

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



January 8, 2015

Tom Johnson
PG&E Environmental Compliance Lead
Pacific Gas & Electric
245 Market Street, N10A
San Francisco, CA 94105

RE: Cressey-Gallo 115 kV Power Line Project (C-G): Notice to Proceed (NTP) #1 **--- REVISED ---**

Dear Mr. Johnson,

On September 12, 2014, Pacific Gas and Electric Company (PG&E) submitted a Notice to Proceed (NTP) request to the California Public Utilities Commission (CPUC) for the installation and removal of the shoo-fly, expansion work at the Gallo Substation, and construction of the single and double circuit 115 kV pole lines on the Gallo Property (from the Gallo Substation to the intersection of Howard Road and Magnolia Avenue), pulling conductor, and modification work at the Cressey Substation. The project is located in the San Joaquin Valley, Merced County, California. The request also included a *Biological Survey Memorandum for a Proposed Staging Area and Shoo-fly Area*, a *Cultural Resource Survey Memorandum for a Proposed Staging Area and Shoo-fly Area*, lighting plans for the substations, as well as several additional engineering reports.

It should be noted that the subject NTP request also included the temporary development and use of a staging area immediately south of the Gallo Winery (Staging Area 001). This staging area was replaced by an already developed area just to the west of the original staging area, and was reviewed and approved under Minor Project Change #1 as discussed below.

The PG&E Cressey – Gallo 1150 kV Power Line Project was evaluated in accordance with the California Environmental Quality Act (CEQA). The mitigation measures and applicant-proposed measures (APMs) described in the Final Mitigated Negative Declaration (MND) were adopted by the CPUC 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 Cressey – Gallo 115 kV Power Line Project during implementation. The CPUC voted on January 16, 2014 to approve the Final MND for the PG&E Cressey – Gallo 115 kV Transmission Project (Decision D.14-01-003) and a Notice of Determination was submitted to the State Clearinghouse (SCH#2013021061).

The Cressey – Gallo Project will be constructed in at least 3 phases and NTPs will be issued for each phase. This is a typical process for transmission line projects. Given that the Cressey – Gallo Project has been approved by the CPUC, this phased construction review process allows PG&E to proceed with individual project components where compliance with all applicable mitigation measures and conditions can be documented.

This letter documents the CPUC's thorough evaluation of all activities covered in this NTP, including the mitigation compliance table provided with the subject NTP. The evaluation process ensures that all mitigation

measures applicable to the location and activities covered in the NTP are implemented, as required in the CPUC's Decision.

PG&E also proposes use of an alternative staging area that was not included in the project area or description in the MND. The alternative staging area is located 75 feet west of the originally proposed staging area (Staging Area 001) and has been previously prepared for use as a staging area by Gallo Winery for the construction of their biomass generation facility which was completed in September 2014. The MMCRP acknowledges that temporary changes to the project, such as the need for additional workspace or access, are anticipated and common practice for construction efforts of this scale and that a Minor Project Change request would be required for these activities. The CPUC reviewed the Minor Project Change request submitted by PG&E on October 1, 2014 and approved it on October 8, 2014. No new impacts or increase in impact severity would result from the requested Minor Project Change activities.

NTP #1 for the work at the Cressey and Gallo Substations, and 115 kV line work within the Gallo properties is granted by the CPUC based on the factors described below.

PG&E NTP Request

The CPUC has carefully reviewed the NTP request submitted by PG&E and all pre-construction compliance documents, and verified that they incorporate compliance with all applicable mitigation measures and APMs. Excerpts from the PG&E NTP request dated September 12, 2014 are presented as follows (indented):

As previously discussed with the CPUC, PG&E intends to construct the project in several phases to accommodate construction phasing, environmental restrictions, land rights acquisitions, and implementation of the preconstruction mitigation measures. PG&E is proposing to begin construction on or about October 15, 2014. The first Notice to Proceed (NTP-1) is being sought for the work locations and description of activities as described in the sections that follow.

Work will include:

- Site preparation
- Fence installation
- Demolition of existing pavement and structures within the identified work areas
- Excavation
- Drilled displacement columns for ground improvement preparation prior to the actual building construction

Installation and removal of the Shoo-Fly

A temporary pole line (shoo-fly) will be installed along an approximately 0.8-mile portion of the existing Gallo Tap line. [...]The shoo-fly will be removed when the new double-circuit power line is operational. Construction of the shoo-fly will begin in November 2014, and be removed once construction is completed (currently scheduled for July 2015).

