

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



March 12, 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 – Notice to Proceed #1 and #2 – Revision 1

Dear Ms. Holstine:

A Final Initial Study/Mitigated Negative Declaration (IS/MND) for the Crazy Horse Switching Station Project (Project) was evaluated and adopted by the California Public Utilities Commission (CPUC) in accordance with the California Environmental Quality Act (CEQA) June 17, 2011. The mitigation measures (MMs) and Applicant Proposed Measures (APMs) described in the project IS/MND were adopted as conditions of project approval. The CPUC is also in the process of adopting a Mitigation Monitoring, Compliance, and Reporting Program (MMCRP) to ensure compliance with all mitigation measures imposed on the project during implementation. The CPUC intends to adopt the MMCRP shortly after the scheduled meeting with PG&E staff on Wednesday, March 14, 2012.

PG&E would like to commence construction of this project; however, PG&E is required to obtain a Notice to Proceed (NTP) from the CPUC in order to commence any project related activities. The first Notice to Proceed (NTP #1) was requested on February 27, 2012. PG&E requested to perform several activities associated with preconstruction requirements for protection of California tiger salamander, including conducting preconstruction surveys, installing exclusion fencing, and excavating burrows within fenced areas using picks and hand trowels in this NTP.

PG&E submitted NTP request #2 to commence all construction activities in project areas needed to construct the switching station facility on March 5, 2012. NTP request #2 does not include rearrangement of the existing electrical power circuits (e.g., removal of existing towers, installation of new lattice steel towers, tubular steel poles, and conductor).

Areas and Actions Included in NTP #1 and 2

NTP #1 authorizes PG&E to commence preconstruction surveys, installation of exclusion fencing, and burrow excavation within fenced areas using picks and hand trowels for California tiger salamander in all project areas in order to comply with conditions of the Incidental Take Permit.

NTP #2 authorizes PG&E to commence all construction activities related to the construction of the switching station facility with the exception of the locations described under *Areas and Actions Not Included in NTP #2*. Specific activities include:

- Preconstruction surveys
- Access road construction
- Vegetation clearing for the switching station and access road
- Grading for the switching station and access road
- Installation of perimeter fence
- Construction of circuit breakers, switch station buildings, and system control data acquisition equipment

Areas and Actions Not Included in NTP #2

NTP #2 does not authorize any construction activity related to the rearrangement of existing electrical power circuits, including removal of existing towers and installation of new lattice steel towers, tubular steel poles, and conductor. A separate NTP request for these additional activities must be submitted by PG&E and an NTP issued before those activities can commence.

NTP #1 Conditional Approval

Prior to performing any work authorized in NTP #1, PG&E must:

1. Receive an approved MMCRP from the CPUC
2. Provide CPUC with copies of the following permits/approvals and proof of completion of relevant requirements within the permits pertaining to the work activities authorized in NTP #1
 - a. Section 7 consultation with USFWS
 - b. Incidental Take Permit from USFWS and Consistency Determination from CDFG
 - c. Clean Water Act Section 404 Nationwide Permit
 - d. Section 401 Water Quality Certification
3. Obtain approval and provide proof of approval by the USFWS for the biologist per MM Bio-8
4. Provide a map indicating where the work to be authorized in NTP #1 would occur

The CPUC approves limited preconstruction activities while project plans are prepared. USFWS approved Biological monitors may enter the site to perform preconstruction surveys before a Worker Environmental Training Program (WEAP) has been prepared based on their expertise and experience with sensitive species in the project area. Additionally, under close supervision of biological monitors, workers may install species exclusion and avoidance fencing. No vehicle access, use of hazardous materials, or activities other than installation of species exclusion fencing may take place without CPUC receipt and approval of project plans and WEAP.

NTP #2 Conditional Approval

NTP #2 to commence all construction activities related to the construction of the switching station facility with the exception of the locations described under *Areas and Actions Not Included in NTP #2* is granted by the CPUC with conditions. The conditions of NTP #2 are based on the status of the preconstruction requirements. No work can begin on any aspects of the construction activities approved in NTP #2 until all of the following conditions have been met to the satisfaction of the CPUC, as indicated by the CPUC in writing.

1. PG&E shall supply documentation confirming that the regulatory permits and approvals listed in Table 1 of PG&E's NTP Request #1 have been obtained. PG&E shall also supply copies of said permits and approvals. These permits include, but are not necessarily limited to, the permits and requirements listed in the following table. Other permits may include air permits from the Monterey County Unified Air Pollution Control District (MCUAPCD).

