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September 16, 2013

Billie Blanchard California Public Utilities Commission c/o Aspen Environmental Group 235 Montgomery Street, Suite 935 San Francisco, CA 94104-3002 embarcaderopotrero@aspeneg.com

Re: SFPUC Comments on the DRAFT Mitigated Negative Declaration and Supporting Initial Study for Pacific Gas and Electric Company's Embarcadero-Potrero 230 Kv Transmission Line Project (A.12-12-004)

Dear Ms. Blanchard:

The SFPUC submits the following comments on the Draft Mitigated Negative Declaration (MND) and Supporting Initial Study for PG&E's proposed Embarcadero-Potrero 230 kV Transmission Line project. These comments apply to the land and submarine alternatives.

Support for Improved Reliability of Power Transmission in San Francisco
The SFPUC is strongly supportive of efforts to improve the reliability and
resilience of the electric transmission system serving San Francisco. The
SFPUC has been tasked by the Board of Supervisors to study and consider
"transmission and distribution needs within the City to support reliability and
facilitate distributed generation and renewables, including without limitation
connections between substations and the 115 and 230 kV transmission systems
within the City..." and specifically to study additional transmission connections
between the Potrero and Embarcadero substations (San Francisco Ordinance 9409 and Resolution 414-07).

The Embarcadero substation serves the downtown area, a major population and financial center. This substation in turn, is served by two 230 kV transmission lines. In approving PG&E's Embarcadero-Potrero project, the California Independent System Operator (ISO) concluded that "while the likelihood of the simultaneous loss of both [230 kV transmission] circuits is low, the consequences of the outage are severe and require mitigation" (California ISO 2011-2012 Transmission Plan, p. 107). The SFPUC agrees with this conclusion. Construction of a third transmission line into this critical substation, combined with PG&E's upgrades to its Embarcadero substation, will significantly improve reliability to San Francisco's downtown area.

The SFPUC supports PG&E's routing of its proposed transmission line underwater through the San Francisco Bay where possible rather than through San Francisco's streets and roads. This avoids the need for significant

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construction and excavation on city streets with the accompanying congestion, noise, inconvenience, and need to relocate existing utility infrastructure.

Routing the majority of the line underwater, as PG&E notes, significantly improves the ability of the new transmission line to survive seismic events and increases the probability that transmission access to the Embarcadero substation can be maintained after a seismic event. The California ISO is currently considering what additional transmission infrastructure may be needed to further ensure reliable service after such an event.

PG&E's Ability to Process New Service Requests during Construction

The SFPUC is concerned about the effect of the project on the ability of PG&E to process new requests for service or interconnections at its Embarcadero substation during the line's construction period. Although the MND anticipates there may be minimal curtailments of existing electric service (with advance notice) during the construction period, the MND does not address the ability of PG&E to process and complete new service or interconnection requests within the Embarcadero service area during this construction period. Of particular importance to the City is to understand the ability of PG&E to make new interconnections at the Embarcadero substation in the months immediately following the estimated construction period and measures that will be taken to avoid construction delays or conflicts accordingly.

While PG&E has "stated that its engineering team has taken into consideration the location of other underground utilities in defining feasible routes for the underground portion of the project", the MND does not address how the project and its construction could affect future requests for service and interconnection that PG&E is required to address under applicable CPUC and FERC regulations. This subject should be addressed in the MND.

Visual Effects from Enclosure of Potrero Station

The MND should be modified as necessary (Section 5.1 – Aesthetics) to address recent revisions to the project that PG&E has agreed to make as a condition of receiving the necessary licensing and operating permits from the Port of San Francisco, particularly the enclosure of the Potrero Substation. As noted in the San Francisco Port Commission's approval of a term sheet with PG&E regarding the project, PG&E has agreed to "obtain the approvals for and construct screening (or otherwise enclose) the Potrero Substation, subject to review by the Waterfront Design Advisory Committee, environmental review pursuant to CEQA and other required approvals."

