement oak trees onsite. Additional replacement trees would be required to maintain the 1:1 replacement ratio for the additional trees to be removed from the site. Some additional replacement trees could be planted onsite, but the site may not be large enough to accommodate the up to 202 replacement trees that might be required for the modified project, particularly if the planting of replacement trees significantly reduces the net acreage of grazing land on the site. The IS/MND Mitigation Measure Biology-40 states that additional replacement trees can be planted at an offsite location to be determined through coordination with Monterey County. A potential planting site is currently under consideration through the Elkhorn Slough Foundation.

Implementation of Condition of Approval #1 would ensure that the loss of an additional 0.46 acre of oak woodland would be balanced by retaining an equal amount oak woodland approved for removal elsewhere on the site, and that no additional biological resource impacts would result.

Oak trees provide nesting habitat for a number of bird species, and some oak trees may also provide suitable bat roosting habitat. The increase in the number of trees proposed for removal would also increase the potential for loss of nesting and roosting habitat; however, implementation of Mitigation Measures Biology-27 and Biology-29 would ensure that impacts to nesting birds and bats remain at a less than significant level by replacing removed trees.

Implementation of Condition of Approval #1 and applicable APMs and MMs would ensure that the proposed workspace modifications, including the removal of up to 0.46 acre of oak woodland, would not substantially increase the biological resource impacts of the project.

Cultural Resources

A records search and pedestrian survey was performed for the Hollister project and no cultural resources were found to be within the landing zone or access road. No new cultural resource impacts would occur with the use of these Hollister project facilities.

The records search performed for the Crazy Horse project included a radius of 0.5 mile around the project area. The additional permanent and temporary disturbance areas are within the parameters of the records search, and no records were found to be within the additional proposed workspace areas.

The project area was also surveyed for cultural resources during preparation of the PEA; however, the additional 0.079-acre segment of the proposed temporary access road falls outside of that survey area. PG&E has stated that an additional cultural resource survey would be performed for this proposed segment of temporary access road, and that the results of the cultural resource survey will be submitted to the CPUC prior to any improvements for the new segment of roadway.

Cultural resource impacts would be unchanged by the proposed Minor Project Modifications, and implementation of APM Cultural-3 and MMs Cultural-1 and -2 would ensure that impacts remain less than significant.

Geology, Soils, and Seismicity

The adopted Hollister IS/MND identified a less than significant impact for geology, soils, and seismicity. Use of the temporary access road and helicopter landing zone by the Crazy Horse project would be similar to the Hollister Project; therefore, potential geology, soils, and seismicity impacts would be less than significant.

The additional permanent and temporary disturbance areas are within the area originally reviewed in the Final IS/MND for geology impacts. Implementation of approved APMs and mitigation measures would ensure that geology, soils, and seismicity impacts from the workspace modifications remain less than significant.

Hazards and Hazardous Materials

The Minor Project Modifications would not create new significant hazards or require new hazardous materials beyond those already considered in the Final IS/MND. Environmental protection measures would be implemented as described in the Final IS/MND, and potential hazards and hazardous materials impacts would be consistent with those evaluated in the Final IS/MND.

Hydrology and Water Quality

The Hollister helicopter landing zone is located within a grassland area that includes a seasonal wetland. No fill would be placed within the seasonal wetland, and the wetland would be avoided by all project construction activities. The helicopter landing was addressed in the Hollister IS/MND. The helicopter landing would have no adverse effects on the wetland.

The access road for the Hollister helicopter landing zone is an existing unpaved road that would not be further graded or improved as part of the project. Potential impacts to hydrology and water quality are consistent with those evaluated in the Final IS/MND and there would be no new effects.

The additional permanent and temporary disturbance areas are within the area originally reviewed in the Final IS/MND for hydrology impacts. The new temporary logging access road does not cross any wetlands or waters, but it extends between two existing workspaces and would come within approximately 65 feet of the intermittent drain/wetland along the bottom of the valley. Implementation of approved APMs and mitigation measures would ensure protection of hydrologic resources from stormwater runoff and erosions and would ensure that hydrology and water quality impacts from the workspace modifications remain less than significant.

Land Use and Planning

The Minor Project Modifications would all occur within the same parcel evaluated in the Final IS/MND. Potential land use and planning impacts would therefore be consistent with those analyzed in the Final IS/MND.

Mineral Resources

The Minor Project Modifications would all occur within the same parcel evaluated in the Final IS/MND. No mineral resources have been identified on the project site, and therefore potential mineral resource impacts would be consistent with those analyzed in the Final IS/MND.

Noise

The current use of the project site is active pasture land. The additional areas of permanent and temporary disturbance would not result in a substantial amount of additional noise beyond what is described in the Final IS/MND, and would not result in moving any sources of noise closer to the sensitive receptors in the area. Blading of the new temporary logging access road would result in an increase in noise; however, increases in noise would be temporary, of short duration, and would occur during tree removal activities and construction of the permanent access road. There would be a 3-4 week period of noise associated with tree removal. Noise from tree removal activities would be a temporary

impact, and the slight increase in duration of this noise would not substantially change the magnitude of the noise impacts. Implementation of APMs Noise-1 through -3 would ensure that noise impacts from the workspace modifications remain less than significant.

Population and Housing

The approved project would not result in temporary or permanent impacts to population and housing. The Minor Project Modifications would not create any new impact to population and housing; therefore, population and housing impacts would be consistent with those analyzed in the Final IS/MND.

Public Services

The approved project would result in temporary and less than significant construction impacts to public services and no permanent impacts to public services. The Minor Project Modifications would occur on the same parcel and would have similar impacts to the approved project. Therefore, potential public services impacts would be consistent with those analyzed in the Final IS/MND.

Recreation

The approved project would result in temporary and less than significant construction impacts to recreation and no permanent impacts to recreation. The Minor Project Modifications would occur on the same parcel and would have similar recreation impacts to those of the approved project. Potential public services impacts would therefore be consistent with those analyzed in the Final IS/MND.

Transportation and Traffic

The proposed Minor Project Modifications would occur entirely within the project site. Crazy Horse Canyon Road and San Juan Grade Road are arterials that currently experience low traffic volumes. The traffic created by the approved project, including worker trips, equipment deliveries, and hauling trips represents less than one percent of the daily average traffic volume on the roadways that will be affected by project construction; the project was therefore determined to have a less than significant impact on traffic. No new transportation or traffic impacts would result from the use of the Hollister helicopter landing zone and the increases in permanent and temporary workspace areas. Tree removal activities would last for approximately 3-4 weeks, and would involve approximately 10 logging truck trips per day. The additional hauling trip traffic that would be created by the removal of 76 additional trees would represent a negligible increase in construction traffic because fewer mature trees would be removed and more trees will fit on each truck. The impacts would therefore be consistent with the traffic created by the approved project.

