PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298

February 24, 2011



Mr. Alan F. Colton Manager – Environmental Services Sunrise Powerlink Transmission Project 8315 Century Park Court, CP21G San Diego, CA 92123-1550

RE: SDG&E Sunrise Powerlink Transmission Line Project - Notice to Proceed (NTP # 13), Modification #1

Dear Mr. Colton,

On November 9, 2010 San Diego Gas and Electric (SDG&E) requested authorization from the California Public Utilities Commission (CPUC) to commence with overhead transmission line construction and reconductoring work on non-federal lands within Links 1, 2 and 5 of the Sunrise Powerlink Project. On January 13, 2011 the CPUC issued Notice to Proceed (NTP) #13 for the requested construction. On February 17, SDG&E submitted a request to modify the approved work areas under NTP #13 to include the S2 Construction Yard located in Link 1 on non-federal lands of the Sunrise Powerlink Project.

The SDG&E Sunrise Powerlink Transmission Line Project was evaluated in accordance with the National Environmental Policy Act and California Environmental Quality Act. The mitigation measures and applicant-proposed measures (APMs) described in the Final Environmental Impact Report/Statement were adopted by the CPUC and Bureau of Land management (BLM) as conditions of project approvals. The CPUC also adopted a Mitigation, Monitoring, Compliance and Reporting Program (MMCRP) to ensure compliance with all mitigation measures imposed on the Sunrise Powerlink Project during implementation. The CPUC voted on December 18, 2008 to approve the Final Environmentally Superior Southern Route (Decision D.08-12-058) and a Notice of Determination was submitted to the State Clearinghouse (SCH#2006091071). The BLM issued a Record of Decision approving the same route on January 20, 2009. The Project also crosses lands under jurisdiction of the U.S. Department of Agriculture; and Forest Service on the Cleveland National Forest; the Forest Service issued its Record of Decision and Supplemental Information report on July 9, 2010.

The Sunrise Powerlink Project will be constructed in 26 segments, as defined on the CPUC's project website (http://www.cpuc.ca.gov/Environment/info/aspen/sunrise/sunrise.htm). It is anticipated that, even within the 26 project segments, SDG&E will submit multiple separate requests for Notice to Proceed (NTPs) during the construction process. This is a typical process for transmission line projects. Given that the Sunrise Powerlink Project has been approved by the CPUC, BLM, and Forest Service, as described above, this segmented construction review process allows SDG&E to proceed with individual project components where compliance with all applicable mitigation measures and conditions can be documented.

This letter in conjunction with the NTP #13 approval package documents the CPUC's thorough evaluation of all activities covered in this NTP Modification. The evaluation process ensures that all mitigation measures and Biological Opinion conditions applicable to the location and activities covered in the NTP and modification areas are implemented, as required in the CPUC's Decision and in BLM's Record of Decision.

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Modification #1 to NTP #13 to include the S2 Construction Yard located in Link 1 on non-federal lands of the Sunrise Powerlink Project is granted by CPUC for the proposed activities based on the factors described below.

SDG&E NTP Request. Excerpts from the February 17, 2011 modification request and applicable excerpts from November 9, 2010 SDG&E NTP request are presented below with CPUC clarifications based on discussions and/or correspondence with SDG&E inserted (in parenthesis and in bold):

Since the issuance of NTP #13, it has come SDG&E's attention that the S2 Construction Yard was inadvertently omitted from the NTP #13 request. The S2 Construction Yard, which was included in the approved Project Modification Report (PMR), was thought to fall on lands managed by the BLM; however, this yard is located on lands managed by the California State Lands Commission (CSLC). Details regarding the yard can be found in the PMR under PMR5, as well as on pages MS-21 through 23 of the PMR Map Book.

The addition of the S2 Construction Yard does not affect the Attachment A Preconstruction Status Reports of NTP #13. (The NTP #13 approval package included the Link 1 Attachment A table which covers the S2 Construction Yard and remains unchanged by the inclusion of the yard under this modification request). The yard was surveyed for cultural resources during the Class III Inventory and does not present any cultural resource issues or concerns. Furthermore, in accordance with measure LU-APM-9 and Condition 6 of NTP #13, SDG&E has secured a General Lease from the CSLC for use of the S2 Construction Yard.