Conflict with Utility Infrastructure

The proposed project could conflict with SFPUC utility infrastructure, particularly the land alignment routes, but also potentially with the submarine route. Section 5.17 of the MND discusses potential impacts to utility infrastructure, including SFPUC facilities, and includes an Applicant Proposed Measure (APM) as follows:

"APM-UTIL-1 Coordination with SFPUC Regarding Stormwater System Facilities. One of the extremely large SFPUC stormwater

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transport/storage boxes underlies the Embarcadero, where the northern HDD is planned. In this area, the HDD depth will be coordinated with SFPUC, in order to prevent damaging the storage box."

In addition, a mitigation measure is listed on page 5-246, MM UT-1, **Protect Underground Utilities**.

Please see the following comments for more clarification on the coordination required to protect SFPUC underground utilities:

- Directional drilling may penetrate sewer structures. For directional drilling on the land route, SFPUC will require a schedule of drilling and a work plan for monitoring structures. The structures will need pre and post drilling videos.
- Any construction activities that cause vibration, such as excavation, will
 require monitoring of the sewer structures in the area. A monitoring plan
 needs to be reviewed and approved by SFPUC-WWE-CSD.
- Any boring pits must be identified and presented to SFPUC-WWE-CSD for review and approval.
- SFPUC will need to review and approve any offshore cables or drilling that are within 20' of our structures (such as outfalls, force mains, transport storage boxes).
- PG&E shall issue notice of intent and request for information from all governmental and private Utility Agencies.
- In response to NOI from PG&E, SFPUC will provide available maps of wastewater collection/disposal system facilities.
- PG&E shall review and take into consideration available as built information and prepare design for their proposed facilities to avoid conflict with existing wastewater collection/disposal facilities. PG&E shall perform field investigation including potholing to determine locations of wastewater collection and disposal facilities for which records are not available.
- PG&E shall provide detailed design to SFPUC for review at least two
 months prior to finalizing design.
- PG&E shall incorporate comments received from SFPUC into final design package.
- PG&E shall design the proposed transmission line to provide minimum 5' horizontal clearance and 3' vertical clearance from all wastewater collection/disposal system assets. At the time of reviewing detailed design, SFPUC may suggest greater clearance for particular locations. At locations of crossings underneath existing sewer facilities, supports (piles) of existing sewer facilities shall also be avoided by providing adequate clearance.
- PG&E shall enter preferred alignment of this project in Envista (5 year plan).
- In response to NOI from PG&E related to preferred alignment, the SFPUC will inform PG&E about city sewer projects within the limits of PG&E project. Coordination will need to occur to avoid conflict among different projects.

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 For locations where PG&E intends to install facilities using trenchless methods, all existing wastewater collection/disposal system assets shall be televised/inspected before and after PG&E's construction work. These videos will be utilized to determine damage to SFPUC's wastewater facilities, if any, caused due to PG&E's construction activities. PG&E will be responsible for repair/replacement of damaged city facilities.

Conflicts with Future SFPUC Infrastructure

At present the SFPUC is in the planning stage for the Central Bayside Improvements Project (CBSIP). The proposed PG&E land alignments may have conflicts with preliminary future CBSIP auxiliary infrastructure, the main tunnel, staging areas or pit areas. The submarine alignment would have the least conflict with the CBSIP.

Conflict with SFPUC Real Estate Holdings

SFPUC Real Estate Services (RES) cannot comment specifically until it receives specific plans to determine where the transmission line is located. RES would need to examine plans and title reports to determine whether or not the transmission line passes through our property or easement(s). The following are general guidelines that apply to all developments that may have effect on SFPUC facilities.

General Comments

- No one shall construct or place any temporary or permanent structure or improvement in, on, under or about our water and sewer pipelines. For the SFPUC's purposes, asphalt, concrete and cementitious concrete driveways, sidewalks and parking areas, and fences are deemed "improvements," and are subject to SFPUC review and approval.
- No use is permitted that would restrict access to our water pipeline or sewer pipeline at any time by SFPUC staff, construction equipment or vehicles.
- Any use on our pipelines that cannot effectively be displaced in a timely manner upon the SFPUC's request is disfavored.
- Any use that may contaminate with hazardous materials the soils, water or natural habitat of SFPUC property is prohibited.
- Any use that would increase the SFPUC's potential liability or diminish its security is disfavored.
- Any use inconsistent with any existing or future policies adopted by the SFPUC, as they may be amended or modified from time to time, is disfavored.

