

June 1, 2010

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**Re: Sunrise Powerlink Fire Mitigation Group - Proposal for Utilization of Sunrise Fire Mitigation Funds F-1e and F-3a**

Background

The Sunrise Powerlink Fire Mitigation Group (SPFMG) is made up of fire agencies directly responsible for fire prevention and protection along the project alignment as well as members from San Diego Gas & Electric Company (SDG&E). The involved agencies include; California Department of Forestry and Fire Protection (CAL FIRE), San Diego County Fire Authority, U.S. Bureau of Land Management, United States Forest Service, San Diego Fire & Rescue, San Diego Rural Fire Protection District, Alpine Fire Protection District, Lakeside Fire Protection District and San Diego County Land Uses & Planning.

Sunrise Powerlink Defensible Space Mitigation Fund F-1e

Per Table 19. *Mitigation Measure F-1e Compliance Contributions of the Final Mitigation Monitoring and Compliance and Reporting Program*, the Defensible Space Mitigation Fund annual value was calculated using the 1,300 homes at risk identified in the Fire Behavior Trend Model multiplied by \$2,000 per home for a total annual value of \$2,600,000 (in 2008 U.S. dollars) per year for the life of the transmission line.

Proposal

The purpose of this proposal is to describe the funding utilization and the mechanism for distribution of the Defensible Space Grants Funds (Sunrise Mitigation Measure F-1e). Upon approval of this proposal and completion of the Memorandum of Understanding (MOU), this group will continue to meet on an as-needed basis to determine the defensible space funding priorities for homes and communities with potential to be impacted from a fire originating on the alignment. An Administrative Team, made up of member agency representatives, will be identified by the Sunrise Powerlink Fire Mitigation Group to implement the priorities as determined by the group. These priorities will be based on the fireshed parameters identified in the Sunrise Powerlink EIR/EIS using the model outputs from the Fire Behavior Trend Model as a guide. For example, homes that meet the grant criteria and lie within the Fire Behavior Trend Model Two Burn Period Polygons would receive the highest priority for funding. If projects remain, a second round would be solicited based on the next highest risk as determined by the Administrative Team using the model as a reference. This process would continue until all funds for that time period (one year or multiple years) were utilized.

Fund utilization would fall into three (3) general categories;

1) *Defensible Space Homeowner Grants*. This category of the mitigation program will focus on grants or rebates to homeowners, fire safe councils or other community organizations for the purpose of creating and/or maintaining defensible space. Once the Administrative Team verifies applicant eligibility, the funding mechanism options for this category are; a) homeowner/organization completes defensible space work which meets the program criteria and submits invoice for reimbursement to the Administrative Team, or b) homeowner/organization completes defensible space work which meets the program criteria and Administrative Team issues voucher or other financial tool to pay for approved work. This may include work by any one of a list of pre-qualified contractors who provide these services.

2) *Hardening of Structures*. This category of the mitigation program will focus on grants or rebates for homeowners to harden structures to a more ignition resistant standard, including, but not limited to; retrofitting rooftops with fire resistant materials, fire shutters, double pane tempered windows, eave boxing, removal of attic vents and/or installation of alternatives, automatic or remotely-operated landscape sprinklers and automatic or remotely-operated generator-supported water systems, and removal or replacement of wood fencing and decks with fire resistant material. Once the Administrative Team verifies applicant eligibility, the funding mechanism options for this category are; a) homeowner/organization completes work which meets the program criteria and submits invoice for reimbursement to the Administrative Team, or b) homeowner/organization completes work which meets the program criteria and Administrative Team issues voucher or other financial tool to pay for approved work. This may include work by any one of a list of pre-qualified contractors who provide these services.

3) *Community Protection*. This category of the mitigation program will focus on defensible space and structure fire prevention enhancements to facilitate firefighting efforts and reduce structure damage. The purpose of which is to reduce the threat of fire on individual homes and communities from wildfires potentially ignited by the transmission line. This would include the extension and maintenance of defensible space to enhance firefighting efforts and for structure and community protection, improvement of emergency vehicle ingress/egress and other comparable solutions such as community fuel treatment zones. As required in items 1 and 2 above, priority for this category will also be based on the fireshed parameters identified in the EIR/EIS using the model outputs from the Fire Behavior Trend Model as a guide. The highest priority for funding would be for areas that lie within the Fire Behavior Trend Model Two Burn Period Polygons.

The Administrative Team, with the SPFMG's review and approval, will develop procedures to pre-qualify and maintain an active list of homeowners, groups and organizations eligible to receive this funding. These organizations could include a fire agency involved with doing work on the ground. The team will review, verify and approve all proposals in advance of funding to ensure they meet the program objectives. The funding mechanism options for the three categories include; a) homeowner, group or organization submits a project proposal detailing the scope and location of the work. Upon approval by the Administrative Team the work is scheduled and completed using a list of pre-qualified contractors or organizations. Upon completion, a detailed invoice is submitted to the Administrative Team for reimbursement of approved work, or b) Administrative Team issues voucher or other financial tool to pay for approved work, or c) issue check from the Defensible Space Fund. The funding mechanisms will be described in full detail in the Administrative Teams Operating Guidelines and referenced in the Memorandum of Understanding between SDG&E and the member fire agencies.

Each category of fund utilization described above is supported in the Final EIR/EIS mitigation F-1e which states “SDG&E shall contribute an annual sum to a fund that shall be distributed as homeowner grants for the creation of defensible space around homes to promote compliance with PRC 4291, and to facilitate fire fighting efforts and reduce structure damage from wildfires potentially ignited by the transmission line.” Mitigation F1-e also states “Grants may alternatively be used towards retrofitting rooftops with fire-proof materials, fire shutters, double pane windows, eave boxing, removal of attic vents and/or installation of alternatives, automatic or remotely operated water sprinklers and automatic or remotely operated generator-supported water systems, and removal or replacement of wood fencing and decks with fire-resistant materials.”

