505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298



NOTICE OF PREPARATION ENVIRONMENTAL IMPACT REPORT FOR THE SOUTH ORANGE COUNTY RELIABILITY ENHANCEMENT PROJECT PROPOSED BY SAN DIEGO GAS AND ELECTRIC COMPANY

APPLICATION NO. A.12-05-020

To:All Interested PartiesFrom:Andrew Barnsdale, CEQA Project Manager, CPUC Energy DivisionDate:January 9, 2013

Si usted necesita más información o una copia de este documento en español, por favor, llame al (855) 520-6799 o visite la siguiente página Web. <u>http://tinyurl.com/clsee4g</u>

A. INTRODUCTION

San Diego Gas and Electric Company (SDG&E) filed an application for a Certificate of Public Convenience and Necessity (CPCN) with the California Public Utilities Commission (CPUC) for the South Orange County Reliability Enhancement project (SOCRE project) to rebuild and upgrade a portion of its transmission infrastructure in South Orange County. In accordance with the California Environmental Quality Act (CEQA), the CPUC is the Lead Agency and is preparing an environmental review document to evaluate the proposed project.

This Notice of Preparation (NOP) indicates the CPUC's intent to prepare an Environmental Impact Report (EIR) in accordance with CEQA. The EIR would describe the nature and extent of the environmental impacts of the SOCRE project and project alternatives, and would discuss mitigation measures for adverse impacts.

With this NOP, the CPUC provides information about the SOCRE project description, location, and potential environmental impacts, and requests comments from interested persons, organizations, and agencies regarding the scope and content of the environmental information, including project alternatives and mitigation measures that should be included in the EIR. For agencies receiving this notice, the CPUC would like to know your views as to the scope and content of the environmental information that is germane to your agency's statutory responsibilities in connection with the SOCRE project. Each responsible agency receiving this NOP is invited to respond by providing the CPUC with specific details about the scope, environmental issues, alternatives, and mitigation measures related to each responsible agency's area of statutory responsibility that must be explored in the EIR. In accordance with CEQA Guidelines Section 15082(b)(1)(B), responsible and trustee agencies should also indicate their respective level of responsibility for the SOCRE project in their response.

This NOP will be circulated for a public review and comment period beginning January 9, 2013 and ending at 5:00 pm on February 8, 2013. Two scoping meetings will be held to receive comments, as described in Section E.

B. SUMMARY OF THE SOCRE PROJECT

Background and Project Purpose

The purpose of the proposed SOCRE project is to increase the reliability and operational flexibility of SDG&E's South Orange County 138-kilovolt (kV) system to reduce the risk of electrical outages. The project would also upgrade aging electrical infrastructure in the South Orange County area, including SDG&E's Capistrano Substation in the City of San Juan Capistrano.

The existing 230-kV transmission network at SDG&E's Talega Substation (located on Marine Corps Base Camp Pendleton) provides power for the South Orange County service area. Power supplied by the Talega Substation is transmitted to seven distribution substations—Capistrano, Laguna Niguel, Margarita, Pico, San Mateo, Rancho Mission Viejo, and Trabuco—over a 138-kV transmission network.

The SOCRE project would improve reliability by providing a second 230-kV power source to SDG&E's South Orange County service area and modernizing aging infrastructure, including rebuilding the Capistrano Substation, which was constructed in the 1960s, and upgrading components of the Talega Substation. Once upgraded, Capistrano Substation would become San Juan Capistrano Substation. The new substation would accommodate two new 230-kV lines and two additional 138-kV lines that would be rerouted to the upgraded substation. An existing 138-kV line would be routed to Talega Substation.

Project Description

Components of the SOCRE project would include:

- 1. Rebuilding and upgrading the existing 138/12-kV air-insulated Capistrano Substation (2 acres) as a 230/138/12-kV gas-insulated substation (6.4 acres) called San Juan Capistrano Substation;
- 2. Replacing a segment of a single-circuit 138-kV transmission line between the Talega and Capistrano substations with a new double-circuit 230-kV transmission line (7.5 miles), and relocating several transmission and distribution line segments (2 miles, combined) located near the two substations to accommodate the proposed 230-kV line; and
- 3. Relocating a 12-kV distribution line into new and existing underground conduit and overhead on new structures from the proposed San Juan Capistrano Substation to Prima Deschecha Landfill (6 miles).