Permit or Agency Requirement	Mitigation Measure (MM)
Construction Storm Water Permit Program	APM Biology – 13
File an NOI with SWRCB	APM Hydrology – 2
Biological Opinion (BO)	MM Biology – 8
USFWS approval for biologist working with Golden eagle, White-tailed kite, CTS, and CRLF	MM Biology – 8, 17, 21, 36
Incidental Take Permit	MM Biology – 26
Monterey County approval of Conceptual Landscape Plan changes	MM Aesthetics – 8, MM Aesthetics-10

2. PG&E shall submit the following plans for the review and approval from the CPUC:

Plan Name	Mitigation Measure	Due Prior to Construction
Storm Water Pollution and Prevention Plan (SWPPP)	APM Biology – 14, APM Biology-15, APM Hazards-4, APM Hydrology-1, and APM Hydrology-2	Before construction
Erosion Control and Sediment Transportation Plan (ECSTP)	MM Geology – 6 and APM Hazards-4	30 Days
Incidental Take Permit for CTS	MM Biology – 26	Before construction
Avian Protection Plan (APP)	MM Biology – 37	Before construction
Hazardous Substance Control and Emergency Response Plan	APM Hazards – 1, APM Hazards-4, and APM	30 Days

(HSCERP)	Hydrology-1	
Health and Safety Plan (HASP)	APM Hazards – 2, APM Hazards-4, and APM Hydrology-1	30 Days
Fire Prevention and Response Plan (FPRP)	APM Hazards – 3	30 Days
Environmental training program	APM Hazards – 4	Before construction
Monitoring program	APM Hazards – 5	Before construction

3. PG&E shall submit the Worker Environmental Awareness Program (WEAP) for the review and approval of the CPUC. The WEAP shall contain, at a minimum, the following elements:

Worker Environmental Awareness Program (WEAP) Content	
MM Biology – 8	Content of the Biological Opinion
	Migratory Bird Treaty Act
	Bald and Golden Eagle Protection Act
	Endangered Species Act
	Details about listed species within the project vicinity
	State and Federal laws protecting nesting birds, wetlands, and other water resources
APM Hazards – 2	Health and Safety Plan (HASP)
APM Hazards – 4, APM Hydrology – 1	Site specific details including: HSCERP, SWPPP, ECSTP, and HASP
MM Cultural – 1	Archaeological properties, historical resources, or paleontological resources

4. PG&E shall submit the results of the following surveys to the CPUC prior to the start of construction. Required measures to ensure that special status species are not disturbed by the project shall be established prior to the start of construction.

Pre-construction Surveys	Mitigation Measure	Due Prior to Construction
CRLF and CTS	MM Biology – 21	5 Days, ongoing
Nesting birds	MM Biology – 27	30 Days, ongoing
BUOW	MM Biology – 28	30 Days, ongoing
Golden eagles and White-tailed kites	MM Biology – 36	30 Days, ongoing
Bat roosts	MM Biology – 29	Before construction
Badger dens	MM Biology – 31	Before construction
Southwestern pond turtle,	MM Biology – 34	Before construction

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Black legless lizard, and Coast range newt		
Oak trees	MM Biology – 40	Before construction

5. PG&E shall delineate grading and construction limit lines on the ground for all access roads and power line routes, in accordance with MM Aesthetics-6.
6. PG&E shall erect flagging, signage, and/or high visibility fencing around CRLF, CTS, and coast range newt aquatic habitat prior to commencement of construction activities, in accordance with MM Biology-23.
7. PG&E shall provide a map indicating where the work to be authorized in NTP #2 would occur.

The CPUC understands that multiple and ongoing submittals may be required to complete each condition. The CPUC requests constant communication between PG&E and the CPUC regarding the construction schedule and location prior to, and during construction, in order for the CPUC to verify that all applicable preconstruction requirements are completed.

All applicable project MMs, APMs, compliance plans, and permit conditions shall be implemented.

Please contact me or Jeff Smith at Panorama Environmental if you have any questions.