Utilities and Service Systems

The approved project would not result in significant temporary or permanent impacts to utilities and service systems. Project refinements would not create any new impact to utilities and service systems; therefore, utilities and service systems impacts would be consistent with those analyzed in the Final IS/MND.

Conclusions

Minor Project Modification #1 – Use of Hollister Helicopter Landing Zone and Access Road

CDFG requested both the Crazy Horse and Hollister projects use only one of the two proposed helicopter landing zones. Use of one of the helicopter landing zones by both projects would minimize overall ground disturbance for the two projects and would minimize impacts to biological resources because it decreases the total amount of workspace that would be disturbed for the two projects. The use of these Hollister facilities would not result in a substantial increase in project impacts, and implementation of required APMs and MMs would ensure that all project impacts would remain less than significant.

Minor Project Modification #2 – Workspace Modifications

The proposed workspace modifications would result in minor incremental increases in both permanent and temporary disturbance areas. These additional workspace areas would not result in new impacts or substantially increased impacts compared to the project as evaluated in the Final IS/MND. Implementation of Condition of Approval #1 and applicable APMs and MMs would ensure that all project impacts from the proposed workspace modifications would remain less than significant.

Minor Project Modification #3 – Temporary Logging Road

The new temporary logging access road was found to be within the context of the approved project and would not have significantly greater environmental impacts than those analyzed in the Final IS/MND. The APMs and MMs defined in the Final IS/MND apply to the access road, and would ensure that impacts remain less than significant.

Minor Project Modification #4 – Revision to Tree Removals

Correction to Count of Oak Trees Approved for Removal

PG&E provided a December 2011 tree survey that corrects the number of trees to be removed as part of the approved project. The original number of trees to be removed was estimated by counting crowns and tree canopies on aerial maps, which did not capture smaller trees that exist beneath the crowns of larger trees. The discrepancy was confirmed when the December 2011 oak tree survey was performed. The Final IS/MND analyzed the removal of up to 30 mature oak trees, which included an analysis of the removal of 6.25 acres of oak woodland (i.e., the canopies represented by these 30 mature oak trees). The December 2011 tree survey identified a total of 126 oak trees would be removed as part of the approved project, including 6 oak trees that qualify as Landmark Trees under Monterey County regulations due to their mature size and 120 smaller trees located within the canopies of these 6 mature oak trees.. The difference in the tree count between the Final IS/MND and the December 2011 tree survey does not represent a substantial change in the project.

Additional Tree Removals Requested in Minor Project Modification #4

The proposed modifications to the workspace areas would result in an increase in the total number of trees to be removed from 126 trees to up to 202 trees, an increase of up to 76 trees. The total acreage of oak woodland to be removed could also increase from 6.25 acres to up to 6.71 acres, an increase of 0.46 acres. The number of mature oak trees to be removed would be reduced from 30 trees identified in the IS/MND to 6 trees identified in the 2011 survey. Implementation of Condition of Approval #1 would ensure that the net acreage of oak woodland habitat to be removed would be unchanged from that of the approved

project. Implementation of Condition of Approval #1 and the approved APMs and MMs for the project, including maintaining the required 1:1 replacement tree ratio, would ensure that oak woodland and tree removal impacts remain less than significant.

RECOMMENDATION FOR CONDITIONAL APPROVAL OF MINOR PROJECT MODIFICATIONS #1-4

Panorama staff recommends approval of the proposed Minor Project Modifications #1-4 based on the results of the environmental analysis above. All APMs and MMs in the adopted Final IS/MND apply to these Minor Project Modifications, as applicable. In addition, one condition of approval has been added for Minor Project Modifications #2 and #4:

- **Condition of Approval #1:** *PG&E shall remove no more than 6.25 acres of oak woodland from the project site. PG&E shall reduce the amount of temporary work area (already approved) by 0.46 acre of oak woodland to offset the additional oak woodland to be removed for the Minor Project Modifications. The area to be omitted from temporary workspace should be shown on a map provided to the CPUC prior to initiation of the Minor Project Modifications.*

ATTACHMENTS

Attachment A: Description of Minor Project Modifications, submitted by PG&E on July 31, 2012

Pacific Gas and Electric Company

Cristina Salguero Holstine
Land Planner
Land and Environmental Services

(415) 973-7406

245 Market Street, Room 1054A
San Francisco, CA 94105

Mailing Address:
Mail Code N10A
P.O. Box 770000
San Francisco, CA 94177

Mr. Andrew Barnsdale
California Public Utilities Commission
Energy Division CEQA Unit
505 Van Ness Avenue
San Francisco, CA 94102

July 30, 2012

Re: Crazy Horse Canyon Switching Station Project – Minor Project Modifications

Dear Andrew,

As discussed during our meeting of July 9, PG&E is proposing some minor project modifications to the Crazy Horse Canyon Switching Station Project (Crazy Horse Project) that were identified during the course of pre-construction meetings and surveys. The modifications include minor changes to the workspace and a revised estimate of the number of trees that are within the area of oak woodland to be removed. Each of these project modifications is described in detail below and depicted on the attached maps. A summary of workspace revisions in terms of overall acreage is provided in a table at the end of this submission.

By way of this letter, PG&E respectfully requests approval of these minor project modifications. Please do not hesitate to contact me at 415-973-7406 should you require more information.

Sincerely,

Cristina Holstine
Land Planner, PG&E

cc: Jeff Smith, Panorama
Janet Liver, TRC

Modification # 1: Use of Hollister Helicopter Landing Zone and Associated Access Road

The project PEA, dated April 2010, proposed that the helicopter landing zone for the Crazy Horse Project be located at a proposed 2-acre site northwest of Tower 0/4 and the 500 kV transmission line, and accessed by an existing dirt road from Tower 0/4. Instead, PG&E would like to use the helicopter landing zone that is part of the PG&E Hollister 115 KV Reconductoring Project. This workspace is northwest of the landing zone proposed in the Crazy Horse Canyon Switching Station Project PEA, and the two areas overlap. Additionally, PG&E would like to use a temporary access road currently being used by the Hollister Project, which is an existing dirt road (two-track) that extends from the Lagunitas Switch area north to the Hollister landing zone. The temporary access road will be used to access the helicopter landing zone, as well as tower 0/4, and the northern end of the switching station site. The attached figure shows the existing helicopter landing zone proposed in the PEA, the Hollister landing zone, and the Hollister access road.