Access across jurisdictional areas. The access roads on USFS and BLM are permitted through the Special Use Permit and ROW Grant and would not be used until authorization has been given by each agency as provided by SDG&E. (Access to the S2 Construction Yard is by way of a paved BLM jurisdiction road. As required under the NTP #13 approval, specific authorization from the BLM shall be submitted to the CPUC prior to the use of the subject roadway.)

[end of SDG&E language]

Resource Agency Permitting and Approvals

SDG&E received the signed 401 Water Quality Certification on November 15, 2010. The California Department of Fish and Game (CDFG) issued a Final Streambed Alteration Agreement (SAA) on November 29, 2010. On November 11, 2010 the US Wildlife Service (USFWS) Reinitiated the Project Biological Opinion (BO). On January 7, 2011 The Army Corps of Engineers 404 Nation Wide Permit 12 and 3 were issued.

On December 12, 2010 a joint letter was received from the USFWS and CDFG approving the Project Habitat Acquisition Plan, Habitat Management Plan (HMP), Habitat Restoration Plan, Habitat Mitigation Monitoring Plan, Weed Management Plan, Bighorn Sheep Monitoring Plan, Arroyo Toad Relocation Plan and the Raven Control Plan.

CPUC Evaluation of Mitigation Implementation

All applicable project mitigation measures, APMs, compliance plans, and permit conditions shall be implemented. Some measures have on-going/time-sensitive requirements and are required to be implemented prior to and during construction where applicable. For biological, cultural and paleontological resources, those additional conditions are defined in this section.

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Please see also the Link 1 Compliance Status Table (Attachment A in the NTP #13 approval package) documenting pre-construction requirements identified in the Final EIR/EIS. The NTP #13 Attachment A table for Link 1 address all proposed activities, including construction yards.

Following the discussion of biological, cultural, and paleontological resources, a list of bulleted conditions is presented to define additional information and clarifications regarding outstanding 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 SDG&E. In these cases, the conditions will not also appear in the Compliance Status Table.

Biological Resources. Protocol surveys have been conducted for sensitive plant and animal species for areas covered by this NTP Modification. SDG&E has submitted survey reports for the 2009 and 2010 survey season. As described in G-CM-32 of the BO dated November 10, 2010, the USFWS state that surveys for federally listed species have been completed.

Cultural Resources. The CPUC's cultural resource consultant conducted extensive reviews of the project cultural materials.

As provided by SDG&E, the S2 Construction Yard was surveyed for cultural resources during the Class III Inventory and does not present any cultural resource issues or concerns. The geology of that area does allow for masking or hiding of surface or close to the surface artifacts because of the blow sand and wash action. If ground disturbance/excavation is necessary within the yard, SDG&E would request that an archaeological monitor and a Native American representative be present to ensure that there is no disturbance to an unknown resource. This is in-line with the stipulations of the Final Historic Properties Management Plan (HPMP) which states that monitoring will be conducted at highly sensitive areas. In accordance with Mitigation Measure C-03a: Implement archaeological monitoring, archaeological and Native American monitors will be on-site during subsurface construction disturbance at all locations identified as sensitive for buried archaeological deposits.

In the event of an unanticipated discovery of archaeological materials within a work area during construction, any new discoveries shall be managed in compliance with the procedures and guidelines for Treatment for Unanticipated Discoveries, set forth in the Final HPMP.

Paleontological Resources. Based on the Final Paleontological Monitoring and Discovery Treatment Plan, accepted on June 17, 2010, the potential to encounter paleontological resources along Link 1 varies from no potential to high potential. The following monitoring shall be implemented during construction as required by mitigation measure PAL-01:

- Conduct full-time paleontological construction monitoring: Full-time construction monitoring will
 be conducted by a qualified paleontologist in areas determined to have a moderate to high
 paleontological sensitivity.
- Conduct part-time monitoring of sediments with low, marginal, undetermined sensitivity:
 Construction work in areas determined to have a low, marginal, and/or undetermined paleontological resource sensitivity will be monitored on a part-time basis as determined by a qualified paleontologist.

Conditions of NTP Approval

The conditions presented below shall be met by SDG&E and its contractors.