Sincerely,



Andrew Barnsdale
CPUC Project Manager

Cc:

Judi Mosley, PG&E Attorney

Crazy Horse Canyon Switching Station Project

Notice to Proceed Request #1

Submitted to

California Public Utilities Commission

*Construction of a new switching station, and
reconfiguration of two existing 115 kilovolt power lines*

February 27, 2012

Prepared by

Pacific Gas and Electric Company

The Crazy Horse Canyon Switching Station Project (project) Notice to Proceed (NTP) Request #1 consists of all preconstruction activities and project areas needed to survey and conduct burrow excavations for California tiger salamander (CTS).

1. Work Area, Activities, and Duration

Pacific Gas and Electric Company requests a NTP to commence the pre-construction mitigation for CTS. The specific activities being requested under this NTP are described as follows:

- Installation of exclusion fencing around work areas (see Attachment 1 for work areas)
- Burrow excavation for CTS within fenced areas using picks and hand trowels

The described work activities will begin when the NTP is received and all conditions are met. Pre-construction work is scheduled to begin March 1, 2012. A tentative start of construction is scheduled for May 1, 2012.

2. Measure and Permit Conditions Review

The table attached to this NTP request (Attachment 2) lists the applicable Final Initial Study/Mitigation Negative Declaration (IS/MND) Applicant Proposed Measures (APMs) and Mitigation Measures (MMs) associated with the activities described above, as well as relevant permit conditions. Monitoring and reporting on implementation of these APMs, MMs, and applicable permit conditions, will be conducted in accordance with the Project's Mitigation Monitoring Compliance Reporting Plan (MMCRP).

Specifically, this NTP request is being made in order to comply with conditions 8.8 and 8.9 of the Incidental Take Permit issued by the California Department of Fish and Game:

8.8. Exclusion Fencing. Areas within 1.3 miles of potential or known CTS breeding sites shall have salamander exclusion fencing established around the construction footprint and maintained throughout all construction activities. Permittee shall use wildlife fencing, which consists of a fine (less than 0.2 inches) mesh equipped with one way exits to avoid entrapment of amphibians inside the fence. Fencing shall be buried to a depth of six (6) inches and will be a minimum of 3.3 feet tall following installation. The fencing shall include a barrier lip designed to prevent species such as CTS from climbing over. The Permittee shall avoid small mammal burrows to the maximum extent possible during installation of the exclusion fencing. Where burrows cannot be avoided, they shall be hand excavated by one of the Designated Biologists prior to trenching activities per Condition 8.9.

8.9. Burrow Excavation. Any small mammal burrows present within the boundaries of the exclusionary fencing erected as per Condition 8.8, shall be fully excavated by hand by the Designated Biologist(s). Any live CTS discovered during

burrow excavation shall be relocated in accordance with the approved Relocation Plan required in Condition 8.7.

The California Public Utilities Commission (CPUC) has received the issued permits listed below. Permits that are in the process of being received will be submitted to the CPUC when they are available.

Permit Table 1

Permit	Date Issued
Section 7 consultation	November 3, 2011
Incidental Take Permit	September 7, 2011
Clean Water Act Section 404 Nationwide Permit	January 11, 2012
Section 401 Water Quality Certification	January 31, 2012
Stormwater Pollution Prevention Plan; enrollment under General Construction National Pollutant Discharge Elimination System permit	In process; not applicable to burrow excavation
Monterey County Grading Permit	In process; not applicable to burrow excavation

