PUBLIC UTILITIES COMMISSION 505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298



October 2, 2012

Mr. Bob Jackson General Manager and Director of Construction and Engineering Sunrise Powerlink Transmission Project 8315 Century Park Court, CP21G San Diego, CA 92123-1550

RE: SDG&E Sunrise Powerlink Transmission Line Project – Variance Request #44

Dear Mr. Jackson:

In a letter dated September 6, 2012, San Diego Gas and Electric (SDG&E) requested a variance from the California Public Utilities Commission (CPUC) to make permanent three temporary facilities on the Sunrise Powerlink project. These are:

 Radio communications tower, equipment shed, and solar panels temporarily located on permanent TSAP sites at CP108 and EP87-1

The sites on which these telecommunications facilities have been placed were originally evaluated and approved as permanent tower staging access pads (TSAPs). TSAPs are leveled, prepared areas suitable for helicopter use and staging of materials. Permanent TSAPs are available for ongoing operations and maintenance (O&M) activities during the life of the project; temporary TSAPs are to be restored following transmission line construction.

Permanent use of temporary TSAP at EP87-1

SDG&E is requesting that the additional and temporary TSAP at EP87-1 be made permanent for future use during O&M operations. SDG&E is not requesting permanent use of the temporary TSAP at CP108; that location would be accessed by hiking from nearby Bell Bluff Truck Trail. The temporary TSAP was approved for use while the permanent TSAP was occupied by telecommunications equipment. It was envisioned that once telecommunications equipment was removed the sites would revert to their role as TSAPs for O&M. At that point, temporary TSAP sites would be restored.

The two telecommunications sites are near transmission tower structure CP108 (in Link 5) and transmission tower structure EP87-1 (in Link 4), respectively; the temporary TSAP also is near tower EP87-1. The sites hosting the telecommunications equipment were previously approved as permanent TSAP sites. The temporary TSAP at EP87-1 was approved by Variance #33 issued December 16, 2011. (See Figure A attached to this letter.) In addition to these communications facilities on private land, two additional temporary communications facilities were located on National Forest Land, two on BLM land, and one at the project headquarters in Alpine. SDG&E has stated its intention to remove the Alpine telecommunications equipment and seek County of San Diego planning approval to install it elsewhere in the County. Permanent siting of the telecommunications facilities temporarily located on federal land is under consideration by the respective agencies having jurisdiction. The Alpine equipment and the permanent location of telecommunications facilities on land under Forest Service or BLM jurisdiction are not part of this variance request.

This letter documents the CPUC's thorough evaluation of all activities covered in this variance, and determines than no new impacts or increase in impact severity would result from the requested variance activities.

Project Approval. On December 18, 2008, CPUC approved the SDG&E Sunrise Powerlink Transmission Line Project (Decision D.08-12-058) and a Notice of Determination was submitted to the State Clearinghouse (SCH#2006091071). The BLM issued a <u>Record of Decision</u> approving the Project on January 20, 2009. The Project also crosses lands Cleveland National Forest. The Forest Service issued its Record of Decision and Supplemental Information Report on July 9, 2010.

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 MMCRP also acknowledges that temporary changes to the project, such as the need for additional workspace, are anticipated and common practice for construction efforts of this scale and that a Variance Request would be required for these activities. This letter documents the CPUC's thorough evaluation of all activities covered in this variance, and that no new impacts or increase in impact severity would result from the requested variance activities.

Variance #44 to make permanent the three temporary facilities as described above on the Sunrise Powerlink project is granted by CPUC for the proposed activities based on the factors described below:

Telecommunications Siting History. A nearly 30-month long history regarding telecommunications needs and siting predates the Variance Request #44. That history is summarized here. **Particular note is taken of a number of troubling aspects of this history, including SDG&E's non-responsiveness, obfuscation, and misrepresentations during its dealings with CPUC.**

In May 2010, SDG&E prepared a draft Project Modification Report (PMR). The PMR identified revised project components, including for the first time "modified structures for communication facilities." (PMR Pg. 1) It was stated that the equipment would be permanently installed on transmission tower structures once construction was completed. For each communications facility, the equipment included a radio tower, solar panels, a vertical wind turbine, and batteries and communications equipment housed in a container shed. The report included statements about telecommunications, namely:

"To establish a reliable communication system for coordinating daily activities and responding to worker and public safety issues, the modified Project includes provisions for microwave telecommunication equipment at seven locations."