Construction of Double Circuit

Once the shoo-fly is in place work will begin on constructing the Double Circuit between Magnolia Avenue alignment and Gallo Substation. The wood poles to construct the Double Circuit will be located approximately 5 feet south of the existing power poles (Figure 3). There will be a new Tubular Steel Pole (TSP) constructed at each end of the Double Circuit and two additional TSPs (single circuit) installed: one on the east side of Gallo Substation and another on the south side. New conductor will be strung along both sides of the double circuit.

Construction of Single Circuit 115 kV Pole Line on Gallo Property

Pole line construction will include the installation of wood and light-duty steel (LDS) poles, stringing conductor, and removal of the distribution wood pole along the north side of Magnolia Avenue alignment for approximately 1.75 miles to Howard Avenue (Figure 3).

Pulling Conductor

Pull and tension activities may include guard structure installation, equipment staging, temporary wood pole and anchor installation, and pulling and tensioning equipment while stringing the electrical line. Most pull and tension work areas will likely be located within the ROW and may be located approximately 0.5 to 2 miles apart as required by the final design.

Cressey Substation

Work at Cressey Substation (Figure 4) will occur within the existing substation property fence, and will require minimal site preparation. Work will entail the removal of several existing structures, including a steel lattice tower and an existing communication building, and surface blading to achieve grade. Cressey substation work will also include, but not be limited to, installation of the following components: a new battery building, a new electrical bay, tubular steel poles (TSPs), electrical grounding rods, voltage transformers, switches, busses, dead-end structures, circuit breakers, and lighting.

Gallo Substation

Work at Gallo Substation (Figure 5) will occur within the expanded substation footprint. However, a temporary work area will be used within Gallo Winery property immediately outside the expanded portion of substation fence line. [...] Gallo substation work will also include:

- expansion of the Gallo Substation footprint to the south by approximately 4,500 square feet, and removal of existing asphalt and fence within the expansion area and surface blading to achieve a finish grade;
- removal of the southern fence at Gallo Substation and the extension of the fence line to enclose the expanded substation area; and
- installation of electrical grounding rods.

Additionally, the existing control building will be removed, and the substation will be modified to include the installation of new circuit breakers, a new control and battery building, transformers and associated structures, dead-end structures, switches, breakers, busses, and lighting.

CPUC Evaluation of Preconstruction 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 resources, those additional conditions are discussed and defined in this section. The Compliance Status Table in PG&E's NTP request provides preconstruction compliance information for the other issue areas addressed by the Cressey-Gallo MND. All pre-compliance reports and submittals were reviewed carefully by the CPUC to ensure they meet the mitigation measure requirements.

Following the discussion of biological, cultural, paleontological, water resources, land use/sensitive receptors, 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. In these cases, the conditions will not appear in the NTP mitigation compliance table.

Biological Resources: This section presents a background for biological resources that occur, or could occur, along the approximately 2.5-mile project length associated with the work described in the NTP #1 request and work at the Cressey and Gallo Substations. This summary of biological issues is based on information provided in the *Biological Survey Memorandum for a Proposed Staging Area and Shoo-fly Area* (August, 2014), *Cressey-Gallo Swaison's Hawk Survey Results* (June, 2014), *Western Red Bat Survey Memorandum for PG&E's Cressey-*

Gallo 115 kV Power Line Project and a field verification site visit conducted on September 18, 2014 by Aspen Environmental Group (Aspen).

Construction activities associated with the NTP #1 would occur on lands adjacent to paved roadways and along an area with an existing distribution line. The Biological Resource Technical Report (November 2012) identified the following vegetation along the NTP #1 alignment: ruderal, other cropland, planted trees, landscaped areas, vineyards, and orchards.

No special-status plant or animal species were observed during the proposed shoo-fly site survey. During the Swainson's Hawk Survey conducted during the 2014 nesting season, six occupied raptor nests were observed within the survey area. Three of the nests, two Swainson's hawk nests and a red-tailed hawk nest, are within the NTP #1 work area. Since the red-tailed hawk nest is located on a project facility to be replaced, PG&E plans to remove the nest during the non-nesting season. Several previously occupied barn owl boxes are located within the 500 foot buffer of the Project work area that is part of NTP #1; however, PG&E is working with Gallo Winery to relocate these boxes outside of the buffer. No burrowing owls or burrow signs were identified during the surveys. Although project construction work would begin after the 2014 nesting season ended, it would extend through the 2015 nesting season at which time Mitigation Measure B-7 would be implemented.