Temporary use of the Hollister landing zone will increase the Crazy Horse project workspace by 0.75 acre as the Hollister workspace is slightly larger; however, as part of the Incidental Take Permit Application process, CDFG requested both projects use only one of the two proposed landing zones, and it was decided that the Hollister landing zone should be used. Use of the Hollister access road would increase the temporary workspace of the Crazy Horse project by 0.8 acre. No grading of the road will be required.

Justification:
CDFG requested both projects use only one of the two proposed landing zones and it was decided that the Hollister landing zone should be used. Use of the Hollister landing zone by the Crazy Horse project as opposed to the landing zone proposed in the Crazy Horse PEA will minimize impacts to biological resources as it decreases the workspace of the two projects together.

The project PEA, dated April 2010, described the temporary workspaces and access roads based on preliminary engineering designs. During a June 6, 2012 site visit in which the project manager, the engineering team, construction managers, and environmental team participated, it was determined that the Hollister access road is needed for access by logging trucks during tree removal, and to move equipment to Tower 0/4 and the north end of the switching station site.

See Modification Number 1 on the attached map.

RESOURCE EVALUATION

CEQA Guidelines 15162 review: The proposed minor project modification does not involve substantial changes to the project or project circumstances that will require major revisions to the mitigated negative declaration. It will not result in new significant environmental effects or a substantial increase in the severity of previously identified impacts.

CEQA SECTION	Evaluation
Aesthetics	**Potential Impact:** The Hollister Project helicopter landing zone and temporary access road may be visible from a distance as they are located on ridge crest; however, their use by the Crazy Horse Project will be incremental and temporary. The temporary access road is an existing two-track that was present before its use by the Hollister Project; therefore, there will be no changes to the viewshed by its use for the Crazy Horse project. The changes in the appearance of the project area that will result from the additional 1.55 acre of existing temporary access road and landing zone will not substantially alter the existing visual character or quality of the landscape setting. With incorporation of the Applicant Proposed Measures and mitigation measures in the approved MND, impacts to visual resources resulting from the project will remain less than significant.
Agriculture and Forestry Resources	**No Impact:** The project site is located on agricultural lands subject to a Williamson Act contract. However, facilities approved by the CPUC are considered an acceptable use consistent with the requirements of Government Code Section 51290 et. seq. The land on the project site is not designated as prime farmland, farmland of statewide importance, or as unique farmland. However, it is designated as grazing land. The temporary access road is an existing dirt road (two-track), and the landing zone is on grazing land that is devoid of trees, and will be returned to preconstruction conditions. Therefore, potential impacts are consistent with those evaluated in the MND.
Air Quality and Greenhouse Gas Emissions	**No Impact:** The Hollister landing zone is immediately adjacent to, and overlaps, the Crazy Horse landing zone. Use of the Hollister landing zone will be consistent with that described for the Crazy Horse landing zone in the PEA and environmental protection measures will be implemented as described in the MND, Likewise, use of the temporary access road will not result in increased air quality and greenhouse gas emissions. Therefore, potential impacts are consistent with those evaluated in the MND, and use of the temporary access road and landing zone will not create significant additional impacts to air quality and greenhouse gas emissions.

Biological Resources	**No Impact:** The temporary access road is an existing dirt road (two-track) being used by the Hollister project and using the same landing zone will decrease the combined impact of both projects. Therefore, their use will not result in a significant environmental effect or a substantial increase in the severity of previously identified impacts.
Cultural Resources	**No Impact:** A records search and pedestrian survey was performed for the Hollister project and no cultural resources were found to be within the landing zone or access road.
Geology, Soils, and Seismicity	**No Impact:** The Hollister MND identified a less than significant impact for geology, soils, and seismicity. Use of the temporary access road and helicopter landing zone by the Crazy Horse project will be similar to the Hollister Project. Therefore, potential impacts are considered less than significant.
Hazards and Hazardous Materials	**No Impact:** The Hollister project's access road and helicopter landing zone will not create new significant hazards or require new hazardous materials beyond those already considered in the PEA. Environmental protection measures will be implemented as described in the MND. Therefore, potential impacts are consistent with those evaluated in the MND.
Hydrology and Water Quality	**No Impact:** The Hollister helicopter landing zone is located within grassland and the area includes a seasonal wetland. No fill will be placed within the seasonal wetland. The access road is an existing dirt road. Therefore, potential impacts are consistent with those evaluated in the MND.
Land Use and Planning	**No Impact:** The temporary access road and helicopter landing zone are within an area using for grazing. Therefore, potential impacts are consistent with those evaluated in the MND.
Mineral Resources	**No Impact:** The access road and helicopter landing zone are not within a Mineral Resource Zone and will not impact a locally important mineral resource recovery site.
Noise	**Potential Impact:** The current use of the project site is active pasture land approximately 1,200 feet from the nearest sensitive noise receptor. Use of the Hollister landing zone will not create noise beyond what was evaluated in the MND for the proposed helicopter landing zone. Construction equipment driving on the access road will be temporary and short-term; therefore, noise impacts will be negligible. With incorporation of the Applicant Proposed Measures in the approved MND, potential impacts will remain less than significant.
Population and Housing	**No Impact:** The temporary access road and helicopter landing zone are located within grazing land. Therefore, potential impacts are consistent with those evaluated in the MND.

Public Services	**No Impact:** The temporary access road and helicopter landing zone are located within grazing land. Therefore, potential impacts are consistent with those evaluated in the MND.
Recreation	**No Impact:** The temporary access road and helicopter landing zone are located within grazing land. Therefore, potential impacts are consistent with those evaluated in the MND.
Transportation and Traffic	**No Impact:** The temporary access road and helicopter landing zone are located within grazing land and their use will not impact public roads. Therefore, potential impacts are consistent with those evaluated in the MND.
Utilities and Service Systems	**No Impact:** The temporary access road and helicopter landing zone are located within grazing land. Therefore, potential impacts are consistent with those evaluated in the MND.

Modification # 2: Workspace Modifications

The project PEA, dated April 2010, described the temporary and permanent workspaces based on a preliminary engineering design in which the workspaces were delineated generally based on a specific number of feet in all directions. The final engineering design increases the permanent area of disturbance by 0.2 acre and increases the total temporary workspace by 3.4 acres from what is described in the PEA.

The permanent area of disturbance will be increased by 0.4 acre at the switching station, and will be decreased by 0.2 acre along the new permanent access road, resulting in a total increase in area of 0.2 acre. The 3.4-acre increase in temporary workspace is due minor inconsistencies between the workspace as depicted in Figure 1-2b and the CAD data for the engineering design, and the addition of a width of 16 to 30 feet of workspace around the edge of the cut and fill that is needed for the equipment to install the drainage system around the outside of the benched cut and fill slope as well as travel around the switching station cut and fill area once the benches have been created.