"Structures EP146, EP34-1, EP87-1, CP60, and CP108. Mobile telecommunication equipment will be placed on flat beds in the work areas designated for these five structures. After construction, the equipment will be permanently installed on the structures. Illustration 2-1 provides an example of the mounted equipment." (Illustration 2-1 is attached to this letter as Figure B.)

On September 22, 2010, CPUC and BLM approved the Final PMR, including installation of telecommunications equipment on various transmission towers. The telecommunications aspect of the revised project is described in the Final PMR (pages 10-11):

"The mobile telecommunications equipment at the Alpine Headquarters and Yard would be temporarily placed on flat beds (truck trailers) at the existing work areas during project construction, because communication is required for worker safety and construction communication."

"After towers are constructed, certain towers (Structures EP146, EP34-1, EP87-1, CP60, CP108, CP82-1) would have the communications equipment permanently installed within the tower

lattice structures themselves. There would be no additional ground disturbance to install these facilities."

"These facilities are addressed in the PMR because SDG&E requires additional communication facilities to be installed along the transmission line route, and these facilities were not defined at the time of the Final EIR/EIS."

"**Conclusion:** No new significant impacts would be created, and the temporary and minor visual effects would not result in a substantial increase over that evaluated in the Final EIR/EIS, nor would it impact the validity of the Final EIR/EIS. The additional structural complexity of the equipment would be consistent with the visual analysis of the Final EIR/EIS. ..."

The illustration submitted to CPUC showed the various components of the telecommunications equipment as being integrated into the transmission tower structure or located within or adjacent to the footprint of the tower. Based on this information, the CPUC determined that because the permanent equipment would be integrated with the transmission tower, was within an approved disturbed area (the TSAP), and represented only a nominal change, the telecommunications could be installed on the towers as shown.

On November 9, 2010, SDG&E requested a Notice to Proceed (NTP), which would allow construction to begin for overhead structures. The NTP request did not mention communications towers.

On August 15, 2011 SDG&E submitted Variance Request #23 to establish additional temporary and permanent TSAPs and landing platforms, including additional areas at EP87-1 and CP-108, which already included previously approved permanent TSAPs. However, the language regarding radio tower installations was ambiguous.

"For the safety of personnel on the Project, it is essential to maintain communications. Radio communication towers have been strategically sited throughout the alignment to allow for communication back and forth between personnel and Sunrise Base. Previously engineered TSAP locations have proven to be ideal locations for these radio towers and they have been placed in the ROW at previously engineered TSAP locations (permanent - EP87-1 and CP108)."

This is when CPUC first learned that SDG&E had installed the temporary telecommunication equipment at the approved permanent TSAPs near the respective tower sites. They were not on a "flat bed" in the usual understanding of the word, but were on what Robert Jackson, SDG&E, described as "...a "flat bed" frame with the wheels removed."

SDG&E was contacted by email and telephone in order to clarify the variance request.

Commandeering the permanent TSAPs for the temporary telecommunications equipment created the need for new, temporary TSAPs to replace the ones occupied by the equipment. The major equipment installed at the EP87-1 and CP108 permanent TSAP sites included a radio tower topped by a blade wind turbine and an equipment shed (container) with solar panels mounted on its top and extending to near the ground. The wind turbine differed from the original vertical turbine design provided earlier by SDG&E. Following exchanges of emails and telephone calls, additional information was provided by SDG&E in August and September.

On September 15, 2011, SDG&E submitted a memorandum regarding the radio towers and stated that the radio tower design presented in the PMR was infeasible. The nature of the infeasibility was not explained and no alternative was proposed.

On September 19, 2011, following a field inspection to view the locations identified in the request, the CPUC's visual consultant provided a visual resources field assessment with recommendations on proposed structure finishes including finishes for the radio towers.

On September 30, 2011, another information request regarding the radio towers was made to SDG&E.

On October 4, 2011, SDG&E provided a memorandum with radio tower specifics and photos. With this information the CPUC was able to compare the as-built temporary telecommunications installations with the PMR specifications. Significant discrepancies were identified. The specifics were sent to the CPUC biological consultant for review. The consultant stated that the type of fixed rotor wind turbine used on the radio towers was never analyzed in the EIR/EIS or PMR processes.

