PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298



October 8, 2014

Tom Johnson Principal Land Planner Environmental Management Pacific Gas & Electric Company 650 O Street, Mail Code 23 Fresno, CA 93760-0001

RE: Cressey-Gallo 115 kV Power Line Project (C-G): Minor Project Change #1

Dear Mr. Johnson,

On October 1, 2014, Pacific Gas and Electric Company (PG&E) submitted a request to the California Public Utilities Commission (CPUC) for a Minor Project Change for use of an existing alternative staging area 75 feet west of the proposed Staging Area 001 located southeast of the Gallo Substation within an agricultural field identified in the Project Initial Study/Mitigated Negative Declaration (IS/MND), in the San Joaquin Valley, Merced County, California.

The CPUC voted on January 16, 2014 to approve the Final MND for the PG&E Cressey-Gallo 115 kV Power Line Project (Decision D.14-01-003) and a Notice of Determination was submitted to the State Clearinghouse (SCH#2013021061).

The CPUC also adopted a Mitigation, Monitoring, Compliance and Reporting Program (MMCRP) to ensure compliance with all mitigation measures imposed on the C-G Project during implementation. The MMCRP also acknowledges that minor changes to the project, such as the need for additional or revised workspace, are anticipated and common practice for construction efforts of this scale and that a Minor Project Change request would be required for such activities. This letter documents the CPUC's thorough evaluation of all activities covered in this Minor Project Change and that no new impacts or increase in impact severity would result from the requested Minor Project Change activities.

Minor Project Changes are reviewed for consistency with CEQA requirements and are located within the geographic boundary of the project study area. Minor Project Changes do not create new or substantially more severe significant impacts, or conflict with any mitigation measure or applicable law or policy. Also, they do not trigger other permit requirements unless the appropriate agency has approved the change, and clearly and strictly comply with the intent of the mitigation measure or applicable law or policy.

Minor Project Change #1 to allow use of an existing staging area 75 feet west of Staging Area #001, north of River Road on the west side of the main entrance to the Gallo Winery Facility is granted by CPUC based on the factors described below.

PG&E Minor Project Change Request. Excerpts from the PG&E Minor Project Change request, received October 1, 2014, are presented below (indented):

Pacific Gas and Electric Company's (PG&E's) Cressey-Gallo 115 Kilovolt (kV) Power Line Project (project) will include construction of approximately 14 miles of single circuit 115 kV line between the Cressey and Gallo substations in Merced County. A Final Initial Study/Mitigated Negative Declaration (IS/MND) for the project was filed on November 30, 2011, and included a Biological Resources Technical Report (BRTR) (2012) documenting potential impacts to sensitive habitats and special-status plant and animal species. Within the BRTR, seven potential staging areas—one of which was located southeast of Gallo Substation within an agricultural field (Staging Area 001)—were included as part of the biological resources study.

To avoid unnecessary impacts to the agricultural field in which Staging Area 001 would be located, PG&E identified an alternative staging area approximately 75 feet west of Staging Area 001 within a previously disturbed, ruderal field that is currently being used as a staging area by the Gallo Winery.

The proposed staging area, which includes approximately 3.3 acres, is situated approximately 475 feet south of Gallo Substation and 760 feet north of River Road on the west side of the main entrance to the Gallo Winery facility (Figure 1) within the Gallo Winery property. The area is located within a relatively flat, previously impacted, ruderal field bordered to the north by buildings and staged materials, a paved road and agricultural field to the east, a solar array field to the south, and additional disturbed areas to the west (Figures 1-3). These surrounding areas and features are also owned by the Gallo Winery.

Preparation of the alternative staging area would begin approximately October 15, 2014, and would involve the installation of rock riprap on top of the existing soil following minor blading and leveling of the area. The staging area will be temporarily fenced with galvanized fencing, and, if needed, a gate will be installed on the east side of the staging area. The fencing will be removed and per the owner's request the rock will be left in place within the staging area footprint once construction operations are complete.

The proposed staging area would include the use of an existing dirt access road that extends approximately 687 feet east from Griffith Avenue to the edge of the staging area (Figure 1), and an existing paved access road spur that extends approximately 369 feet from the northeast corner of the proposed staging area. These two existing roads will not require improvements. However, the existing dirt access road may be field-adjusted slightly to accommodate needs and actual field conditions.

When reviewing the proposed change against the environmental conditions and impacts assessed under the California Environmental Quality Act, the new staging area results in no additional impacts that were not previously identified in the final IS/MND. The proposed project change is minor in scope, and reduces impacts to agricultural resources (i.e., by using a previously disturbed area instead of an agricultural field that would require removing crops from active rotation) without increasing impacts to other environmental resources. Additionally, the proposed change is not expected to affect any project permits, and will not be in conflict with any applicant-proposed measures (APMs) or mitigation measures (MMs). Also, the proposed change would not conflict with any applicable guideline, ordinance, code, rule, regulation, order, decision, statute, or policy, and would not result in any changes to surface waters or best management practices.