Approximately 140 transmission and distribution line structures would be removed and approximately 120 would be installed. Approximately 0.30 miles of new right-of-way (ROW) would be acquired by SDG&E for the proposed transmission lines. Construction of the SOCRE project is anticipated to begin in November 2013 and would take approximately 4 years.

Project Location

The components of the SOCRE project would be primarily located in existing SDG&E ROW within the cities of San Juan Capistrano and San Clemente as well as unincorporated Orange and San Diego counties. South Orange County includes residential, commercial, industrial, recreational, and open space land uses. The existing 138-kV transmission line, which would be replaced by the proposed double-circuit 230-kV transmission line, crosses Interstate 5 east of the Capistrano Substation, and then continues southeast to the Rancho San Juan residential development and Prima Deschecha Landfill. From there, the transmission line continues southeast through the City of San Clemente and unincorporated Orange and San Diego counties to the Talega Substation, located within U.S. Marine Corps Base Camp Pendleton and San Diego County.

In addition, a 12-kV distribution line would be installed in existing and new underground conduit and overhead on new and replaced structures, from Capistrano Substation in the City of San Juan Capistrano to the Rancho San Juan residential development and Prima Deschecha Landfill. Figure 1 shows the location of the project components.

Operations and Maintenance

Operation and maintenance activities by SDG&E would not increase in intensity, frequency, or duration with implementation of the SOCRE project and would be very similar to existing operation and maintenance activities. Standard transmission line operation and maintenance activities include repairs, pole brushing in accordance with fire break clearance requirements, herbicide applications, and tree trimming to maintain a clear working space area around all poles. Typical activities would also include routine aerial and ground inspections, patrols, and preventive maintenance to ensure service reliability, as well as emergency work to maintain and restore service continuity.

The Talega and San Juan Capistrano substations would be unmanned substations. Workers would routinely visit each substation several times a week for standard operations and several times a year for equipment maintenance.

Project Alternatives

Pursuant to CEQA, a reasonable range of alternatives to the proposed project will be identified and analyzed in the EIR. During the 45-day comment period following publication of the Draft EIR, agencies and the public will be given the opportunity to comment on the alternatives considered.

C. CPUC PROCESS

The CPUC conducts two parallel processes when considering development proposed by a regulated utility: an application process, in which the CPUC reviews the utility's proposal (such as SDG&E's CPCN application for the SOCRE project) and considers whether the project is needed and is in the public interest; and an environmental review process pursuant to CEQA. The CPCN application process focuses on utility ratepayer and public benefit issues, and is undertaken by the CPUC's Administrative Law Judges Division.

The CEQA process for utility applications is led by the CPUC's Energy Division, which will direct the preparation of the SOCRE project EIR. Through the EIR process, the CPUC will determine whether the SOCRE project would result in significant impacts on the environment, and whether those impacts could be avoided or reduced to less than significant levels. The EIR will be used by the CPUC in conjunction with other information prepared for the CPUC's formal record to act on SDG&E's application. If, through the EIR process, the CPUC determines the project would result in significant environmental impacts that could not be mitigated to less than significant levels but still approves the project, the Commission's decision on the application will include a Statement of Overriding Considerations that presents the economic, legal, social, and technological benefits, or other benefits, that outweigh the project's impacts.

D. SCOPE OF EIR AND DISCUSSION OF POTENTIAL IMPACTS

Under CEQA, agencies are required to consider environmental impacts that may result from a proposed project, to inform the public of potential impacts and alternatives, and to facilitate public involvement in the assessment process. The EIR prepared for the SOCRE project will include a detailed description of the proposed project and project objectives, and a description of the affected environment. The EIR will also include an evaluation of environmental impacts, evaluate a reasonable range of alternatives to the project, and identify appropriate mitigation measures for any significant adverse impacts

The Proponent's Environmental Assessment, prepared by SDG&E for the SOCRE project, identified environmental impacts that would result from the construction and operation of the project (Table 1).