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Restoration

The SFPUC is not responsible for restoring or replacing any vegetation or improvement on our pipelines damaged or demolished so that the SFPUC may access, maintain or repair its pipelines. The SFPUC will restore the ground with soil compacted to SFPUC standards. The vegetation or improvement owner is responsible for any additional work or the restoration.

Vegetation

No trees or large shrubs may be planted on or within 20 feet of any pipeline edge. Other vegetation may only be installed with the SFPUC's prior written consent.

Water and Sewer Pipeline Loading Restrictions

The maximum loading on our water pipelines should not exceed traffic loading HS-20 on the paved surfaces when the pipeline has a minimum four-foot cover. An overburdened or additional live or dead load such as load-bearing footings, pole foundations, or large boulders within the influence line of the pipe trench is prohibited.

Water and Sewer Pipeline Cover Requirements

To prevent damage to the SFPUC's underground pipelines, use of vehicles and equipment within twenty feet (20') of each side of the centerline of the PUC's pipelines (measured on the surface) are subject to the SFPUC's engineering requirements.

Thank you for providing SFPUC the opportunity to comment. If you need any further information please contact Karen Frye at 415-554-1652 or kfrye@sfwater.org.

Best Regards,

Iriha P. Toffey, AICP

Bureau Manager, Byreau of Environmental Management

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Responses to Comment Set C, San Francisco Public Utilities Commission

- C-1 The SFPUC comment is supportive of the Proposed Project and the proposed route for the transmission line. The comment notes that the submarine portions of the route largely avoid extensive construction and excavation in the streets, which helps to avoid relocating existing utility infrastructure. These features of the proposed route were described in Section 1.4 of the Draft IS/MND.
- C-2 The SFPUC comment raises concerns of whether the Proposed Project would affect PG&E's ability to make new interconnections at the Embarcadero Substation in months around the construction and whether PG&E would be able to avoid delays in completing new service or interconnection requests. The SFPUC comment does not give an indication of any plans to interconnect transmission or distribution-level facilities.

The Proposed Project would not change how PG&E treats or processes the requests that it receives for service or interconnection, which are subject to applicable regulations (CPUC and FERC) and tariffs. The lower-voltage distribution switchgear that feed the circuits to local customers are located on the second and third floors of the Embarcadero Substation and would not be modified or affected by the Proposed Project (PG&E, 2013a). As in the case without the Proposed Project, PG&E must follow its standard procedures and tariff requirements to ensure coordination with other concurrent work on the electric transmission and distribution systems.

C-3 SFPUC recommends that the MND be modified to address the potential future action of installing visual screening for the existing 115 kV Potrero Switchyard. This new screening is one of the public benefits defined in the Revised Term Sheet between the San Francisco Port Commission and PG&E. The Revised Term Sheet was endorsed by the Port after the August 2013 release of the Draft IS/MND, and if the final license includes such terms, it would allow the City to specify that PG&E seek approval for and construct screening (or otherwise enclose) the existing switchyard.

While the Revised Term Sheet for the Proposed Project License defines a process that may lead PG&E to screen or enclose the Potrero Switchyard at a future time, the nature of the screening or enclosure depends on future actions by the City (i.e., by the City making a "Designation Notice" of the City's "Preferred Screen"). Then, PG&E would have to initiate applications for regulatory approval that includes a description of and conceptual design for the screening. This application to the Port or to the CPUC would be the subject of additional environmental review.

The purpose of the screening would be to improve the land use compatibility of the site with future adjacent development or improvements. This is a separate project from the Embarcadero-Potrero 230 kV Transmission Project, and screening would be implemented entirely separately from construction of the Proposed Project. As such, the timing, implementation and design of the future screening are speculative, and details will not be known at the time the Proposed Project is considered by the CPUC. Therefore, there is no design-specific information to consider in this analysis.

