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November 27, 2000

VIA US MAIL & E-MAIL

Brad Wetstone California Public Utilities Commission c/o Aspen Environmental Group 225 Montgomery Street, Suite 800 San Francisco, CA 94104

Re: A.99-09-029 PG&E Northeast San Jose Transmission Reinforcement Project – Comments of US DataPort on Supplemental DEIR

Dear Mr. Wetstone:

I am writing on behalf of US DataPort, Inc., ("US DataPort") in response to the California Public Utilities Commission's ("CPUC's" or "the Commission's") October 11, 2000 Notice of Release of Supplemental Draft Environmental Impact Report ("Supplemental DEIR") for Pacific Gas and Electric Company's ("PG&E's") proposed Northeast San Jose Transmission Reinforcement Project in CPUC docket No. A.99-09-029. US DataPort respectfully submits the following comments.

The Supplemental DEIR analyzes several additional alternatives to the proposed project which were not previously analyzed in the Commission's original DEIR, including the alternative site US DataPort has recommended for the proposed Los Esteros Substation. This alternative site is immediately northwest of the site PG&E originally proposed and has been recommended by US DataPort in order to eliminate the fundamental conflict between PG&E's proposed substation and the important data center and telecommunications campus that US DataPort is developing to meet a critical demand in the Silicon Valley for efficient, reliable and low-cost data and telecommunications interconnection, routing and transmission services. See letter dated April 19, 2000 to Judith Ikle on behalf of US DataPort, and A.99-090-029, Exhibit 700, Prepared Direct Testimony of John A. Mogannam On Behalf Of US DataPort, Inc.. The Supplemental

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DEIR finds that the US DataPort alternative would have similar environmental impacts to those of PG&E's proposed site and that there is no significant overall difference between the proposed site and US DataPort's alternative. Supplemental DEIR, p. 16 and 35. It concludes that both sites are "environmentally superior" and therefore acceptable from an environmental perspective for the proposed substation. Supplemental DEIR, p. 76.

US DataPort concurs with the discussion in the Supplemental DEIR of potential impacts on air quality; biological resources; cultural resources; geology and soils; hydrology; public recreation and traffic; and visual resources. US DataPort also agrees with the conclusion that the US DataPort alternative is an environmentally acceptable and superior alternative. US DataPort must take issue, however, with the discussion in the Supplemental DEIR of land use impacts and with the conclusion that there is no significant difference between the PG&E proposed site and the US DataPort alternative.

The Supplemental DEIR finds that use of the US DataPort alternative for the proposed substation does not appear to conflict with current zoning and land use designations and that no significant adverse land use impacts would occur as a result of siting the substation at this location. US DataPort concurs with this analysis as far as it goes. The analysis does not, however, discuss the fundamental inconsistency between the US DataPort project and PG&E's proposed construction of the substation at its original proposed site. If constructed at the site PG&E originally proposed, the Los Esteros substation would occupy approximately 24 acres in the middle of the US DataPort project, thereby effectively precluding the development of US DataPort's project as planned. In addition, the City has taken the position that if the City approves the US DataPort project, locating a substation on the site of US DataPort's project would be incompatible with the Planned Development Zoning that will exist on the property at that time. See A.99-09-029, Exhibit 702, letter dated July 27, 2000 from Janis Moore on behalf of the City of San Jose to Judith Ikle. Thus, PG&E's Los Esteros Substation, if located at the site PG&E originally proposed, is fundamentally inconsistent with the US DataPort project. This important land use conflict between the two projects, both of which are important to the local and statewide economy, was not considered in the DEIR and does not appear to have been considered in the Supplemental DEIR. The inconsistency in planned uses for the property at the original site PG&E proposed for the substation is an important consideration in determining both whether a certificate of public convenience and necessity ("CPCN") should be granted and for evaluating the potential environmental impacts of PG&E's proposed project under the California Environmental Quality Act.

US DataPort has advocated relocating the proposed substation. Relocating the substation to the site US DataPort has recommended provides a convenient and practical way of eliminating the land use conflict between PG&E's proposed project and the US DataPort project. Although similar in many respects to the site PG&E has proposed, the alternative site US DataPort has recommended would completely eliminate the conflict between the two projects, and as a result,

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is significantly different from and clearly superior to PG&E's proposed site in terms of potential land use impacts.

The Supplemental DEIR should be revised to address land use conflicts and to acknowledge the significant difference between PG&E's original proposed site and the US DataPort alternative with respect to such conflicts. The conclusion in the Supplemental DEIR should also be revised to find that the US DataPort alternative would eliminate land use conflicts between PG&E's project and therefore represents the environmentally superior alternative for siting the proposed substation.

Very truly yours,

Edward W. O'Neill for US DataPort

cc: Commissioner Henry M. Duque ALJ Sarah Thomas All Parties to A.99-09-029 Client

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