Justification:
The project PEA, dated April 2010, described the temporary and permanent workspaces based on preliminary engineering designs. The final engineering design for the switching station at this location requires a permanent impact of an additional 0.2 acres.

In early 2012, through consultation with key project personnel, the temporary workspace configuration was revised and finalized during a June 6, 2012 site visit. While it was determined that an additional 3.4 acres of temporary workspace is required in order to complete construction of the switching station, an effort was also undertaken to identify areas of temporary workspace that may not be needed. Through this process, it was identified that approximately 10.8 acres of approved temporary workspace may not be required and will not be disturbed unless needed. Burrow excavation and tree clearing will not initially be performed in these areas which consist of the two pull sites and portions of workspaces around towers and poles. Therefore a net decrease in the overall temporary impact area of the project is anticipated.

See Modification Number 2 on the attached map.

RESOURCE EVALUATION

CEQA Guidelines 15162 review: The proposed project modification does not involve substantial changes to the project or project circumstances that will require major revisions to the mitigated negative declaration. It will not result in new significant environmental effects or a substantial increase in the severity of previously identified impacts.

CEQA SECTION	Evaluation
Aesthetics	**Potential Impact:** The switching station site falls within the viewshed of San Juan Grade Road and Old Stage Road. San Juan Grade Road has been proposed by the County as a scenic route and its viewshed is currently considered a significant visual resource by the County. Crazy Horse Canyon Road and San Juan Grade Road are designated as proposed scenic highways and routes in the Monterey County General Plan. The proposed switching station location is behind a hill, with both Crazy Horse Canyon Road and San Juan Grade Road located at the base of the hill. Due to intervening vegetation and topography, the viewshed for the project is contained to a limited area located south of the site. The additional permanent disturbance area will be visible from San Juan Grade Road; however, the change is incremental and will be negligible as the road is not highly traveled. More distant views are available from a portion of Old Stage Road located about 0.5 mile south of the project area. From Old Stage Road, it will be difficult to detect the small amount of additional permanent impact area around the switching station. The project-related visual change seen from Old Stage Road will represent an incremental visual effect that will not be particularly noticeable. The changes in the appearance of the project area that will result from the additional 0.2 acre of permanent disturbance will not substantially alter the existing visual character or quality of the landscape setting, and the decrease in temporary workspace will result in less visual impact during construction. With incorporation of the Applicant Proposed Measures and mitigation measures in the approved MND, impacts to visual resources resulting from the project will remain less than significant.

Agriculture and Forestry Resources	**No Impact:** The project site is located on agricultural lands subject to a Williamson Act contract. However, facilities approved by the CPUC are considered an acceptable use consistent with the requirements of Government Code Section 51290 et. seq. The land on the project site is not designated as prime farmland, farmland of statewide importance, or as unique farmland. However, it is designated as grazing land. The additional area of permanent disturbance includes a strip of grazing land surrounding the switching station, and will require removal of additional trees (approximately 24). Therefore, potential impacts are consistent with those evaluated in the MND.
Air Quality and Greenhouse Gas Emissions	**No Impact:** Although short-term emissions from project construction will result in some temporary impacts, the project will result in a less-than-significant impact to air quality and GHG emissions. The increase of temporary workspace and addition of 0.2 acre of permanent workspace will not require an increase in the use of heavy equipment and, therefore, will not increase emissions, including fugitive dust, beyond what was analyzed in the PEA. The project will not cause any objectionable odors, expose sensitive receptors to increased pollutant concentrations, or otherwise significantly affect air quality, and, therefore, the workspace revisions will likewise not result in such impacts. Potential impacts are consistent with those evaluated in the MND, and the workspace revisions will not create significant additional impacts to air quality and greenhouse gas emissions.
Biological Resources	**Potential Impact:** The additional areas of permanent impact (switching station area and new access road) were evaluated in the PEA. The additional area is on the same parcel and is used for grazing. The additional 3.4 acres of temporary workspace will require removal of approximately 24 trees. These trees will be mitigated at a ratio of 1:1. Furthermore, it is anticipated that an overall decrease of 10.8 acres of temporary workspace may not be needed. Applicant Proposed Measures and mitigation measures will be implemented as described in the MND. Therefore, potential biological impacts are consistent with those evaluated in the MND.
Cultural Resources	**No Impact:** The records search performed for the project included a radius of 0.5 mile around the project area. The additional permanent disturbance area is within the parameters of the records search, and no records were found to be within the additional 0.2 acre of permanent disturbance.
Geology, Soils, and Seismicity	**No Impact:** The additional disturbance area is within the original parcel and consists of grazing land. Therefore, potential impacts are consistent with those evaluated in the MND.

Hazards and Hazardous Materials	**No Impact:** The workspace revisions will not create new significant hazards or require new hazardous materials beyond those already considered in the PEA. Environmental protection measures will be implemented as described in the MND. Therefore, potential impacts are consistent with those evaluated in the MND.
Hydrology and Water Quality	**No Impact:** The additional disturbance area is within the original parcel and consists of grazing land. Therefore, potential impacts are consistent with those evaluated in the MND.
Land Use and Planning	**No Impact:** The additional disturbance area is within the original parcel and consists of grazing land. Therefore, potential impacts are consistent with those evaluated in the MND.
Mineral Resources	**No Impact:** The additional disturbance area is within the original parcel and consists of grazing land. Therefore, potential impacts are consistent with those evaluated in the MND.
Noise	**No Impact:** The current use of the project site is active pasture land approximately 1,200 feet away from the nearest sensitive noise receptor. The additional area of disturbance will not result in additional noise beyond what is described in the MND. Therefore, potential impacts are consistent with those evaluated in the MND.
Population and Housing	**No Impact:** The additional disturbance area is within the original parcel and consists of grazing land. Therefore, potential impacts are consistent with those evaluated in the MND.
Public Services	**No Impact:** The additional disturbance area is within the original parcel and consists of grazing land. Therefore, potential impacts are consistent with those evaluated in the MND.
Recreation	**No Impact:** The additional disturbance area is within the original parcel and consists of grazing land. Therefore, potential impacts are consistent with those evaluated in the MND.
Transportation and Traffic	**No Impact:** The changes in workspaces will not impact public roads. Therefore, potential impacts are consistent with those evaluated in the MND.
Utilities and Service Systems	**No Impact:** The workspace revisions will not result in any impacts to existing utilities or service systems.

