E.1 GROWTH-INDUCING EFFECTS

The California Environmental Quality Act (CEQA) requires a discussion of the ways in which a proposed project could be an inducement to growth. The *CEQA Guidelines* identify a project to be growth-inducing if it fosters economic or population growth or the construction of additional housing, either directly or indirectly, in the surrounding environment. New employees from commercial and industrial development and new populations from residential development represent direct forms of growth. The expansion of urban services into a previously unserved or under-served area, the creation or extension of transportation links, or the removal of major obstacles to growth are examples of projects that are growth-inducing. It is important to note that these direct forms of growth have a secondary effect of expanding the size of local markets and attracting additional economic activity to the area.

Typically, the growth-inducing potential of a project would be considered significant if it fosters growth or a concentration of population above what is assumed in local and regional land use plans, or in projections made by regional planning authorities such as, the Association of Bay Area Governments (ABAG) and the Santa Clara Valley Transportation Authority. Significant growth impacts could also occur if the project provides infrastructure or service capacity to accommodate growth levels beyond those permitted by local or regional plans and policies.

It cannot be assumed that the creation of growth-inducing potential automatically leads to growth. Growth occurs through capital investment in new economic opportunities by the private or public sectors. These investment patterns reflect, in turn, the desires of investors to mobilize and allocate their resources to development in particular localities and regions. These and other pressures serve to fashion the local politics of growth and the local jurisdiction's posture on growth management and land use policy. These factors, combined with the regulatory authority of local governments in California in relation to land use, serve to mediate the growth-inducing potential or pressure created by a project.

Potential growth-inducing impacts of the proposed Northeast San Jose Transmission Reinforcement Project could be manifested in several ways:

- Growth resulting from the direct and indirect employment needed to construct and operate the proposed project
- Growth resulting from the additional power that would be transmitted by the proposed project.

E.1.1 Growth Caused by Direct and Indirect Employment

As documented in Section C.10.2.4.1, the construction and operation of the project itself would not affect the employment patterns in the area. Construction personnel would come from the existing labor pool in the bay area, most likely from PG&E Co.'s current employees. Operation of the project would require no full-time personnel, and maintenance would be done by PG&E Co.'s employees responsible for the many existing PG&E Co. facilities in the same project area.

E.1.2 Growth Related to Provision of Additional Electric Power

The proposed project, a 7.3-mile 230kV transmission line and substation to be constructed by PG&E Co., would be constructed in response to existing and anticipated demand for increased electric service. As documented in Section C.10 (Socioeconomics and Public Services), the nine county Bay Area is one of the largest and most dynamic metropolitan areas in the country. Its employment and population have grown and are expected to continue to grow at a substantial rate. Between 1990 and 2000, Bay Area population is estimated to have grown by more than 900,000 people to a nine county total of approximately 6.9 million. At the same time, regional employment grew from 3.2 million to approximately 3.7 million, matching the 15 percent increase in population growth. Projections suggest an employment growth rate of 27 percent between 2000 and 2020, or the addition of one million new jobs. The anticipated growth of 261,400 residents in Santa Clara is the largest absolute growth of any Bay Area county. Approximately half of the anticipated growth is expected in San Jose, which by the year 2010 will become the first and only Bay Area city with more than a million residents.

Section A.2 describes the growth of electricity demand in the area and the urgent need for this project to serve that need. Even by the summer of 2001, PG&E Co.'s existing system will be inadequate to serve the area, requiring load management actions and coordination with the Independent System Operator. If the project is not operating by the summer of 2002, significant shortfalls of power will occur in the project area.

As shown in Table B.8-1 and Figure B.8-1 (cumulative projects scenario), there are many large development projects currently in the agency review process. Many other large projects are already under construction or have recently been completed in the area. The proposed transmission project did not cause this growth to occur; rather it resulted from the economic success of the Silicon Valley businesses that have become the heart of this business community. PG&E Co. is simply responding to growth that is occurring and planned, based on city and county planning documents.

E.2 SIGNIFICANT IRREVERSIBLE ENVIRONMENTAL CHANGES

The *CEQA Guidelines* (Section 15126.2(c)) require an evaluation of significant irreversible environmental changes that would be caused by a project if implemented. In general, the *CEQA Guidelines* refer to the need to evaluate and justify the consumption of nonrenewable resources and the extent to which the project commits future generations to similar uses of nonrenewable resources. In addition, CEQA also requires that irreversible damage resulting from an environmental accident associated with the project be evaluated.

Pursuant to Section 15126(f) of the *CEQA Guidelines*, significant irreversible environmental changes must be identified and may include the following:

- Use of nonrenewable resources during the initial and continued phases of the project that would be irreversible because a large commitment of such resources makes removal or nonuse thereafter unlikely
- Primary impacts and, particularly, secondary impacts which commit future generations to similar uses (such as a highway improvement that provides access to a previously inaccessible area)
- Irreversible damage that may result from environmental accidents associated with the project.

The transmission line construction phase would require an irretrievable commitment of natural resources from direct consumption of fossil fuels, construction materials, the manufacture of new equipment that largely cannot be recycled at the end of the project's useful lifetime, and energy required for the production of materials. Furthermore, construction of the transmission line would necessitate some vegetation and habitat removal, as detailed in Section B.3 (Biological Resources). Assuming implementation of the mitigation measures recommended in this EIR, permanent loss of biological resources would be confined to project structure locations.

During the project's operational phase, the transmission line would allow for the transport of additional electrical power generated from renewable resources (hydroelectric) and the transport of power generated from nonrenewable resources (e.g., coal, natural gas), since the project would improve the ability of the Applicant to transmit additional power generated within and outside of its service area (see Section A.2, Purpose and Need). Therefore, operation of the transmission line does commit the future use of some amounts of nonrenewable resources.