With the implementation of APMs and MMs in the project's Mitigation Monitoring, Compliance, and Reporting Program and the project permits (including the Stormwater Pollution Prevention Plan), it is unlikely the proposed minor change would result in any new impacts or increase existing impacts addressed in the final IS/MND. Biological and cultural assessments for potential environmental impacts were performed by SWCA on September 25, 2014. Technical reports and results of the assessments are included as attachments to this minor project change request.

CPUC Evaluation of Minor Project Change Request

In accordance with the MMCRP, the subject Minor Project Change request was reviewed by CPUC to confirm that no new impacts or increase in impact severity would result from the requested Minor Project Change activities. This review also included a visit of the subject site on September 18, 2014 by the CPUC Monitoring

Manager and Environmental Monitor (EM). The following discussion summarizes this analysis for biological, cultural, paleontological, and hydrological resources, and sensitive land uses/noise. A list of bulleted conditions is presented to define additional information and clarifications regarding mitigation requirements. In some cases, these items exceed the requirements of the Mitigation Measures and Applicant Proposed Measures, and are based on specific site conditions and/or are proposed conditions by PG&E.

Biological Resources: PG&E submitted a biological survey memorandum prepared by SWCA Environmental Consultants dated October 1, 2014 with the request for Minor Project Change. The memo documents the biological conditions for the proposed existing staging area adjacent to the Gallo Winery main entrance near Livingston, California. A reconnaissance-level survey and habitat assessment for the staging area was conducted on September 25, 2014 by SWCA Biologist, Seth Dallmann. The focus of the survey was to identify potential biological resources such as special-status species, sensitive natural communities, and potential for nesting birds. The biologist walked 10 meter transects through the study area and used binoculars to scan surrounding areas including tree canopies outside the study area, approximately 300 feet from the study area perimeter. Individual trees within the study area and along the perimeter of the study area were scanned for signs of roosting birds and bats.

The proposed Alternative Staging Area is located on the grounds of the Gallo Winery production facility and is currently being used as a staging and equipment and supply storage area for ongoing activities at the winery. The nearest natural stream or wetland feature, the Merced River corridor, is located approximately 0.4 miles north of the staging area. The staging area is bordered to the north by wine production structures (silos, warehouses, trailers, etc.). Directly west of the staging area is an approximately 130-foot by 75-foot storage pond that holds discarded, pressed grapes. The storage pond does not contain vegetation and the pond banks consist of bare dirt. To the west of the storage pond is an open, bare dirt field that had been heavily disturbed by grading and vehicle staging and travel. A solar array facility is located south of the staging area. To the west of the solar array facility is another retention pond area. To the east of the staging area are ornamental cork trees, approximately 40 and 60 feet in height, that line the paved access road to the wine production facility. The CNDDB query did not indicate any new occurrences of special-status plant or animal species within or near the staging area.

No special-status plant or animal species were observed during the site survey. Man-made storage/ retention ponds were located immediately west and approximately 300 feet southwest of the staging area. Man-made ponds observed in the study area exhibited heavy use for wine industry work and do not provide potential habitat for special-status species. The staging area and proposed access route consist of disturbed bare dirt and low growing ruderal plants. Small mammal burrows, ranging from 2-4 inches in diameter were observed in low density in the berm of the western portion of the access route and immediately north (along the bank of the man-made pond) and west of the staging area. It is unlikely that the burrows provide habitat for any special-status species. Construction equipment including trailers, water tanks and pipe sections were observed within the staging area.

Three killdeer (*Charadrius vociferus*) were observed in the open field area approximately 300 feet south of the proposed western access route and approximately 500 feet west of the staging area. No nesting activity was observed, yet killdeer may use the open habitat for nesting during the breeding season (February 1 – September 15). Numerous cork oak (Quercus suber) trees that line the wine facility access route provide potential nesting habitat for passerine and raptor bird species. No nest structures or whitewash were observed within or adjacent to the cork oak trees.

This area is highly impacted due to agriculture operations, as well as the current use as a staging area. The staging area may provide suitable foraging habitat for passerine birds, raptors, and other wildlife but does not

contain suitable habitat elements necessary for special-status wildlife or plant species. No additional impacts to biological resources are anticipated with the implementation of the conditions noted below.

Cultural and Paleontological Resources: SCWA prepared a cultural resources survey for this Minor Project Change request to comply with CEQA guidelines and Mitigation Measure C-1 under the IS/MND. Carie Montero, a cultural resource specialist and archaeologist for SWCA, conducted an intensive pedestrian survey for the stating area and access road September 25, 2014. The survey area consisted of a rectangular area approximately 373 feet by 1,756 feet. Ms. Montero walked 10-meter spaced transects north-south covering the entire survey area searching for prehistoric and historic archaeological resources. Photos were taken during the survey as documentation.