Modification # 3: Temporary Logging Road

The project PEA, dated April 2010, described the proposed access areas, including access to the switching station and power line reconfiguration work areas via San Juan Grade Road and Crazy Horse Canyon Road, and the proposed construction of a permanent access road from San Juan Grade Road to the switching station. Prior to construction, approximately 200 trees need to be removed from the workspaces. Tree removal is planned to occur in September 2012. The new permanent access road described in the PEA will not yet be constructed, and the logging trucks when full, need to drive in a downhill direction.

To remove the trees from the cut and fill area of the switching station work area, the logging trucks will access the workspace from the northern end, and collect logs as they drive downslope along the existing two-track that is within, and parallels the northwest side of the workspace. At the bottom of the slope, the trucks will proceed through the existing gate in the fence line, and then drive along the south/west side of the fence, within the existing workspace. At the southern tip of the cut and fill workspace, a new strip of temporary workspace will be required for the trucks to reach the permanent access road near where it connects to San Juan Grade Road (see the attached figure). This new temporary workspace will be 215 feet long and 16 feet wide, and will add a total of 0.79 acre of workspace to the project's temporary footprint. The entire length of this temporary access road for the logging truck (both within the existing temporary workspace adjacent to the fence line and the additional 215 feet of connecting workspace) will be bladed prior to the trucks using it. PG&E anticipates the logging operation will require approximately 10 trucks per day for approximately three weeks in September. Once tree removal is complete, this new temporary access road will be restored by hydroseeding.

Justification:
Prior to project construction, approximately 200 trees need to be removed from the workspaces. The trees are scheduled to be removed in September 2012, prior to the completion of the permanent access road, and the logging trucks when full, need to drive in a downhill direction. The temporary access road the PG&E is proposing to construct to provide access for the logging trucks during tree removal is a direct route from San Juan Grade Road to the switching station area, and will disturb the smallest amount of land practicable (approximately 0.079 acre). The road will be used for approximately three weeks and then will be restored by hydroseeding.

See Modification Number 3 on the attached map.

RESOURCE EVALUATION

CEQA Guidelines 15162 review: The proposed minor project modification does not involve substantial changes to the project or project circumstances that will require major revisions to the mitigated negative declaration. It will not result in new significant environmental effects or a substantial increase in the severity of previously identified impacts.

CEQA SECTION	Evaluation
Aesthetics	**Potential Impact:** The switching station site falls within the viewshed of San Juan Grade Road and Old Stage Road. San Juan Grade Road has been proposed by the County as a scenic route and its viewshed is currently considered a significant visual resource by the County. Crazy Horse Canyon Road and San Juan Grade Road are designated as proposed scenic highways and routes in the Monterey County General Plan. The proposed switching station location is behind a hill, with both Crazy Horse Canyon Road and San Juan Grade Road located at the base of the hill. Due to intervening vegetation and topography, the viewshed for the project is contained to a limited area located south of the site. The new temporary access road will be visible from San Juan Grade Road; however, the change is incremental and will be negligible as the road is not highly traveled. In addition, the road will be temporary (approximately three weeks) and will be hydroseeded and restored after the tree removal phase of the project. More distant views are available from a portion of Old Stage Road located about 0.5 mile south of the project area. From Old Stage Road, it will be difficult to detect the new temporary access road. The changes in the appearance of the project area that will result from the additional 0.079 acre of temporary access road will not substantially alter the existing visual character or quality of the landscape setting. With incorporation of the Applicant Proposed Measures and mitigation measures in the approved MND, impacts to visual resources resulting from the project will remain less than significant.
Agriculture and Forestry Resources	**No Impact:** The project site is located on agricultural lands subject to a Williamson Act contract. However, facilities approved by the CPUC are considered an acceptable use consistent with the requirements of Government Code Section 51290 et. seq. The land on the project site is not designated as prime farmland, farmland of statewide importance, or as unique farmland. However, it is designated as grazing land. The new temporary access road is currently grazing land, devoid of trees, will be returned to preconstruction conditions. Therefore, potential impacts are consistent with those evaluated in the MND.

Air Quality and Greenhouse Gas Emissions	**Potential Impact:** Although short-term emissions from project construction will result in some temporary impacts, the project will result in a less-than-significant impact to air quality and GHG emissions. Blading the path to be used by the logging trucks as a temporary access road and the duration of time the access road be used for the removal of trees (approximately 10 trucks per day for three weeks) will not significantly increase the use of heavy equipment and, therefore, will not increase emissions, including fugitive dust, beyond what was analyzed in the PEA. The project will not cause any objectionable odors, expose sensitive receptors to increased pollutant concentrations, or otherwise significantly affect air quality, and therefore the construction and use of the temporary access road will likewise not result in such impacts. Environmental protection measures will be implemented as described in the MND. Therefore, potential impacts are consistent with those evaluated in the MND, and the temporary access road will not create significant additional impacts to air quality and greenhouse gas emissions.
Biological Resources	**Potential Impact:** The location of the new temporary access road is within the parcel of land purchased by PG&E for the project, and within the study area evaluated for the PEA. The land is used for grazing and will be restored to grassland following its use. Applicant Proposed Measures and mitigation measures will be implemented as described in the MND; mitigation measures for CTS as specified in the Incidental Take Permit from CDFG will likewise be implemented. Therefore, potential biological impacts are consistent with those evaluated in the MND.
Cultural Resources	**No Impact:** The records search performed for the project included a radius of 0.5 mile around the project area. The new temporary access road is within the parameters of the records search, and no records were found to be within the additional 0.079 acre needed for the temporary road.
Geology, Soils, and Seismicity	**No Impact:** The new temporary access road is within the parcel of land purchased by PG&E for the project, and within the study area evaluated for the PEA. Therefore, potential impacts are consistent with those evaluated in the MND.
Hazards and Hazardous Materials	**No Impact:** The new temporary access road will not create new significant hazards or require new hazardous materials beyond those already considered in the PEA. Environmental protection measures will be implemented as described in the MND. Therefore, potential impacts are consistent with those evaluated in the MND.