On October 13, 2011, a revised Variance Request #23 was submitted by SDG&E; it omitted TSAP locations at towers EP87-1, EP233-1, and CP108.

On October 14, 2011, CPUC submitted a radio tower installation data request to Alan Colton, SDG&E. Therein the CPUC posed a number of questions regarding the tower engineering design parameters and whether SDG&E intended to make the current installations permanent.

On October 20, 2011, after review of the information provide during the period since the original Variance #23 request in August, the revised Variance #23 was granted with an understanding that the radio towers and need for permanent TSAPs at the radio tower areas would be address at a later date.

In a letter of November 14, 2011, from Robert Jackson, SDG&E, Mr. Jackson sought to reassure the CPUC that the telecommunications equipment was temporary. At various points in the letter he states:

"SDG&E will remove the temporary communications facilities shortly after energization of the transmission line."

"At present, no request for permanent landing platforms or TSAPs is under consideration for CP108 and EP87-1, as they were removed from the prior variance request. SDG&E will be requesting temporary landing platforms at these locations so that tower construction can be completed.

"SDG&E is not requesting that the temporary communications facilities become permanent."

"SDG&E is not requesting that the temporary communications facilities become permanent. However, SDG&E will be evaluating the need and design of permanent communications facilities for operations and maintenance of the transmission line, should they be required. If the analysis confirms a need for a permanent facility, SDG&E will provide the CPUC and BLM with proper documentation along with the request."

Having stated that the on-tower siting of the telecommunications system as described in the PMR was infeasible, the utility continued to put forward the position that the facilities on the TSAPs were temporary and would be removed. CPUC repeatedly asked SDG&E to provide information on its plans for a permanent telecommunications system. This information was never forthcoming.

Throughout early 2012 no action was observed with regard to creating a permanent communications system. No information was provided on what the permanent communications system would consist of and where it would be sited. CPUC monitors raised this point during numerous project conference calls.

Finally, in May, 2012, Alan Colton, SDG&E said in a meeting that the utility would like to have permanent use of the temporary radio towers and that SDG&E was working on options. CPUC monitors continued to raise the issue in subsequent bi-weekly meetings, stating that SDG&E should submit more

information regarding the radio towers so everyone could know what was planned and so the appropriate analysis could be conducted.

With energization at hand, on June 6, 2012, SDG&E provided the CPUC with a project schedule titled "Remaining Non-Critical Work." This schedule did not include the removal of radio towers and equipment from their temporary locations. In a June 19, 2012, letter to SDG&E, the Commission requested specific information on whether SDG&E planned an extended use of these and other temporary project facilities. On June 25, 2012 SDG&E replied to CPUC and stated that an evaluation was underway regarding the telecommunications equipment and other topics. A status report would be provided by August 1, 2012.

On July 3 2012, CPUC sent SDG&E a non-compliance notice with regard to decommissioning Alpine Facilities and removing temporary telecommunications equipment. On July 24, 2012, SDG&E submitted a written response to the July 3rd correspondence. SDG&E stated that it wanted to pursue making the temporary communication facilities permanent (or in the case of the Forest Service sites, potentially permanently moving them to another location on Cleveland National Forest), and would follow the applicable regulatory and environmental processes. SDG&E requested an in-person meeting with the CPUC. This meeting occurred in San Francisco on August 10, 2012.

During the August 10th meeting SDG&E provided additional detail about its plans and it intention to submit information to justify a variance request to make the two temporary radio installations on private lands permanent. CPUC's legal staff raised concerns over the turbines then operating on the temporary radio towers and stated that the blade-type of turbines installed on the structures was not analyzed for impacts. On or about August 11, 2012, SDG&E removed the turbines at the two locations and has stated they will no long use turbines.

On August 17, 2012, CPUC provided a letter to SDG&E that included August 10th meeting notes and requests for specific information. SDG&E provided responses in three letters: September 5 & 10, 2012, from Robert Jackson and September 6, 2012, from David Barrett.

With regard to the telecommunication sites and TSAPs, CPUC had requested SDG&E to:

 Provide documentation from a Registered Professional Engineer (PE) that the design provided in the PMR was infeasible.

This was received as an attachment to SDG&E's letter of September 5, 2012.