During the preliminary survey for western red bat, no definitive western red bat calls were detected. One bat call belonging to either Yuma myotis (*Myotis yumanensis*), California myotis (*Myotis californicus*), or western red bat (*L. blossevillii*) was detected, but the recorded call was partial so the species could not be determined.

Although impacts to special-status plants and wildlife are not anticipated, PG&E would implement APMs and Mitigation Measures to ensure that impacts are minimized and/or avoided. These would include pre-construction surveys as required, environmental awareness training, construction monitoring, minimizing noxious weeds, avoiding impacts to nesting birds, and avoiding impacts to roosting western red bats.

Cultural: Based on the *Cultural Resources Inventory and Evaluation Report for the Cressey-Gallo 115 kV Power Line Project* Report (October 2011), the *Cultural Resource Survey Memorandum for a Proposed Staging Area and Shoo-fly Area* (August 28, 2014), and the *Cultural Resource Survey Memorandum for a Proposed Alternative Staging Area* (October 1, 2014), there is one resource (Merced Irrigation District [MID] Historic District) that encompasses the boundaries of the work that would be completed under NTP #1. The proposed MID Historic District was recommended eligible to the NHRP and the CRHR in 2010 and is composed of dams, reservoirs, hydroelectric facilities, ditches, canals, lateral, wells, and pumping plants over a large portion of Merced County. The NTP #1 area is not located adjacent to, does not border, or contain any identified contributing features (dams, reservoirs, etc.) of the proposed historic district. Based on the absence of contributing elements and the information presented above, use of the staging area will have a less than significant impact to the MID Historic District. No site specific cultural resources NTP conditions are recommended.

PG&E would implement APMs and Mitigation Measures to ensure that impacts are minimized and/or avoided. These include environmental awareness training and construction monitoring. In the event of an unanticipated discovery of archaeological materials within the work completed under NTP #1, all work would be halted within 100 feet of the discovery as required by APM CU-2, and appropriate management of the unanticipated discoveries would be followed.

Paleontological Resources: The *Paleontological Resources Assessment Cressey-Gallo 115 kV Power Line Project Merced County, California* (February 2011), identified one formation in the NTP #1 work area that has a high

paleontological sensitivity, the highly fossiliferous Corcoran Clay Member of the Tulare Formation beginning at about 100 feet below the surface in the vicinity of the Cressey Substation. As part of the NTP #1 work, four 100-foot deep electrical grounding rods will be installed at the Cressey Substation as part of the ground grid system. This work has the potential to impact paleontological resources. PG&E will implement APMs to reduce any impacts to paleontological resources, including environmental awareness training, monitoring for paleontological resources at the Cressey Substation during drilling for the grounding rods, and actions to take if an unanticipated paleontological resource is discovered.

Water Resources. PG&E has prepared an Erosion and Sediment Control Plan as part of a Stormwater Pollution Prevention Plan (SWPPP), which was approved by the XX on XX date. The Regional Water Quality Control Board has issued a Waste Discharge Identification (WDID) number for the Project (WDID# 5F24C370979). Erosion control and pollution prevention measures in the SWPPP address elements such as track-out controls, stock-pile handling, dewatering discharge, drain inlet protection, and replacement of any disturbed pavement or landscaping.

Sensitive Land Uses/Noise. The work proposed under NTP #1 would primarily be located away from residences except east of Weir Ave where several residences are located adjacent to Magnolia Avenue. Additionally, there are a few residences located near (within 250 feet of) the existing Cressey Substation (Aspen 2013, MND Figures 5.10-1a and 5.10-1d). Construction notifications were provided to the public with construction dates and locations, types of work anticipated, and contact information regarding where the public can get additional information.

Mitigation Measure N-1, PG&E Construction Hours, requires PG&E to limit grading, scraping, hole augering and pole installation to daylight hours. Exceptions for work outside of these hours shall be allowed for project safety or to take advantage of the limited times when the power line can be taken out of service. If nighttime work is needed because of clearance restrictions on the power line, PG&E shall take appropriate measures to minimize disturbance to local residents through APM NO-5 to inform them of the work schedule and probable inconveniences.