Hydrology and Water Quality	**No Impact:** The new temporary access road is within the original parcel and consists of grazing land. The new temporary access road does not cross any wetlands or waters, but it extends between two existing workspaces and is within approximately 65 feet of the intermittent drain/wetland complex along the bottom of the valley. Measures to control erosion and runoff from the temporary access road will be consistent with those measures in the MND to be implemented for the other workspaces that are likewise adjacent to this intermittent drain/wetland complex. Therefore, potential impacts are consistent with those evaluated in the MND.
Land Use and Planning	**No Impact:** The new temporary access road is within the original parcel and consists of grazing land. Therefore, potential impacts are consistent with those evaluated in the MND.
Mineral Resources	**No Impact:** The new temporary access road is within the parcel of land purchased by PG&E for the project, and within the study area evaluated for the PEA. Therefore, potential impacts are consistent with those evaluated in the MND.
Noise	**Potential Impact:** The current use of the project site is active pasture land approximately 1,200 feet from the nearest sensitive noise receptor. The new temporary access road is within the parcel of land purchased by PG&E for the project, and within the study area evaluated for the PEA. Blading of the new temporary access road will result in an increase in noise; however, it will be temporary and of short duration, and will occur as part of other construction activities at the site (tree removal and construction of the permanent access road). Applicant-proposed noise reduction measures described in Section 12.5 of the PEA will further reduce already less-than-significant impacts. Therefore, potential impacts will remain less than significant.
Population and Housing	**No Impact:** The new temporary access road is within the original parcel and consists of grazing land. Therefore, potential impacts are consistent with those evaluated in the MND.
Public Services	**No Impact:** The new temporary access road is within the original parcel and consists of grazing land. Therefore, potential impacts are consistent with those evaluated in the MND.
Recreation	**No Impact:** The new temporary access road is within the original parcel and consists of grazing land. Therefore, potential impacts are consistent with those evaluated in the MND.
Transportation and Traffic	**Potential Impact:** The new temporary access road is within the parcel of land purchased by PG&E for the project. Therefore, potential impacts are consistent with those evaluated in the MND.

Utilities and Service Systems	**No Impact:** The new temporary access road will not result in any impacts to existing utilities or service systems.

Modification # 4: Revision to Number of Trees within Oak Woodland Being Removed

The project PEA, dated April 2010, states that approximately 30 oak trees would need to be removed. It also states that construction of the project would result in the approximate permanent loss of 2.28 acres of oak woodland within the cut and fill area of the project, and temporary loss of 3.97 acres (a total of 6.25 acres of oak woodland being cut). However, an oak tree survey performed by HortScience in December 2011 to assess the size and health of oak trees determined that there are more than 30 trees within the area of oak woodland to be cut. The result of the HortScience survey was submitted to the County of Monterey on March 15, 2012 in support of the grading permit application in the form of a Tree Protection Plan, and also the CPUC on March 26, 2012 in compliance with Notice to Proceed #2, Condition 4 (submission of survey results prior to the start of construction; oak trees, MM Biology-40). It identified that 103 trees will be directly impacted by the grading, including 98 for the switching facility and 5 for the new access road, six of which qualify as Landmark. In addition, it was also stated that approximately 23 may be removed or pruned to accommodate proposed new towers or poles.

Following this submission, it was determined that additional temporary workspace (16 to 30 feet in width) would be required around the edge of the cut and fill are of the switching station in order to install the drainage system (see Modification Request No. 2) and that the trees within this additional temporary workspace will need to be removed. HortScience performed a survey on May 25, 2012, and 24 trees were identified within 30 feet of the cut and fill boundary (note - the survey performed was a width of 50 feet). All of these trees recorded by the surveys conducted by HortScience were Coast live oak.

On June 6, 2012, a field meeting was conducted with PG&E Construction Managers to confirm if workspaces containing trees could be reduced, and which individual trees would need to be removed (as opposed to pruned) within the temporary workspaces of the new towers and poles. Based on the results of the surveys and the field meeting, it was identified that approximately 127 trees will be directly impacted by the grading, including 122 for the switching facility (of which 24 are within an added 30 feet of temporary workspace) and 5 for the new access road, six of which qualify as Landmark. In addition, approximately 75 trees will need to be removed from temporary workspaces to accommodate proposed new towers or poles (12 of which are in the shared workspace with the Hollister Project at Tower 0/4). Where possible within the temporary workspaces, trees will be avoided or pruned, instead of removed. The total acreage of oak woodland to be cut is 4.95 acres.

When considering this discrepancy in the number of trees to be removed in terms of acreage of oak woodland being cut, the modified workspace results in less oak woodland being cut (4.95 acres) than that considered in the PEA and IS/MND (6.25 acres), a reduction of 1.3 acres.

Justification:
The number of trees to be removed documented in the PEA was estimated by counting crowns on an aerial, which did not capture smaller trees that were beneath the crowns of larger trees. The discrepancy was confirmed when the oak survey was conducted in December 2011. Based on the modified workspace, the total acreage of oak woodland being cut will be less than that specified in the PEA/MND.

Pursuant to the approved MND Mitigation Measure Biology-40 on page 4-26, in agreement with the Monterey County Preservation of Oak and Other Protected Trees Ordinance, oak trees will be replaced at a one-to-one ratio or as determined in consultation with Monterey County. Fifty Coast live oak and 10 Valley or Blue Oak trees will be replaced on the project site as shown in the Conceptual Landscaping Plan. The remaining oaks will be planted offsite at a location determined in consultation with Monterey County. Planting of the oaks will likely be coordinated with the Hollister Project, which is likewise mitigating for Oak tree removal; a mitigation site through the Elkhorn Slough Foundation is under consideration.

See modified workspace/coast live oak woodland on the attached map.