Environmental Issue Area	Potential Issues or Impacts
Aesthetics	Construction and operation of the project could result in impacts on the overall visual character of the project area.
Air Quality and Greenhouse Gases	Construction of the project could result in emissions of sulfur hexafluoride and criteria pollutants as identified by the South Coast Air Quality Management District.
Cultural Resources	Construction of the project could result in impacts on cultural and paleontological resources.
Geology, Soils, and Mineral Resources	Construction and operation of the project could result in impacts related to seismic-related ground failure, landslides, and unstable soils.
Hazards and Hazardous Materials	Construction and operation of the project could result in impacts related to hazards and hazardous materials.
Noise	Construction of the project at night could result in noise impacts.
Public Services	Construction of the project could result in impacts on existing parks and recreational areas in the project area.
Transportation and Traffic	Construction of the project could result in impacts related to traffic congestion and deterioration of levels of service, as well as cumulative traffic impacts.

The EIR may identify additional impacts. For significant impacts, and where feasible, mitigation measures will be proposed to avoid or reduce the impact.

E. PROJECT SCOPING PROCESS AND MEETINGS

Circulation of this NOP opens a public review and comment period on the scope of the CEQA document that begins on January 9, 2013 and ends on February 8, 2013 at 5:00 p.m. All interested parties, including the public, responsible agencies, and trustee agencies, are invited to present comments about the SOCRE project and the scope of the EIR.

The CPUC invites interested parties to the following public scoping meetings for the SOCRE project in order to learn more about the project, ask questions, and submit comments:

Wednesday, January 23, 2013

San Juan Capistrano Community Hall 25925 Camino Del Avion San Juan Capistrano, CA 92675 Thursday, January 24, 2013

Bella Collina Towne and Golf Club 200 Avenida La Pata San Clemente, CA 92673

Open House: 6:30 p.m. to 7:00 p.m. Presentation and Public Comment Session: 7:00 p.m. Written scoping comments may also be mailed, faxed, or emailed to the CPUC during the NOP comment period specified above. Please include a name, address, and telephone number of a person who can receive future correspondence regarding the EIR. Please send your comments to:

Andrew Barnsdale California Public Utilities Commission RE: SOCRE Project c/o Ecology and Environment, Inc. 505 Sansome Street, Suite #300 San Francisco, CA 94111

Emailed comments may be sent to: <u>SOCRE.CEQA@ene.com</u>. Faxed comments may be sent to (415) 398-5326. Voice messages may be left at: (855) 520-6799. For mailed, faxed, and emailed comments, please include your name and mailing address in your comment, and include the words "South Orange County Reliability Enhancement Project" or "SOCRE."

Comments received during the scoping period will be considered during preparation of the SOCRE project EIR. Public agencies and interested organizations and persons will have an additional opportunity to comment on the SOCRE project during the 45-day public review period to be held after the publication and circulation of the Draft EIR.

Agency Comments

This NOP was sent to responsible and trustee agencies, cooperating federal agencies, and the State Clearinghouse. We are interested in the views of your agency regarding the scope and content of the environmental information, as these responses will reflect your agency's statutory responsibilities in connection with the SOCRE project. Responses should identify the issues to be considered in the CEQA document, including significant environmental issues, alternatives, mitigation measures, and whether your agency will be a responsible agency or a trustee agency. Please send responses to the address noted above.

