BEST BEST & KRIEGER®

ATTORNEYS AT LAW

INDIAN WELLS (760) 568-2611

IRVINE (949) 263-2600

LOS ANGELES (213) 617-8100

ONTARIO (909) 989-8584 655 West Broadway, 15th Floor San Diego, California 92101 (619) 525-1300 (619) 233-6118 Fax BBKlaw.com

Shawn Hagerty

(619) 525-1327 Shawn.Hagerty@bbklaw.com File No. 60139.,00091

August 25, 2008

VIA E-MAIL (SUNRISE@ASPENEG.COM) AND VIA FACSIMILE (866) 711-3106

CPUC/BLM c/o Aspen Environmental Group 235 Montgomery Street, Suite 935 San Francisco CA 94104

Re:

<u>Sunrise Powerlink Transmission Line Project Recirculated Draft Environmental Impact Report/Supplemental Draft Environmental Impact Statement</u>

To Whom it May Concern:

The City of Santee ("City") submits these written comments on the Recirculated Draft Environmental Impact Report/Supplemental Draft Environmental Impact Statement ("Recirculated EIR/EIS") for the Sunrise Powerlink Transmission Line Project ("Project"). While the City appreciates the efforts of the California Public Utilities Commission ("CPUC") to respond to the City's concerns regarding the inclusion of the ENPEX Project ("ENPEX Project") in the New In-Area All-Source Generation Alternative (the "Alternative"), the City believes that the changes in the Recirculated EIR/EIS do not go far enough to respond to the City's legitimate comments as required by the California Environmental Quality Act ("CEQA") and the National Environmental Policy Act ("NEPA"). The City renews its request that the ENPEX Project be deleted in its entirety from the Alternative because, as the unrebutted evidence in the record demonstrates, the ENPEX Project is not a feasible component of the Alternative.

In addition to the April 10, 2008 comments previously submitted on the initial Draft EIR/EIS, and in addition to the testimony and briefs submitted in the Phase II proceedings, the City has the following specific comments on the Recirculated EIR/EIS:

1. Revised Figure 4-1. Revised Figure 4-1 of the Recirculated EIR/EIS purports to illustrate the two potential locations of the ENPEX Project, referred to as Sites 1B/1C and 1D. However, Revised Figure 4-1 lists Site 1D as the location of the "SDCPP Peaker Site." This is not correct. As purportedly studied in Section 4.2 of the Recirculated EIR/EIS, Site 1D is the

SDPUB\SHAGERTY\369387.1

BEST BEST & KRIEGER ATTORNEYS AT LAW

CPUC/BLM August 25, 2008 Page 2

hypothetical future location of the 750 MW gas-fired combined cycle power plant. Referring to Site 1D as the "Peaker Site" is inaccurate and Revised Figure 4-2 must be corrected accordingly.

2. Section 4.2. Section 4.2 of the Recirculated EIR/EIS initially purports to respond to the comments submitted by the City that the ENPEX Project is not feasible and should not be included as part of the Alternative. The CPUC's response is, essentially, that despite the lack of evidence that the ENPEX Project is feasible within the time horizon set forth in the document, it is acceptable to include the ENPEX Project as part of the Alternative because "each component of the Alternative would require full analysis under CEQA and/or NEPA prior to their construction." While the City appreciates the clarification that this document is not, and cannot be, a substitute for actual, full environmental review of a real project, the City believes that the CPUC's admission on this point demonstrates why the ENPEX Project must be deleted from the Alternative.

All of the evidence submitted as part of the Phase II proceedings has demonstrated that the ENPEX Project cannot feasibly be constructed within the time horizon of the environmental document. No party has rebutted the evidence submitted by the City, SDG&E and CAISO on this point. In fact, the economic evaluations that are being run, at the direction of the ALJ, do not use the ENPEX Project at all. Rather, the models use the Carlsbad Energy Center Project – which is notably not even included in the Alternative – for purposes of comparing the Project and the alternatives. The CPUC must face the reality that the ENPEX Project is not a feasible project that sheds any light on the relative environmental impacts and economic benefits of the alternatives and the Project. Under the requirements of CEQA and NEPA, the ENPEX Project must be deleted from consideration. As the revisions in the Recirculated EIR/EIS demonstrate, the ENPEX analysis is meaningless, cannot be relied upon and should be deleted and replaced with analysis of a viable project such as the Carlsbad Energy Center.

Section 4.2 of the Recirculated EIR/EIS is defective in other ways as well. Although the City is happy that the CPUC has corrected the discrepancy between the discussion of Site 1D and Site 1B/1C regarding the analysis of Biological Resources and Visual Resources, the basic premise of this Section is erroneous. Both Sites have not been "considered to be feasible in the study prepared by MCAS Miramar" First, the study not prepared by the Marines; it was prepared by URS at the direction of ENPEX. Second, the study only looked at whether potential sites existed on MCAS Miramar that would not directly interfere with base operations; it did not look at the feasibility of the Sites for a power plant. As the unrebutted evidence in the Phase II proceedings has demonstrated, the Sites are not feasible given the time horizons of the EIR/EIS. To fully inform the public and the decision makers, this misstatement must be corrected and the infeasibility of the ENPEX Project must be noted.

Finally, the title to Section 4.2 cites the wrong alternative and should be corrected.

3. <u>Section 4.2.1</u>. The City appreciates the added discussion of the impacts to wildlife corridors that will be caused by the ENPEX Project. However, the discussion in the Recirculated EIR/EIS remains fatally flawed. First, the wildlife corridor at issue is not described in

BEST BEST & KRIEGER ATTORNEYS AT LAW

CPUC/BLM August 25, 2008 Page 3

unpublished documents. The corridor has been part of the MSCP Subregional planning process for many years, is contained in the approved Fanita Ranch Project EIR and is also contained in the publicly available drafts of the City's and Padre Dam's Subarea Plans. Second, there is no basis to find a Class I impact at Site 1B/1C but only a Class III impact at Site 1D. As the Recirculated EIR/EIS states, the sites are only about 1,000 feet apart and their impacts to wildlife movements, while possibly more severe at Site 1B/1C, would both qualify as Class III impacts. Third, these impacts, when coupled with the other issues the City has pointed out in both the Phase II proceedings and its previous comment letter, demonstrate the infeasibility of the ENPEX Project and why it should not be a part of the Alternative.

- 4. <u>Section 4.2.2</u>. The City appreciates the revised discussion in Section 4.2.2 of the Recirculated EIR/EIS regarding the visual impacts at Site 1D. The City contends that all visual impacts at both Sites are Class III impacts. The ENPEX Project, if it were ever constructed, would irreparably damage the viewshed before, during and after construction. These impacts, when coupled with the other issues raised by the City, demonstrate why the ENPEX Project should not be a part of the Alternative.
- 5. <u>Failure to Address Other Issues</u>: The Recirculated EIR/EIS fails to address the other land use and operational incompatibilities raised by the City in its April 10, 2008 letter. The EIR/EIS remains defective on these points.

For these reasons, as well as the statements in the City's prior submittals, the City requests that the CPUC comply with CEQA and NEPA and delete the ENPEX Project from the Alternative. There is simply no legitimate basis for leaving the ENPEX Project in the Alternative.

Very truly yours,

Shawn D. Hagerty

of BEST BEST & KRIEGER LLP

City Attorney City of Santee

ce: Mayor and City Council
City Manger
Assistant City Manager
David Huard, Esq.
Nancy Whang, Esq.