RESOURCE EVALUATION

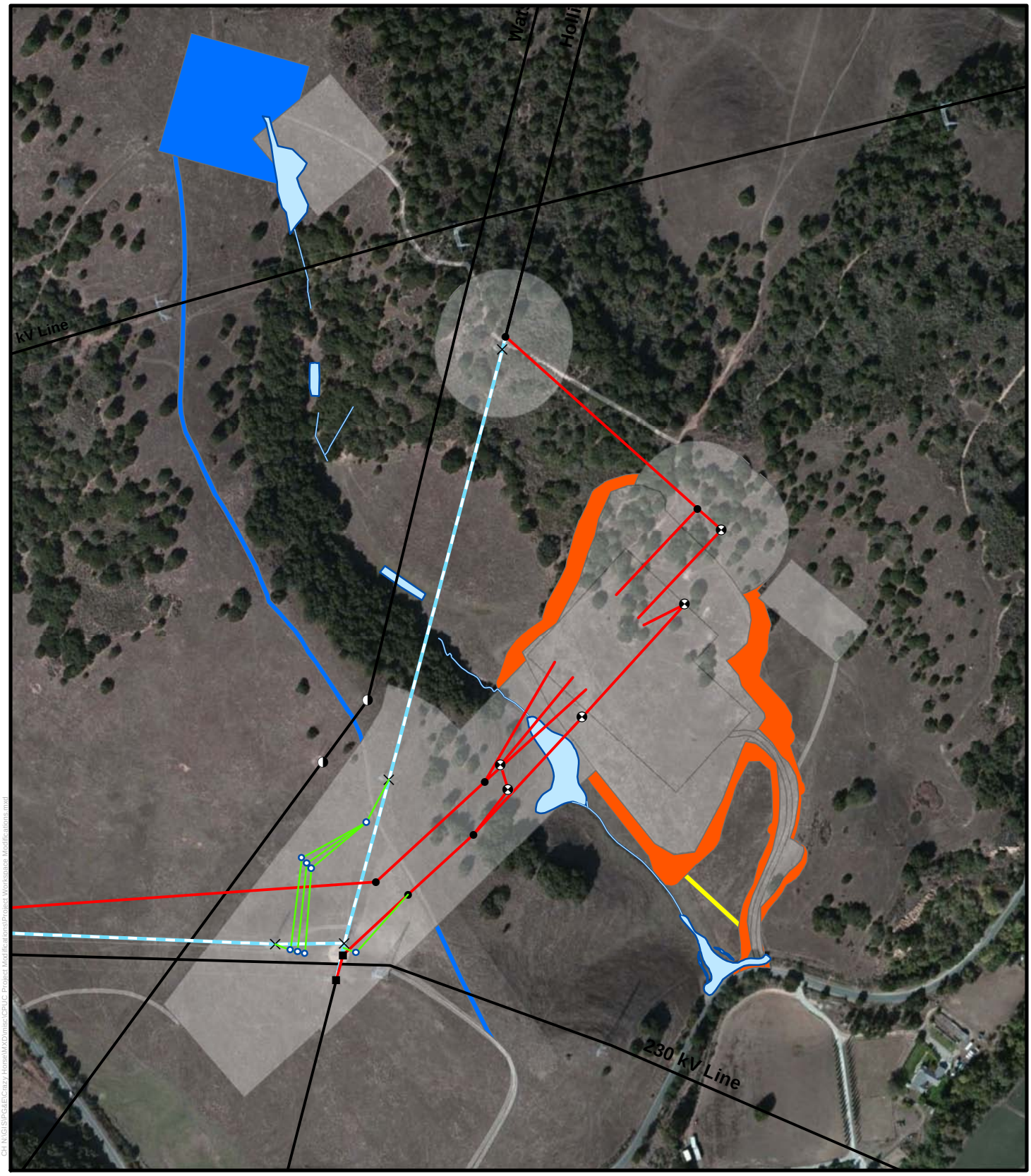
CEQA Guidelines 15162 review: The proposed project modification does not involve substantial changes to the project or project circumstances that will require major revisions to the mitigated negative declaration. It will not result in new significant environmental effects or a substantial increase in the severity of previously identified impacts.

CEQA SECTION	Evaluation
Aesthetics	**Potential Impact:** The switching station site falls within the viewshed of San Juan Grade Road and Old Stage Road. San Juan Grade Road has been proposed by the County as a scenic route and its viewshed is currently considered a significant visual resource by the County. Crazy Horse Canyon Road and San Juan Grade Road are designated as proposed scenic highways and routes in the Monterey County General Plan. The proposed switching station location is behind a hill, with both Crazy Horse Canyon Road and San Juan Grade Road located at the base of the hill. Due to intervening vegetation and topography, the viewshed for the project is contained to a limited area located south of the site. When looking upslope from San Juan Grade Road, the "mound" created by the switching station pad will partially block the view of the oak woodland so it will not be apparent that trees have been removed, and with landscaping implemented, the view will be of the oaks planted near San Juan Grade Road and the switching station and oak woodland upslope will not be visible. More distant views are available from a portion of Old Stage Road located about 0.5 mile south of the project area. From Old Stage Road, it will be difficult to distinguish the scattering of oaks to be removed versus the denser part of the oak woodland. The project-related visual change seen from Old Stage Road would represent an incremental visual effect that would not be particularly noticeable. The changes in the appearance of the project area that will result from the removal of the additional trees will not substantially alter the existing visual character or quality of the landscape setting. With incorporation of the Applicant Proposed Measures and mitigation measures in the approved MND, impacts to visual resources resulting from the project will remain less than significant.

Agriculture and Forestry Resources	**No Impact:** The project site is located on agricultural lands subject to a Williamson Act contract. However, facilities approved by the CPUC are considered an acceptable use consistent with the requirements of Government Code Section 51290 et. seq. The land on the project site is not designated as prime farmland, farmland of statewide importance, or as unique farmland. However, it is designated as grazing land. The additional trees proposed to be removed are within the original project area. Therefore, potential impacts are consistent with those evaluated in the MND.
Air Quality and Greenhouse Gas Emissions	**Potential Impact:** Although short-term emissions from project construction will result in some temporary impacts, the project will result in a less-than-significant impact to air quality and GHG emissions. The duration of time the tree cutting equipment will be needed for the additional removal of trees will not significantly increase the use of heavy equipment and, therefore, will not increase emissions, including fugitive dust, beyond what was analyzed in the PEA. The project will not cause any objectionable odors, expose sensitive receptors to increased pollutant concentrations, or otherwise significantly affect air quality, and therefore the removal of the additional trees will likewise not result in such impacts. Environmental protection measures will be implemented as described in the MND. Therefore, potential impacts are consistent with those evaluated in the MND, and the removal of additional trees will not create significant additional impacts to air quality and greenhouse gas emissions.
Biological Resources	**Potential Impact:** Permanent and temporary loss of coast live oak woodland was evaluated in the PEA, and the removal of the additional trees is within the same approximate footprint of the project area. The conceptual landscaping plan calls for the planting of 60 oaks, and the remaining number of trees removed will be replaced off-site at a 1:1 mitigation ratio (per Mitigation Measure Biology-40), resulting in no net loss of oak trees. Oak trees do provide bird nesting habitat and some may provide suitable bat roosting habitat. Given the additional number of existing trees found within this area, there may be a greater potential for bat roosting and bird nesting opportunities; however, implementation of Mitigation Measure Biology -29 to avoid disturbance to roosting bats and Mitigation Measure Biology-27 to avoid disruption of nesting activities will result in potential impacts that are consistent with those evaluated in the MND.
Cultural Resources	**No Impact:** The additional trees proposed to be removed are within the original project area. Therefore, potential impacts are consistent with those evaluated in the MND.