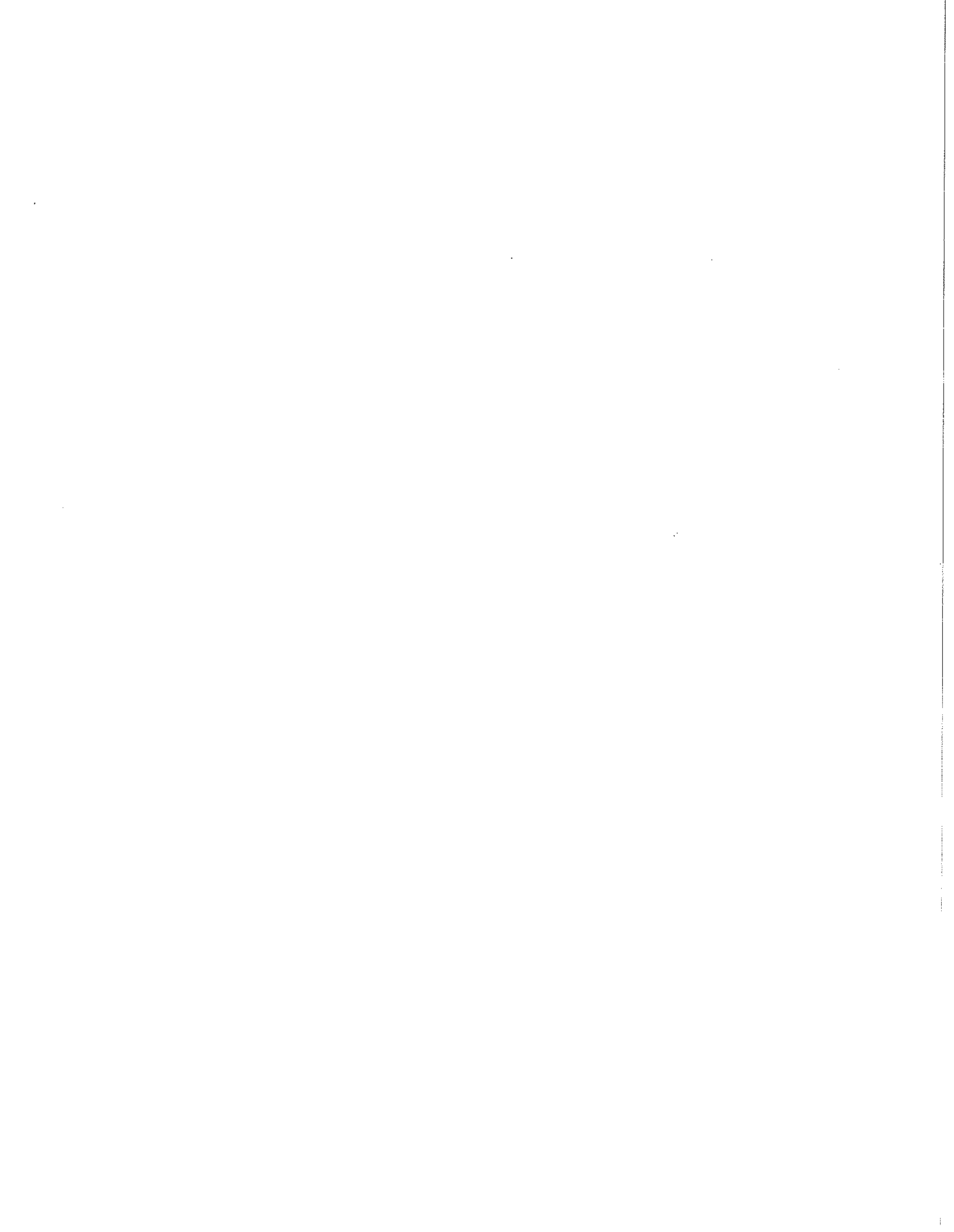
3. Other Pre-Construction Activities

Worker Environmental Awareness Training

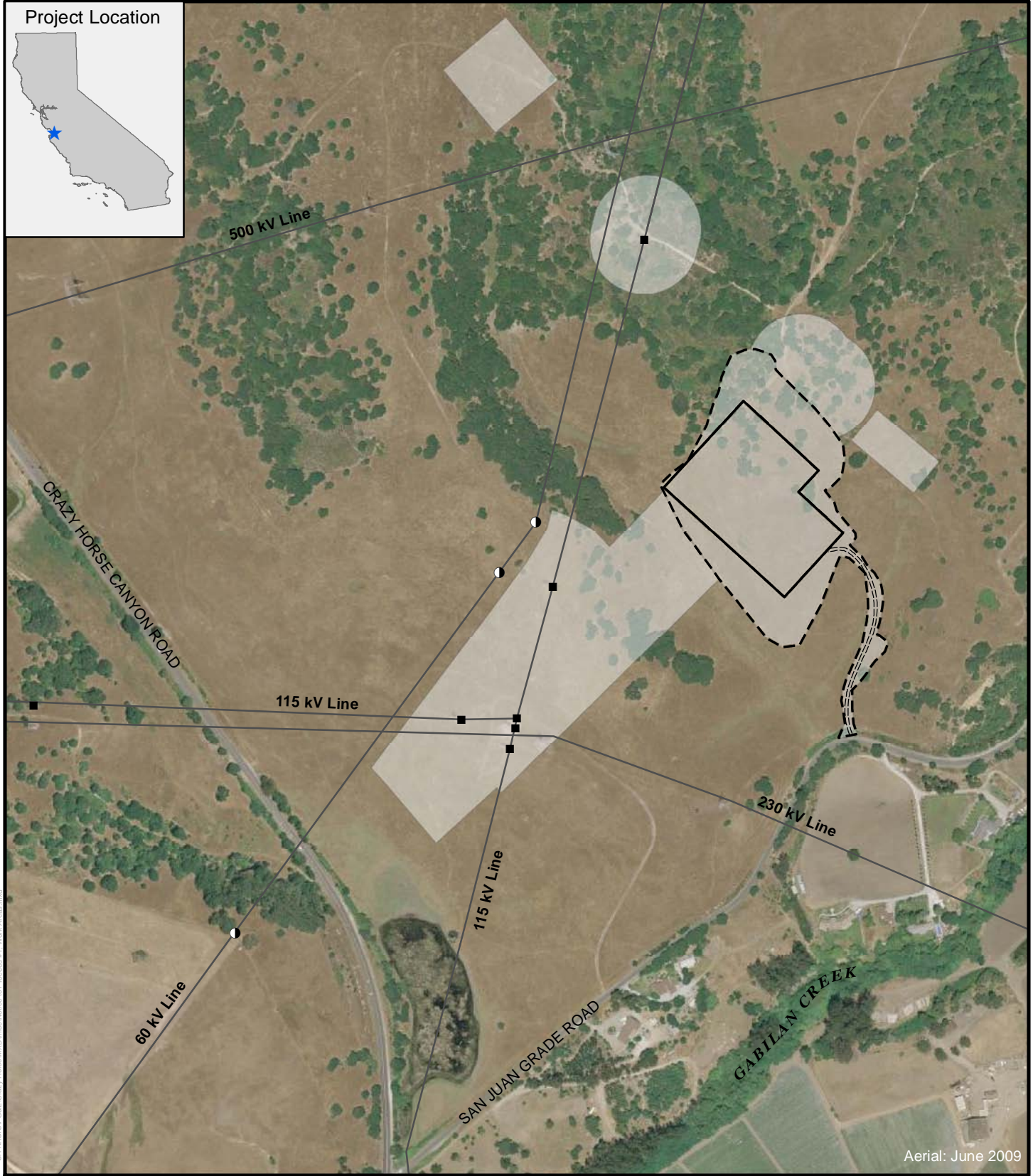
Worker Environmental Awareness Training will be conducted for pre-construction activities, including burrow excavating. Consistent with the MMCRP, training logs will be provided to the CPUC for recordkeeping.

Attachment 1 – NTP Work Areas

Attachment 2 – Measure and Permit Conditions



Project Location

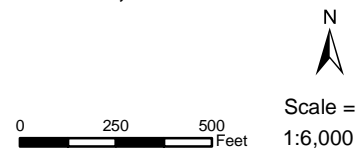


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Aerial: June 2009

- | | |
|---------------------------------------|-------------------------------|
| ■ Existing tower | □ Work areas for NTP #1 |
| ● Existing wood pole(s) | □ Proposed switching station |
| — Existing transmission or power line | - - - Grade and fill boundary |
| | - - - New Access Road |

Crazy Horse Canyon Switching Station
Notice to Proceed #1, Work Areas



Crazy Horse Canyon Switching Station Project

Notice to Proceed Request #2

Submitted to

California Public Utilities Commission

*Construction of a new switching station, and
reconfiguration of two existing 115 kilovolt power lines*

March 2, 2012

Prepared by

Pacific Gas and Electric Company

The Crazy Horse Canyon Switching Station Project (project) Notice to Proceed (NTP) Request #2 consists of all construction activities and project areas needed to construct the switching station facility. A NTP request for the rearrangement of the existing electrical power circuits (e.g. removal of existing towers, installation of new lattice steel towers, tubular steel poles, and conductor) will be submitted at a later date.