- All applicable project mitigation measures, APMs, compliance plans, and permit conditions shall be implemented. All applicable conditions as outlined in the NTP #13 approval package shall be implemented. Some measures have on-going/time-sensitive requirements and shall be implemented prior to and during construction where applicable. Bulleted items can be found below which provide additional information and clarifications to outstanding requirements.
- 2. Copies of all relevant permits, compliance plans, and this Notice to Proceed shall be available on site for the duration of construction activities.
- 3. All sensitive receptors and residences will be notified at least 15 days prior to initiating construction and verification will be submitted to the CPUC as per the Construction Notification Plan approved on March 1, 2010. The notice recipient list has been verified by CPUC.
- 4. Access by way of a paved BLM jurisdictional road is needed to access the S2 Construction Yard. Prior to utilizing the subject road, specific authorization from the BLM shall be supplied.
- 5. All sensitive resource buffers shall be flagged prior to construction/site occupation. Resource flagging shall be field verified by the CPUC EM prior to site use.
- 6. All construction areas and access roads identified in the NTP request submitted by SDG&E shall be flagged prior to construction. Flagging of construction areas and access roads shall be field verified by the CPUC EM prior to site use.
- 7. The Weed Control Plan will be implemented immediately prior to, during and following construction as appropriate for the weed species being treated.
- 8. In compliance with Mitigation Measure B-8a, pre-construction surveys for nesting birds within 100 feet of the construction zone within 10 calendar days prior to the initiation of construction shall occur between January 15 and August 15. In addition, nesting surveys for listed species including raptors shall be conducted within 500 feet of the construction zone within 10 days prior to the initiation of construction shall occur between January 1 and September 15.
- 9. A preconstruction survey for burrowing owls will be conducted by a qualified biologist within 30 days of starting construction (B-7d). If owls are found at the site prior to or during construction, passive relocation of burrowing owls will be performed in coordination with the CDFG as outlined in this measure.
- 10. "Survey sweeps" will occur immediately preceding and during active construction as part of required biological monitoring activities. If active nests are found, a biological monitor shall establish an appropriate buffer around the nest and no activities will be allowed within the buffer 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 CDFG and USFWS, and with prior knowledge of the CPUC.
- 11. Archaeological and Native American monitors shall be on-site at all locations of ground disturbance at the S2 Construction Yard.

- 12. If unanticipated biological, cultural or paleontological resources are detected, the CPUC Environmental Monitor shall be notified immediately and appropriate mitigation shall be implemented.
- 13. All crew members shall be Safe Worker and Environmental Awareness Program (SWEAP) 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 SWEAP 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.
- 14. Wildlife found to be trapped will be removed by a qualified biological monitor. If the biological resource monitor is not qualified to remove the entrapped wildlife, a recognized wildlife rescue agency (such as Project Wildlife) will be contacted to remove the wildlife and transport it safely to other suitable habitats.
- 15. SDG&E shall notify and provide required information to emergency service providers and counties/city prior to initiation of construction activities that could impact police, fire, ambulance and paramedic services.
- 16. In regard to the Hazard Communication Plan, to fully satisfy the intent of Mitigation Measure P-1a, documentation of training for personnel who would be working near or handling hazardous materials shall be submitted to the CPUC for review after completion of these training activities.
- 17. If construction debris or spills enter into environmentally sensitive areas, appropriate jurisdictional agencies and the CPUC Environmental Monitor shall be notified immediately.
- 18. No movement or staging of construction vehicles or equipment shall be allowed outside of the approved areas. If additional temporary workspace areas or access routes or changes in technique and mitigation implementation to a lesser level are required, a Variance Request shall be submitted for CPUC review.
- 19. No clearing or disturbance to vegetation shall occur outside of approved work areas.
- 20. If the application of water is needed to abate dust in construction areas, SDG&E shall use the least amount needed to meet safety and air quality standards and prevent the formation of puddles, which could attract wildlife to construction sites (as requested by USFWS). Conditions of the Dust Control Plan will be implemented.
- 21. The applicable SWPPP shall be implemented where appropriate prior to and during construction.
- 22. All temporary facilities (i.e., portable toilets, fencing, etc.) shall be removed from the construction disturbance area at the completion of construction.

Please contact me if you have any questions or concerns.

Sincerely,

Billie C. Blanchard

Billie Blanchard CPUC Environmental Project Manager Sunrise Powerlink Transmission Project Alan Colton, SDG&E Sunrise Powerlink Project Page 6

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