Geology, Soils, and Seismicity	**No Impact:** The additional trees proposed to be removed are within the original project area. Therefore, potential impacts are consistent with those evaluated in the MND.
Hazards and Hazardous Materials	**No Impact:** The removal of additional trees will not create new significant hazards or require new hazardous materials beyond those already considered in the PEA. Environmental protection measures will be implemented as described in the MND. Therefore, potential impacts are consistent with those evaluated in the MND, and the use removal of additional trees will not create significant additional impacts from hazards and hazardous materials.
Hydrology and Water Quality	**No Impact:** The additional trees proposed to be removed are within the original project area. Therefore, potential impacts are consistent with those evaluated in the MND.
Land Use and Planning	**No Impact:** The additional trees proposed to be removed are within the original project area. Therefore, potential impacts are consistent with those evaluated in the MND.
Mineral Resources	**No Impact:** The additional trees proposed to be removed are within the original project area. Therefore, potential impacts are consistent with those evaluated in the MND.
Noise	**Potential Impact:** The removal of trees includes temporary increases in noise associated with equipment. The current use of the project site is active pasture land approximately 1,200 feet away from the nearest sensitive noise receptor. The removal of approximately 202 trees will result in a prolonged use of the tree removal equipment; however, the noise will be temporary. Implementation of the Applicant Proposed Measures will ensure that potential noise impacts are less than significant, and consistent with the MND.
Population and Housing	**No Impact:** The additional trees proposed to be removed are within the original project area. Therefore, potential impacts are consistent with those evaluated in the MND.
Public Services	**No Impact:** The additional trees proposed to be removed are within the original project area. Therefore, potential impacts are consistent with those evaluated in the MND.
Recreation	**No Impact:** The additional trees proposed to be removed are within the original project area. Therefore, potential impacts are consistent with those evaluated in the MND.

Transportation and Traffic	**No Impact:** Crazy Horse Canyon Road and San Juan Grade Road are arterials that are not currently highly affected by traffic in the project area. The traffic demand created by worker trips and associated equipment deliveries and hauling trips represents less than one percent of the daily average traffic volume on the roadways that will be affected by project construction and, thus, will be an insignificant increase in traffic on these roadways. Therefore, the removal of additional trees will not create additional significant impacts to traffic.
Utilities and Service Systems	**No Impact:** Tree removal will not result in any impacts to existing utilities or service systems.



- Existing tower
- Tower to be removed
- New tower location
- Existing wood pole(s)
- New TSP location
- Shoofly Circuit
- Reconfigured power lines
- Power line to be removed
- Existing transmission or power line
- Existing workspace
- Seasonal wetland
- Intermittent drainage
- Modification Number 1
- Modification Number 2
- Modification Number 3

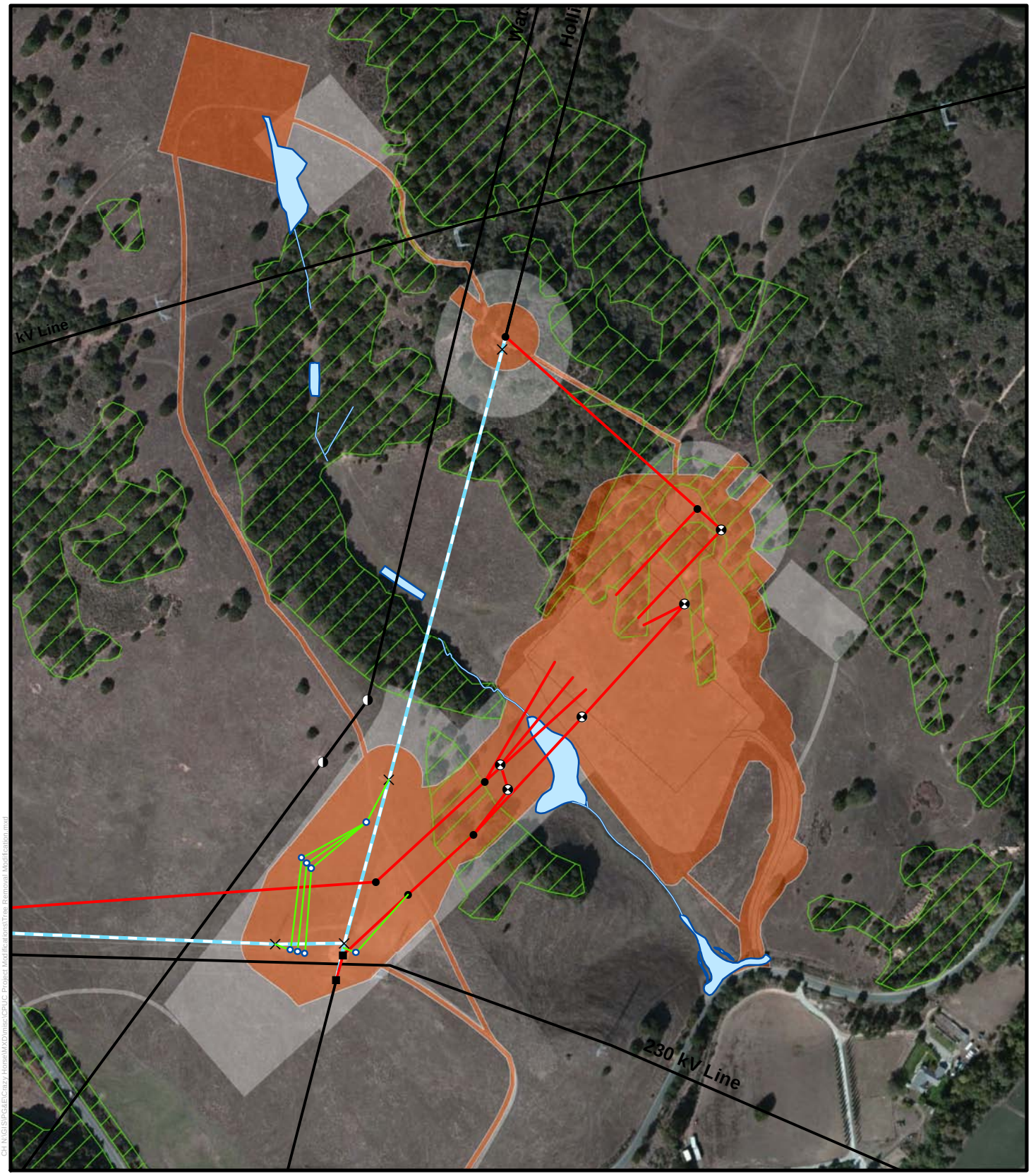
7/18/2012

Proposed Switching Station
Project Workspace Modifications
Crazy Horse Canyon Switching Station

N

Scale = 1:4,800

0 250 500 Feet



- Existing tower
- Tower to be removed
- New tower location
- Existing wood pole(s)
- New TSP location
- Shoofly Circuit
- Reconfigured power lines
- Power line to be removed
- Existing transmission or power line
- Existing workspace
- Seasonal wetland
- Intermittent drainage
- Modified Workspace
- Coast live oak woodland

7/19/2012

Proposed Switching Station
Tree Removal Modification
Crazy Horse Canyon Switching Station

N

Scale = 1:4,800

0 250 500 Feet