- Provide information on the final location of the Alpine telecommunications equipment.
 - Information received to date is from the SDG&E letter of September 10, 2012. No additional information has been received to date on the status of the Alpine communications system location. SDG&E wrote: "SDG&E is working with the landowner to lease a vacant lot (838 Tavern Road, Alpine, CA) adjacent to the local Alpine VFW. We anticipate a fully executed lease on September 17, 2012. ... The VFW site currently supports multiple radio communications antennae. SDG&E's telecommunications equipment will be within 300 feet of the existing communication structures/telecommunication farm. On Tuesday, September 4, 2012, SDG&E met with our telecommunications permitting consultant who will assist us in filing for and obtaining the required zoning approvals from the County of San Diego."
- Provide a biological report documenting any impacts the turbine blades have had on wildlife. In footnote 1 of SDG&E's September 6, 2012, letter, SDG&E states: "The database of information collected by the biological monitors on a daily basis was queried, and based upon that review,

no wildlife was harmed, injured, or found dead in the vicinity of either CP108 or EP87-1 during the time the radio communications equipment has occupied either TSAP."

CPUC Evaluation of Variance Request.

Following is a review of the Variance Request and its potential to increase substantially known impacts or to create new impacts. Based on this review, Variance #44, for use of the permanent TSAPs at CP108 and EP87-1 as permanent sites for the temporary telecommunications facilities currently located on those sites and for the permanent use of the temporary TSAP at EP87-1, is granted by CPUC for the proposed activities based on the factors described below.

In accordance with the MMCRP, the subject variance request was reviewed by CPUC to confirm that no new impacts or increase in impact severity would result from the requested variance activities. The two permanent TSAP sites now occupied by the telecommunications equipment were evaluated in the Recirculated Draft EIR/Supplemental Draft EIS as permanently disturbed areas. Following completion of construction, the TSAPs would be used for helicopter access during O&M activities. However, the sites were not evaluated for the permanent installation of equipment in either the EIR/EIS or the Recirculated Draft EIR/Supplemental Draft EIS. The PMR did not present or evaluate the TSAPs as permanent equipment sites.

The permanent land disturbance from construction of the permanent TSAPs at CP108 and EP87-1 was evaluated in previous environmental documents and is not repeated here. The sites were considered permanent disturbance and included in the impact mitigation requirements imposed on the project. The only change at the site under the requested variance would be to allow the continued presence of telecommunications equipment now located there.

The temporary TSAP at EP87-1 that SDG&E seeks to make permanent is a .08-acre (approx. 400 sq. ft.) graded area just north of structure EP87-1 on a ridge approximately 1,500 feet west of Buckman Springs Road. The site was used during construction and, if permanent, would be used for helicopter access during O&M activities.

As a permanent TSAP, restoration of the site would not occur. A permanent TSAP had been evaluated and approved for EP87-1 (the one now occupied by telecommunications equipment). Therefore, the presence of a permanent TSAP would not increase helicopter operations beyond what was originally planned in this area. Impacts from grading and site preparation for the temporary TSAP were evaluated as part of Variance Request #33.

The following discussion summarizes this analysis for biological and visual resources for Variance Request #44. Other resources of potential concern were fully evaluated in previous environmental documents (for the permanent TSAPS) and in Variance #33 (for the temporary TSAP).

A list of conditions is presented below to define additional information and clarifications regarding mitigation requirements.

Biological Resources. The permanent TSAP sites at CP108 and EP87-1 were evaluated in previous environmental review and environmental impacts were accounted for during that review. The telecommunications equipment now installed at these sites is within the approved TSAP footprint and no additional land disturbance is required. The only element of the facilities identified as having the potential to increase impacts to wildlife as compared to a vacant site was the blades on the wind turbines. However, with removal of the wind turbines, this potential impact has been removed. The radio towers are self-supporting, narrow structures approximately 50 feet tall. Microwave equipment is mounted on them. The presence of these towers does not significantly increase the risk of bird strikes as compared to the hundreds of much more substantial transmission towers constructed for the project. In

addition, the narrow profile of the towers does not provide a substantial impediment to flight and is readily avoided. Therefore, the permanent siting of the radio towers at their present locations would not increase biological impacts. Please note that at no future time may the wind turbines be replaced on the communications towers.