However, a discussion of the revised Port Commission Term Sheet, along with a discussion of the potential environmental effects of screening, has been added as a new Section 1.6 in the Final IS/MND, as follows:

1.6 San Francisco Port Commission Negotiations

The San Francisco Port Commission (SF Port) established a Revised Term Sheet with PG&E after the August 2013 release of the Draft MND. At its September 10, 2013 meeting, the Port Commission considered Resolution 13-34 to endorse the Revised Term Sheet. In contrast to the original term sheet from November 2012, the Revised Term Sheet now contemplates a requirement for PG&E to screen or otherwise enclose the existing 115 kV Potrero Switchyard along Illinois Street between 22nd Street and 23rd Street. This means that the recent Port Commission decision to endorse the Revised Term Sheet is at least partially based on the SF Port License "obligating PG&E to screen the Potrero Switchyard" (at p.1 of the Term Sheet).

Because the Term Sheet endorsed by the Port defines a future requirement for PG&E to screen or enclose the existing Potrero Switchyard, this MND/Initial Study evaluates whether enclosing the switchyard amounts to an activity that would either be undertaken as part of the Proposed Project, caused by the project, or caused indirectly by the project. If so, the physical changes in the environment stemming from screening the switchyard would need to be disclosed to the extent they are reasonably foreseeable (see CEQA Guidelines 15064).

This MND/Initial Study does not treat screening the existing Potrero Switchyard as a reasonably foreseeable consequence of PG&E developing the Proposed Project. Although the City wishes to obligate PG&E to either enclose a substantial portion of the existing 115 kV Potrero Switchyard within a building or construct a screen around the perimeter of the switchyard, the Term Sheet itself is not contractually binding, and it does not presently commit PG&E to screening or enclosing the switchyard. The Term Sheet specifies that the City must first, within 10 years after executing the License for the Proposed Project, provide PG&E with notice of its preference, through a "Designation Notice" of the City's "Preferred Screen", which would then be subject to the Port's Waterfront Design Advisory Committee review. Following the Port's design committee review of PG&E's screening proposal, PG&E must then obtain the necessary approvals before commencing construction of the screen or enclosure. The Term Sheet also notes that negotiations will continue to occur before a License for the Proposed Project can be executed by PG&E and the Port Commission, and the binding form of the License will only become known after the present environmental review for the Proposed Project has been completed. The final terms and conditions of the negotiated transaction for the License are subject to the approval of the Port Commission.

PG&E has not presented to the CPUC any plans for an enclosure or screen at this time. After the City's designation, PG&E will need to apply for future approvals to construct the City's preferred screen, and this may require conducting a future project-level environmental review under CEQA of that proposal. PG&E notes that the purpose of the screening would be separate from the objectives of the Embarcadero-Potrero 230 kV Transmission Project, and screening could be implemented entirely separately of the Proposed Project [PG&E in Response to CPUC Data Request PD-18, General Reply to SFPUC Letter, October 3, 2013 (PG&E, 2013a)].

<u>Foreseeable Environmental Effects of Screening for Potrero Switchyard.</u> Although construction of screening for or enclosing the existing Potrero Switchyard would not

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be directly or indirectly caused by the Proposed Project, and no design is proposed, certain environmental effects would generally be expected from this type of project. Developing a perimeter screen for the existing 115 kV Potrero Switchyard would create impacts related to construction activity along Illinois Street between 22nd Street and 23rd Street. This could result in PG&E removing street trees along Illinois Street, creating temporary ground disturbance for the foundations or footings of the screening, and temporarily impacting parking conditions, traffic, air quality, and noise along Illinois Street during the work to install the switchyard screen. Alternatively, if the switchyard were to be enclosed within a new building, construction-phase impacts would be more intense than what would occur with building a screening wall. The primary long-term physical change to the environment would be to shield views of the existing open-air equipment and to reduce the industrial aesthetics of the existing streetscape. Overall, the City's goal is to improve the compatibility of the site with mixed uses.

The list of conditions required to protect SFPUC utilities are noted and will be transmitted to PG&E for its review. As part of APM UTIL-1 and Mitigation Measure UT-1 (Protect Underground Utilities), PG&E would be required to coordinate with the SFPUC regarding final design and construction plans which would reduce the potential for conflicts with SFPUC facilities. In addition, APM LU-1 requires PG&E to provide timely notice of activities to agencies, including the SFPUC, and to the public, which will allow for coordination and inspection by SFPUC for impacts to SFPUC utilities.