From the Mitigation Monitoring, Compliance, and Reporting Program for the project, an NTP request must include the following information:

- A description of the work
- Detailed description of the segment location, including maps, photos, and/or other supporting documents
- Verification that all relevant preconstruction mitigation measures and APMs are implemented, or that they do not apply to the work covered by the NTP request.
- Verification that all applicable permit conditions or requirements have been met for the work covered by the NTP request
- In the case where some outstanding preconstruction compliance items cannot be met prior to issuance of the NTP, a request shall be submitted that identifies the outstanding submittals, as well as how they will be met and approved in a timely manner prior to construction
- Up-to-date biological resource surveys or a commitment to survey and submission of results prior to construction
- All applicable jurisdictional permits or agency approvals (if necessary)
- Date of expected construction and duration of work

1. Work Area, Activities, and Duration

The specific activities being requested under this NTP are described as follows:

- Pre-construction activities (surveys)
- Access road construction
- Vegetation clearing for the switching station and access road
- Grading for the switching station and access road
- Installation of perimeter fence
- Construction of circuit breakers, switching station buildings, and system control and data acquisition equipment

The location of the switching station and access road are portrayed on Attachment 1 of this NTP Request #2.

The described work activities will begin when the NTP is received and all conditions are met. A tentative start of construction is scheduled for May 1, 2012. Construction of the above-described activities is anticipated to be completed by January 4, 2013.

Regulatory Approvals

PG&E has received or expects to receive permits before construction from the regulatory agencies listed in Table 1. The CPUC has received the issued permits listed below.

Table 1- Permits

Permit	Date Issued
Section 7 consultation	November 3, 2011
Incidental Take Permit	September 7, 2011
Clean Water Act Section 404 Nationwide Permit	January 11, 2012
Section 401 Water Quality Certification	January 31, 2012
Stormwater Pollution Prevention Plan; enrollment under General Construction National Pollutant Discharge Elimination System (NPDES) permit	In process
Monterey County Grading Permit	In process

Preconstruction Mitigation Measures and APMs

Refer to Attachment 2 for a status table of the Preconstruction Mitigation Measures from the MMCRP.

2. Biological Resource Surveys

Table 2 identifies the surveys to occur and associated timing to implement the Final IS/MND APMs and MMs within this NTP requested project area.

Table 2 – Preconstruction surveys

	Survey/Requirement	Reference	Timing/Requirements
1	Golden Eagle and White-tailed Kite	MM Biology-36	<u>No more than 30 days</u> prior to construction; to be conducted by a USFWS-approved biologist
2	Bird Nests	MM Biology-27	<u>No more than 30 days</u> prior to construction
3	Burrowing Owl	MM Biology-28	<u>No more than 30 days</u> prior to construction
4	California Tiger Salamander and California Red Legged Frog	MM Biology-21	<u>No more than 5 days</u> prior to any ground-disturbing activities
5	California Tiger Salamander and California Red Legged Frog	BO-AMM-S3	<u>Immediately</u> prior to construction activities

Survey/Requirement		Reference	Timing/Requirements
6	Special Status Plant Species	MM Biology - 17	Conduct surveys in <u>July and September</u> (if surveys not possible, use information from past surveys); flag special status plant species prior to construction
7	Bats	MM Biology-29	Conduct <u>pre-construction</u> surveys; remove trees with suitable roosting habitat prior to September 1
8	Southwestern Pond Turtle, Black Legless Lizard, and Coast Range Newt	MM Biology-34	<u>Immediately prior</u> to initiation of any ground disturbing activities within or immediately adjacent to suitable habitat; to be conducted by a qualified biologist
10	Badger	MM Biology-31	<u>Prior to construction</u>
11	Oak Trees	MM Biology-40	<u>Prior to construction</u>
12	Sensitive Resources	APM Biology-10	<u>Prior to construction</u>
13	California Tiger Salamander, California Red Legged Frog, Monterey Spineflower	BO-AMM-S1	<u>No more than 30 days</u> prior to construction
14	Special-status amphibians and reptiles	BO-AMM-S2	<u>No more than 2 weeks</u> prior to construction