Individual grants allocated from this program would not exceed \$2,000 per home per year.

### Public Outreach & Program Support

A Community Education & Outreach Program will be developed to ensure that property owners, communities, Fire Safe Councils and other community organizations are aware of the Defensible Space Grants Fund and eligibility requirements. Components of the program may include; presentations at community meetings & fire safe councils, direct mailers to eligible property owners, media announcements, and other effective forms of communication.

Administrative and program support costs will be deducted from the Defensible Space Fund. Reasonable efforts will be made to keep these costs to a minimum. Additionally, components of the Defensible Space mitigation program may align with but not replace fire agency funded mandates, such as community education & outreach, hazardous fuel reduction and fire prevention programs. The SPFMG will develop a checks & balance system to ensure costs are kept to a minimum and are to support only Sunrise mitigation projects.

### Mitigation Funding

The SPFMG is considering two options for supplying revenue to the Defensible Space fund;

- 1) SDG&E contributes annual sum equivalent to \$2.6 million in 2008 dollars for the life of the transmission line (estimated book life of 58 years) which equals a total amount of \$150.8 million.
- 2) SDG&E will fund the present value for its total obligation of \$150.8 million up front in a non-revocable trust to be managed by a third party firm with the member fire agencies named as beneficiaries.

### Sunrise Powerlink Powerline Firefighting Mitigation Fund F-3A

Mitigation Measure F-3a: Contribute to Powerline Firefighting Mitigation Fund. The applicant shall contribute an annual sum to local, state and federal fire protection districts in the project vicinity through the mechanism of a new Powerline Firefighting Mitigation Fund, which shall be organized and carried out by SDG&E, and shall be subject to oversight by the California Public Utilities Commission (CPUC) for the life of the Fund. Funding shall be used towards fire prevention measures and protection equipments and services, as appropriate to each jurisdiction. An increase in funding for fire prevention and suppression services and equipment will increase the probability of a fire being

successfully contained, especially during normal weather conditions, and will therefore partially mitigate the significant barrier the transmission line poses to firefighting operations.

### Proposal

Based on the Wildfire Containment Conflict Model displayed in the Final EIR, SDG&E estimates the total value (2008 dollars) of the Powerline Firefighting Mitigation Fund to be approximately \$3.6 million<sup>1</sup>. The members of the Sunrise Powerlink Fire Mitigation Group (SPLFMG) voted to evenly split this pool of fire mitigation funding at their January 11<sup>th</sup>, 2010 meeting. The voting agencies in the SPLFMG have provided preliminary information in how these funds will be spent.

The following information has been provided to SDG&E regarding proposed agency uses of this mitigation fund;

Alpine FPD: This department will utilize the funds for a variety of uses over the life of the transmission line. Planned uses include staffing a second engine during periods of extreme fire danger, procurement of a water tender and command vehicle, installation of new fire curtain in a Type 3 Engine, purchase of three 800 MHz radios, and brush rated safety equipment.

Bureau of Land Management (BLM): BLM plans on increasing fire detection and fire prevention in the border region including the operation of two fire prevention personnel with patrol trucks in the border region. In addition, the funds will be used for fuels maintenance, road maintenance and the development of water supplies for fire suppression.

CAL FIRE: They plan procurement of 800 MHz radios and other communications equipment required to enhance communications on large fast moving fires in the vicinity of the transmission line.

Lakeside FPD: The primary use of the PFMF by this fire department will be to pay for increased firefighter staffing during extreme fire weather conditions.

San Diego County Fire Authority: Their plans for the use of PFMF are to purchase fire equipment and apparatus and increased firefighter staffing during extreme fire weather conditions.

San Diego Fire and Rescue: They plan on using the funding for conducting wildland fire training including safety procedures when conducting fire suppression near the 500 kV power line. If all the funding were provided up front, they would purchase a new water tender for the department.

San Diego Rural FPD: Purchase fire equipment for communities within the Fire District that are along the approved route.

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<sup>1</sup> Mitigation requires \$1,000 per acre of Wildfire Containment Conflict in year 1 and \$250 per acre for each subsequent year for the life of the project (book life is 58 years). Length of Wildfire Containment Conflict (MRD 11-13, MRD 23-26.5 and MP just before 131-133) = 6.5 miles or 236 acres. 236 acres \* \$1,000 = \$236,000 in year one. 236 \* \$250 = \$59,000 per year for years two through fifty eight, or \$3,363,000. \$236,000 (yr 1) + \$3,363,000 (yrs 2-58) = \$3,600,000 total value of the Powerline Firefighting Mitigation fund (in 2008 dollars).

Cleveland National Forest – The Forest Service will use their share of the mitigation fund for both fire prevention enhancement and fire suppression enhancements including but not limited to fire prevention staffing to minimize escaped immigrant campfires and increased suppression staffing during extreme fire weather conditions.

The SPFMG is considering the same two funding options as outlined under the Defensible Space Mitigation Fund discussion. In addition, SDG&E would consider a third funding option, paying each fire agency their share of this mitigation up front. If the third option were approved, most of the agency plans for utilization would remain unchanged but San Diego Fire and Rescue would purchase a Water Tender if their share of funding for the life of the project were provided up front.

The SPFMG, through the Memorandum of Understanding outlining the utilization of the Powerline Firefighting and Defensible Space Mitigation Funds, will establish procedures for the approval of program criteria, grant awards, and CPUC reporting.

Please contact me with any questions or concerns.

Sincerely,

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