G. ADDITIONAL INFORMATION

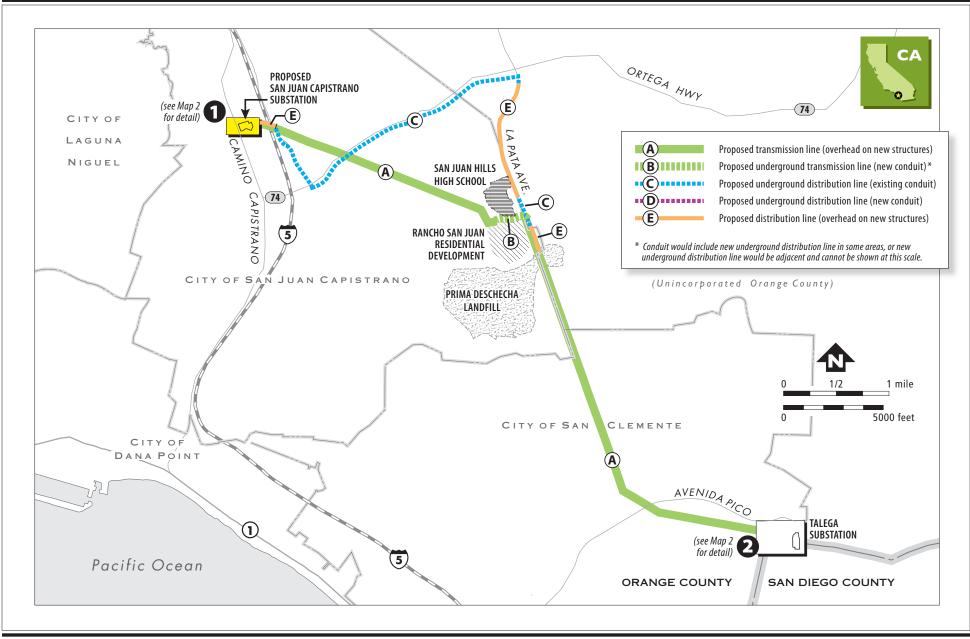
Information about the SOCRE project and the CEQA process is available on the CPUC's project website: <u>http://tinyurl.com/clsee4g</u>

The website will be used to post all public documents related to the CEQA document. No public comments will be accepted on this website; however, the website will provide a sign-up option for interested parties to be placed on the project mailing list and a printable comment form.

The CEQA Guidelines are available at the following website: <u>http://www.ceres.ca.gov/topic/env_law/ceqa/guidelines</u>

Appendix G of the CEQA Guidelines, which serves as an environmental checklist for all CPUC CEQA documents, is available at the following website: <u>http://www.ceres.ca.gov/ceqa/guidelines/pdf/appendix_g-3.pdf</u>

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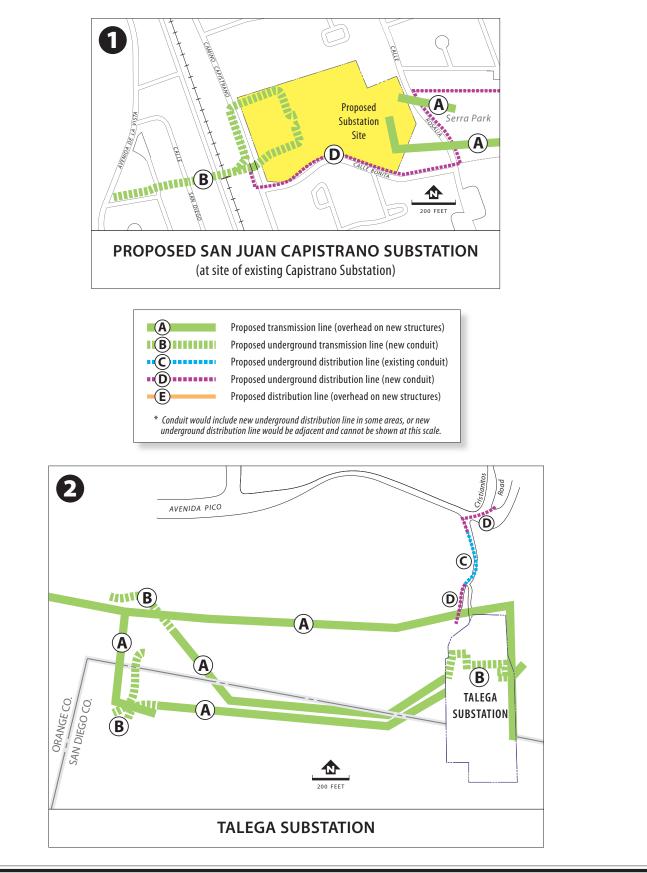


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Figure 1 (Map 1 of 2)

South Orange County Reliability Enhancement Project

Orange and San Diego Counties, California



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Figure 1 (Map 2 of 2)

South Orange County Reliability Enhancement Project

Orange and San Diego Counties, California