No local discretionary permits are required for the Proposed Project as the CPUC has preemptive jurisdiction over the construction, maintenance, and operation of public utilities. However, PG&E would be required to obtain all ministerial building and encroachment permits from local agencies, such as the City and County of San Francisco and the SFPUC. Table 4-6 (Permits that May Be Required for the Embarcadero-Potrero 230 kV Transmission Project) in Section 4.14 (Other Permits and Approvals) of the Final IS/MND lists the permits that would be required for the Proposed Project, including for water disposal and water supply for construction activity from the SFPUC, for right-of-way acquisition and/or to reestablish the utility franchise area from the City and County of San Francisco, and for an excavation permit from the San Francisco Department of Public Works.

As stated in Section 5.17.2(h) of the Draft IS/MND, clearances and depths would meet requirements set forth with Rule 33.4 of CPUC General Order 128 (Rules for Construction of Underground Electric Supply and Communication Systems). Section 4.11.5 of the Draft IS/MND discusses the steps that PG&E would take to coordinate with other utility system owners and implement measures such as increased cathodic protection or utility relocation to minimize any potential effects to existing facilities. Additionally, under Section 1, Chapter 3.1, "Protection of Underground Infrastructure," Article 2 of California Government Code §§4216-4216.9, PG&E is required to contact a regional notification center at least two days prior to excavation of any subsurface installation. With these regulations, PG&E's standard construction practices, and with implementation of APM UTIL-1 and Mitigation Measure UT-1, the Draft and Final IS/MND have concluded that impacts to existing SFPUC facilities and other utilities would be less than significant.

The commenter's concerns about conflicts with the Central Bayside System Improvements Project (CBSIP), especially by the land alignments, are noted. The CBSIP has been added to Table 5.19-1 (Cumulative Projects in the Project Vicinity) in Section 5.19.1 of the Final IS/MND, as is shown below.

| Table 5.19-1. Cumulative Projects in the Project Vicinity | | | |
|---|--|-------------------|--|
| Project Name | Description/Location | Status | Proximity to Project Route (miles) |
| Central | Part of SFPUC's Sewer System Improvement | In planning until | Likely adjacent |
| <u>Bayside</u> | Program. CBSIP includes the following components: | <u>September</u> | (in planning) |
| <u>System</u> | a tunnel to transport, via gravity, dry and wet- | <u>2015;</u> | |
| Improvement | weather flows from the Channel and North Shore | design phase | |
| Project | urban watersheds to the Southeast Treatment Plant | October 2015 to | |
| (SFPUC) | (SEP); various microtunnels connecting existing | August 2017 | |
| | local pump stations to the tunnel; a large all-weather | · · | |
| | pump station to lift flows into SEP; and combination | | |
| | of grey and green infrastructure installation of green | | |

As part of APM UTIL-1 and Mitigation Measure UT-1 (Protect Underground Utilities), PG&E would be required to coordinate with the SFPUC regarding final design and construction plans which would reduce the potential for conflicts with CBSIP. As described in Section 4.8.11 (Construction Phasing) of the Draft IS/MND, the timeline for construction and testing for the Proposed Project would be 22 months with initiation of service targeted for December 2015. According to the timeline shown on the SFPUC's website, 1 construction of PG&E's 230 kV transmission line would be completed as the design phase of CBIP is being initiated.

C-6 PG&E has stated that it does not need to acquire any land rights from SFPUC for purposes of constructing the Proposed Project, so there are no anticipated conflicts with SFPUC real estate holdings. In addition, as required under Mitigation Measure UT-1, PG&E would coordinate with and provide final design and construction plans to the SFPUC. Therefore, SFPUC Real Estate Services will be able to confirm at that time whether the line would pass through SFPUC property or easements. The general guidelines for developments that may have effect on SFPUC facilities are noted.

technologies to manage stormwater.

SFPUC. 2013. Central Bayside System Improvement Project. http://sfwater.org/index.aspx?page=617. Accessed October 8, 2013.

² PG&E (Pacific Gas and Electric Company). 2013. Embarcadero-Potrero 230 kV Transmission Project: PG&E's Responses to Data Request #6 sent by CPUC on September 23. Responses dated October 3.