MM = Mitigation Measure

AMM = Avoidance and Minimization Measure

ITP T&C = CDFG Incidental Take Permit Term Condition

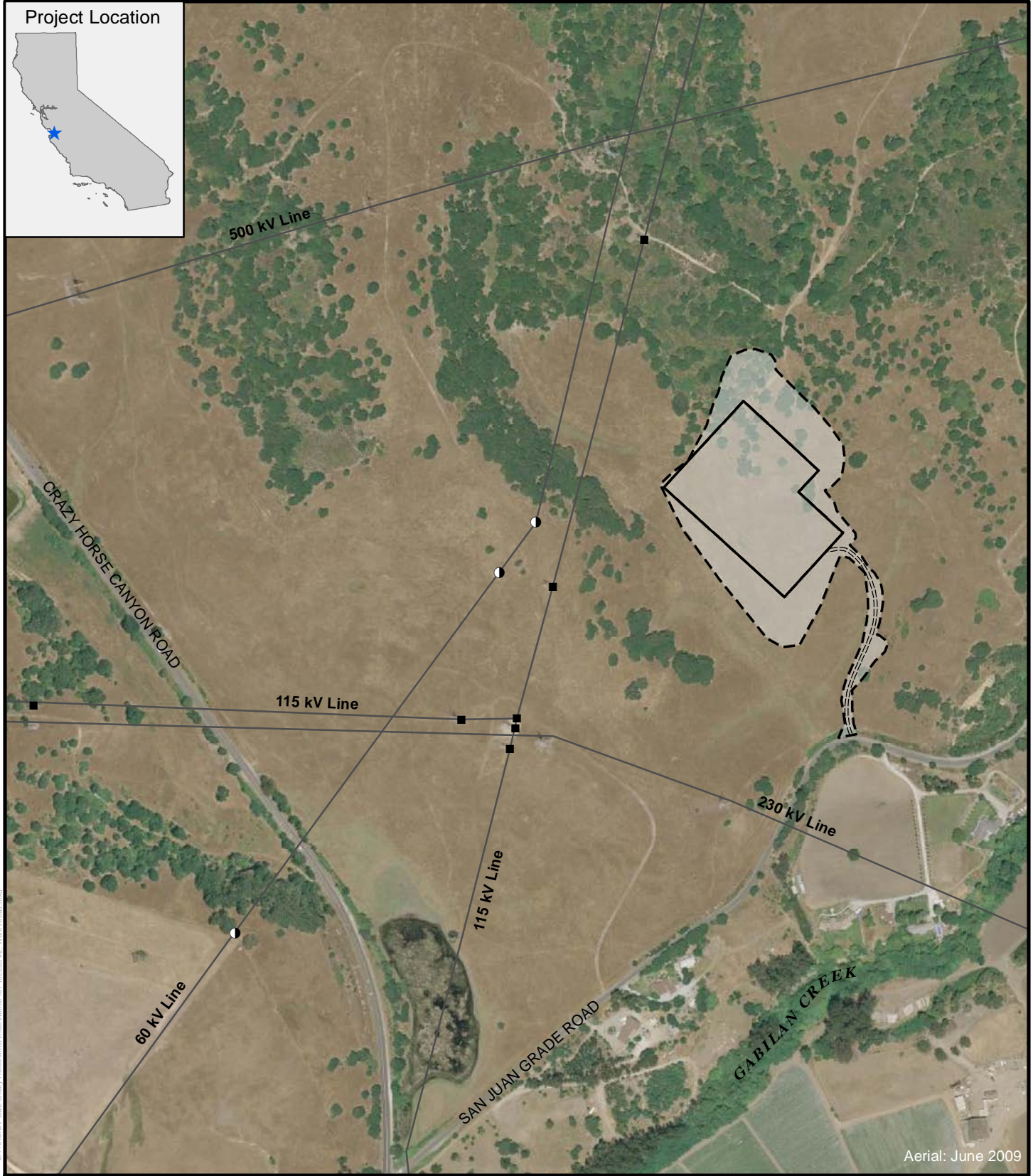
BO = Biological Opinion (contains AMM and Terms and Conditions; G = General; S = species specific)

3. Other Pre-Construction Activities

Worker Environmental Awareness Training

Worker Environmental Awareness Training will be conducted in March or April 2012 for pre-construction activities (e.g. resource surveys) and in May 2012 for personnel associated with construction activities. Additional field personnel who begin work during construction will be provided training on-site before beginning work. Consistent with the MMCRP, training logs will be provided to the CPUC for recordkeeping.

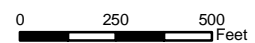
Project Location



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- | | |
|---------------------------------------|-------------------------------|
| ■ Existing tower | ▭ Work areas for NTP #2 |
| ● Existing wood pole(s) | ▭ Proposed switching station |
| — Existing transmission or power line | - - - Grade and fill boundary |
| | - - - New Access Road |

Crazy Horse Canyon Switching Station
Notice to Proceed #2, Work Areas



Scale =
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