For the temporary TSAP at EP87-1, biological and other resource impacts were evaluated in Variance Request #33 and found to not increase the significance of impacts or to add new impacts. The loss of vegetation and habitat at this site was to be compensated for by restoration. However, in making this a permanent TSAP, restoration would not occur. During its acquisition of mitigation lands, SDG&E over procured and preserved habitat. The minor permanent loss of an approximately 20 x 20-foot area at this TSAP site is offset by the extra mitigation lands set aside by SDG&E and no additional mitigation would be required.

Visual. In response to an earlier Variance Request (#23), in September 2011, CPUC's visual resources specialist reviewed these locations. Given the visual contrast that has been introduced into the landscape by the transmission towers, it was recommended that the radio towers be treated (by galvanizing or painting) in such a manner so as to achieve a sufficiently dulled surface such that no additional reflectivity occurs along the project right of way. This recommendation is consistent with the requirements of Visual Resources Mitigation Measure V-7a. Please note that since the original tour the towers have weathered and have a dulled finish which was confirmed by the CPUC Lead Environmental Monitor.

The CP108 permanent TSAP is adjacent to Suncrest Substation. The upper portion of the radio tower would skyline when viewed from some locations to the southeast and would otherwise be seen against a rocky/vegetated slope with colors ranging from gray to pale green, tan, and browns. The radio tower at this location would be visible to travelers on Japatul Road and residents off of Japatul Road. While views of the would range from brief (for travelers) to extended (for residents), at a viewing distance ranging from two to three miles, the structures are not expected to be significantly noticeable in the landscape as long as structure reflectivity and visual contrast are minimized. It is seen in the context of the substation and transmission towers and conductors leading into and out of the substation. The Suncrest Substation would also provide a structural context that would dominate the radio tower, thereby reducing its noticeability in the landscape.

The existing EP87-1 permanent TSAP is approximately 1500 feet west of Buckman Springs Road on a ridge on which there now are three new lattice transmission towers and associated conductors. The TSAP site is approximately 850 feet west of the nearest residence and at a higher elevation. In a visual survey, Aspen monitors report that the equipment and radio tower at EP87-1 are not visible from Buckman Springs Road.

The permanent location of the telecommunications equipment at the permanent TSAP sites does not create a new significant effect or a substantial increase in the severity of a previously identified significant effect. The radio tower surface is matte and not shiny and would continue to weather over time.

The change of the temporary TSAP at EP87-1 to a permanent TSAP would have minimal visual impacts. It is a graded area that is higher in elevation than Buckman Spring Road and the residences in the area and is not visible.

Conditions of Variance Approval.

The following condition shall be met by SDG&E and its contractors: At no time may the wind turbines be replaced on the communications towers.

Please contact me if you have any questions or concerns.

Sincerely,

Billie Blanchard

Billie Blanchard CPUC Environmental Project Manager Sunrise Powerlink Transmission Project

Attachment

- cc: David J. Barrett, SDG&E Assistant General Counsel Linda Collins, SDG&E Dayle Cheever, SDG&E Nicholas Sher, CPUC Molly Sterkel, CPUC Mary Jo Borak, CPUC Eric Porter, USFWS
- Tom Zale, BLM El Centro Field Office Bob Hawkins, Forest Service Erinn Wilson, CDFG Susan Lee, Aspen Vida Strong, Aspen Anne Coronado, Aspen Fritts Golden, Aspen

Attachment Figure A:

Locations of Temporary (Proposed Permanent) TSAP and Previously Approved Permanent TSAP at EP 87-1. Approved TSAP is occupied by telecommunications equipment. Proposed TSAP is requested to be made permanent.

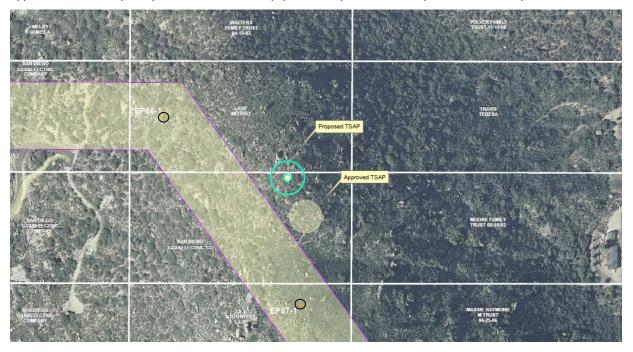


Figure B:

ILLUSTRATION 2-1. MICROWAVE TELECOMMUNICATION EQUIPMENT AS MOUNTED ON STRUCTURES