Conditions of NTP Approval

The conditions noted below shall be met by PG&E and its contractors:

- All applicable project mitigation measures, APMs, compliance plans, and permit conditions shall be implemented. Some measures have on-going/time-sensitive requirements and shall be implemented prior to and during construction where applicable.
- Copies of all relevant permits, compliance plans, and this NTP #1 shall be available on site for the duration of construction activities.
- Conduct biological monitoring in compliance with APM BIO-1, and monitor for compliance with all APMs and MMs during active use of the subject site.
- In accordance with Mitigation Measure B-7, between February 1 and September 15, preconstruction survey for nesting birds would occur on a regular basis, as required by the measure. If active nests are found, a ½ mile buffer for Swainson's hawk and white-tailed kite, a 500-foot buffer for raptors, and a 250-foot buffer for passerine birds would be established around the nest. No activities will be allowed within the buffer unless reduced on a case-by-case basis until the young have fledged from the nest or the nest fails. Requests to reduce standard buffers must be submitted to the CPUC independent avian biologist(s)

to be reviewed in coordination with the California Department of Fish and Wildlife (and USFWS as appropriate). All nests with a reduced buffer shall be monitored on a daily basis during construction activities by a qualified wildlife biologist until the biologist has determined that the young have fledged, are no longer dependent upon parental care, or construction ends within the reduced buffer (whichever occurs first). 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 CDFW and USFWS, and CPUC designated avian biologist(s).~~

- A focused preconstruction survey for burrowing owl will be completed no more than 30-days prior to ground disturbing activities as required by MM B-7 and specified under the *1993 Ca Burrowing Owl Consortium Guidelines*. Results of this survey would be provided to Aspen/CPUC as part of the preconstruction requirements required prior to beginning activities authorized under NTP #1.
- One raptor nest located on a power pole will need to be removed as part of the Project and is within the Project work area that is part of NTP #1. PG&E will survey the nest immediately prior to removal and will remove the pole outside of the nesting season. Survey results shall be submitted to CPUC and the CPUC Environmental Monitor (EM) shall be notified of the nest removal date.
- Several barn owl boxes are located within the Project work area that is part of NTP #1. A qualified biologist will check the boxes prior to any work in the vicinity to determine whether they are occupied. If unoccupied, the biologist will place exclusions in the owl boxes prior to any removal. The owl boxes will then be relocated to an area outside of a 500-foot buffer from the work area as required by Mitigation Measure B-7.
- In accordance with Mitigation Measure B-8, a survey for roosting bats or maternity roosts will be performed by a qualified biologist within seven days of the start of construction for the proposed NTP #1 work areas. If active roosts are found, a buffer would be established around the roost and no activities will be allowed within the buffer unless reduced on a case-by-case basis. 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 CDFW and CPUC designated avian biologist(s).
- All crew members shall be Worker Environmental Awareness Program (WEAP) 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 WEAP 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.
- In the case of an unanticipated cultural resources discovery, the CPUC EM shall be notified in a timely manner ~~immediately~~ and the find shall be managed in compliance with APM CU-2 and APM CU-3.
- As required by APM PR-2, paleontological resource monitoring will occur at the Cressey Substation where ground disturbing activities have the potential to affect sediments with high paleontological sensitivity. In the case of an unanticipated paleontological resources discovery, the CPUC EM shall be notified a timely manner ~~immediately~~ and the find shall be managed in compliance with APM PR-3.
- A copy of the SWPPP or Erosion Control Plan will be provided to the CPUC prior to beginning work identified in NTP #1. The project SWPPP or Erosion Control Plan will include erosion control and sediment transport

BMPs to be used during construction. The identified BMPs will be installed in accordance with the SWPPP or Erosion Control Plan prior to construction.

- As proposed in APM AG-1, a public liaison representative shall provide the public with advance notification of construction activities, between two and four weeks prior to construction. PG&E will document all complaints and strategies for resolving complaints in regular reporting to the CPUC.
- As proposed by APM TT-1, PG&E will follow its standard safety practices, including installing appropriate barriers between work zones and transportation facilities, posting adequate signs, and using proper construction techniques.
- Construction activities shall abide by Mitigation Measure N-1, as noted above.

Sincerely,



Billie Blanchard
CPUC Environmental Project Manager

cc: V. Strong, Aspen