The staging area has been highly disturbed by agricultural activities and recent activities associated with the large-scale wine production facility. The survey area is currently part of the winery and being used as a staging and storing area. Both the staging areas and the field adjacent to the staging area to the west where the western graded dirt access route is located are heavily crisscrossed with vehicle routes. Ground visibility was excellent (between 98% and 100%) and bare ground was visible throughout the entire survey area. The pedestrian survey did not identify any new historic or prehistoric archaeological resources or any new built environmental resources.

There is one resource (Merced Irrigation District [MID] Historic District) that encompasses the boundaries of the staging area and access road. The proposed MID Historic District was recommended eligible to the NHRP and the CRHR in 2010 and is composed of dams, reservoirs, hydroelectric facilities, ditches, canals, lateral, wells, and pumping plants over a large portion of Merced County. The Alternative Staging Area is not located adjacent to, does not border, or contain any identified contributing features (dams, reservoirs, etc.) of the proposed historic district.

No new historic or prehistoric cultural resources were identified in the staging area or associated proposed access road other than the MID Historic District; however, as noted no contributing features of the MID Historic District are included within or adjacent to the Alternative Staging Area. Use of the staging area will be temporary in duration. Based on the absence of contributing elements and the information presented above, use of the staging area will have a less than significant impact to the MID Historic District. No impacts to cultural or paleontological resources are anticipated with the implementation of the conditions noted below.

Hydrological Resources. The nearest surface water to the proposed Alternative Staging Area is the Merced River, an estimated 0.4 miles north. A small holding pond, apparently used as a grape juice waste storage area, approximately 75 by 130 feet is located 25 feet from the staging area. The staging area is 3.3 acres and will not increase the acreage of the project as the IS/MND assumed up to 10 acres for a laydown area. This site and acreage will be addressed in the Stormwater Pollution and Prevention Plan (SWPPP). No impacts to hydrological resources are anticipated with the implementation of the conditions noted below.

Sensitive Land Uses/Noise. The proposed Alternative Staging Area is within 75 feet of Staging Area #001 and is zoned "agriculture". Lands surrounding the proposed Alternative Staging Area are associated with the Gallo Winery operations. The new staging area would not impose any new impacts not already addressed in the Mitigated Negative Declaration and reduces impacts to agricultural resources (i.e., by using a previously disturbed area instead of an agricultural field that would require removing crops from active rotation).

The conditions noted below shall be met by PG&E and its contractors:

- All applicable project mitigation measures, APMs, compliance plans, and permit conditions shall be implemented. Some measures have on-going/time-sensitive requirements and shall be implemented prior to and during construction where applicable.
- Copies of all relevant permits, compliance plans, and this Minor Project Change shall be available on site for the duration of construction activities.
- Conduct biological monitoring in compliance with APM BIO-1, and monitor for compliance with all APMs and MMs during active use of the subject yard.
- PG&E will use the existing graded western access road whenever feasible to avoid areas in the open field to the south where killdeer were observed.
- In accordance with Mitigation Measure B-7, between February 1 and September 15, preconstruction survey for nesting birds would occur on a regular basis, as required by the measure. If active nests are found, a buffer would be established around the nest and no activities will be allowed within the buffer unless reduced on a case-by-case basis until the young have fledged from the nest or the nest fails. The Biological Monitor shall conduct regular monitoring of the nest to determine success/failure and to ensure that project activities are not conducted within the buffer until the nesting cycle is complete or the nest fails. The biological monitor shall be responsible for documenting the results of the surveys and the ongoing monitoring. The buffer may be adjusted with the approval of CDFW and USFWS, and with prior knowledge of the CPUC.
- All crew members shall be Worker Environmental Awareness Program (WEAP) trained prior to working on
 the project. A log shall be maintained on-site with the names of all crew personnel trained. For any crew
 members with limited English, a translator shall be on-site to ensure understanding of the training
 program. In place of a translator, the WEAP training brochure can be provided in Spanish or other
 languages as appropriate. All participants will receive a hard-hat sticker for ease of compliance
 verification.
- A copy of the SWPPP or erosion control plan will be provided to the CPUC prior to occupation of the Alternative Staging Area. The project SWPPP or erosion control plan will include erosion control and sediment transport BMPs to be used during construction. The identified BMPs will be installed within the Alternative Staging Area in accordance with the SWPPP or erosion control plan prior to site occupation.
- As proposed in AG-1a, a PG&E will provide the public with advance notification of construction activities at least 30 days prior to construction by mailing notices to all properties within 300 feet of the project route.
- If any unanticipated lane restrictions or closures are found to be necessary, prior proof of coordination with emergency service providers and all necessary permits shall be submitted to the CPUC.

Sincerely,

Billie Blanchard

CPUC Environmental Project Manager

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cc: V. Strong, Aspen