

505 VAN NESS AVENUE
SAN FRANCISCO, CALIFORNIA 94102-3298



To: Interested Parties

From: Iain Fisher, CPUC Project Manager

Subject: NOTICE OF INTENT TO ADOPT A MITIGATED NEGATIVE DECLARATION
Pacific Gas & Electric Company's Palermo–East Nicolaus 115-kV Transmission Line
Reconstruction Project (Application A.09-02-023)

Date: August 3, 2010

In response to Pacific Gas & Electric Company (PG&E's) application for a Permit to Construct the Palermo–East Nicolaus 115-kV Transmission Line Reconstruction Project (the project; Application A.09-02-023), the California Public Utilities Commission (CPUC) has prepared a Draft Mitigated Negative Declaration (Draft MND) and supporting Initial Study (IS) in accordance with the California Environmental Quality Act (CEQA). The Draft MND/IS describes the project, evaluates potential environmental impacts, identifies impacts that could be significant, and presents mitigation measures that would avoid or reduce potential impacts to less than significant levels.

Location, Description, and Purpose of the Project

The project route would follow the existing Palermo–East Nicolaus 115-kV Transmission Line between PG&E's Palermo and East Nicolaus substations within unincorporated areas of Butte, Sutter, and Yuba counties, in northern California. The project route would also cross land within the City of Oroville. The project would include the reconductoring of both spans of the double-circuit transmission line with approximately 45 miles of new conductor. The new conductor would enable an increase in the rating of the lines and eliminate forecasted line overloads.

To accommodate reconductoring, replacement of the existing lattice steel towers would be required. The existing Milliken towers, originally constructed in the early 1900s, would not support the new conductor because of higher tension loads. The towers would be replaced with a combination of hybrid tubular steel poles, tubular steel poles, and lattice steel poles. In addition, a limited number of towers on a single-circuit line, the Palermo–Pease 115-kV Transmission Line, which runs parallel to the Palermo–East Nicolaus 115-kV Transmission Line, would be replaced for consistency with the spans on the Palermo–East Nicolaus 115-kV Transmission Line. Construction would take 12 to 18 months.

Draft MND/IS Circulation and Public Review Period

Circulation of the Draft MND/IS opens a public comment period that will extend from August 5, 2010 through September 3, 2010. The CPUC invites interested parties to a public meeting on the project. Details for the public meeting are as follows:

Date: Thursday, August 19, 2010
Time: 7:00 p.m.
Location: Yuba County Library
303 2nd Street
Marysville, CA 95901

The public may present comments about the project and Draft MND/IS at the meeting. The CPUC will also accept comments via mail, email, and voicemail during the comment period. Comments must be postmarked or received by fax or email no later than **September 3, 2010**. Please be sure to include your name, address, and telephone number in correspondence. Send comments to:

Palermo–East Nicolaus Project
c/o Ecology and Environment, Inc.
Attn: Nick Figone, Project Manager
130 Battery Street, 4th Floor
San Francisco, CA 94111
Fax: (415) 981-0801
Email: palermo@ene.com
Voicemail: (888) 681-3668

Following the public comment period, the CPUC will prepare a Final MND/IS that will address comments received on the Draft MND/IS.

Availability of Draft MND/IS

Copies of the Draft MND/IS will be available for review at the following libraries and on the project website.

Butte County Library
1820 Mitchell Avenue
Oroville, CA 95966
(530) 538-7641

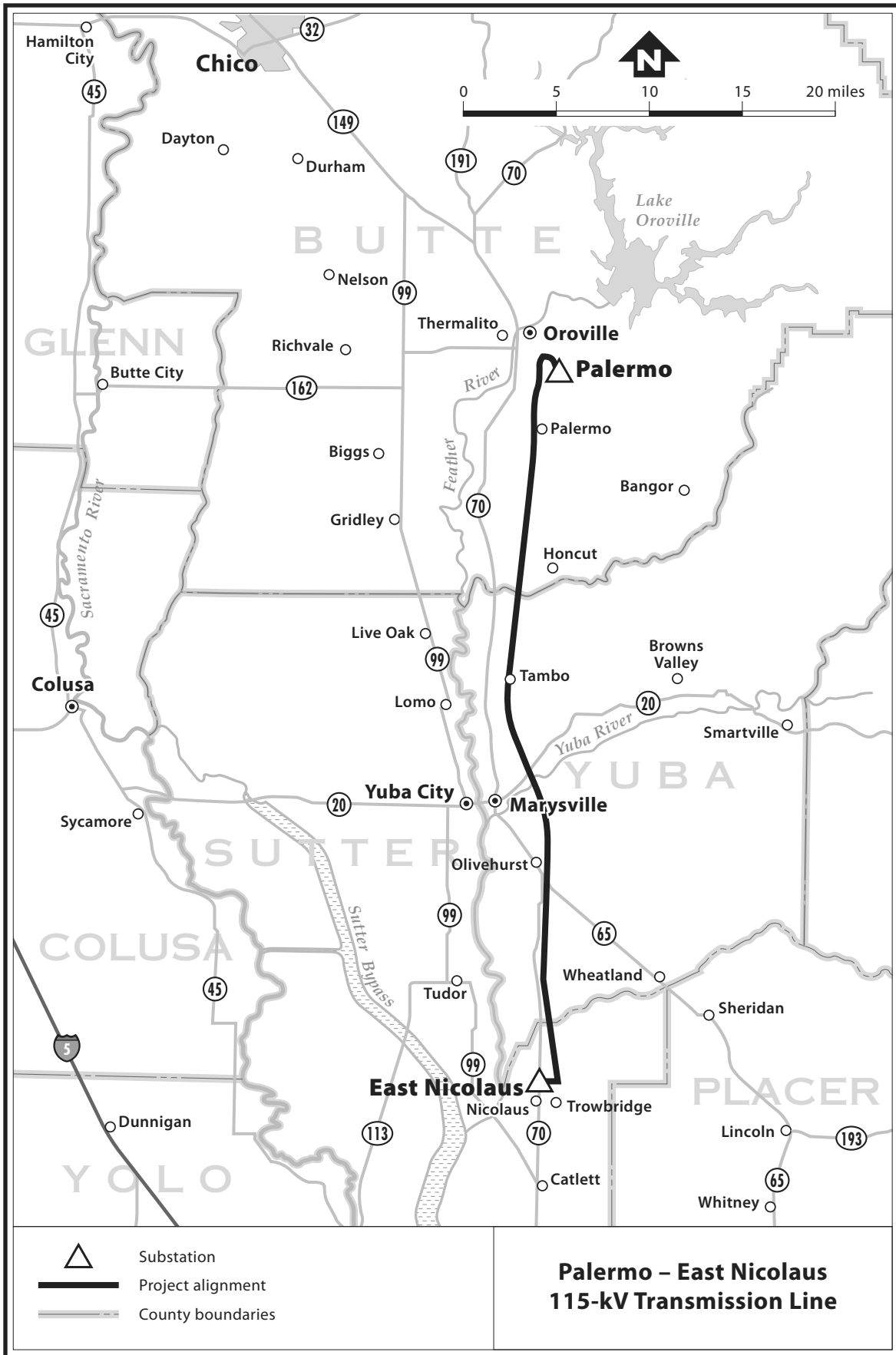
Sutter County Library (Main)
750 Forbes Avenue
Yuba City, CA 95991
(530) 822-7137

Sutter County Library
Browns Branch
1248 Pacific Avenue
Rio Oso, CA 95674
(530) 633-2170

Yuba County Library
303 2nd Street
Marysville, CA 95901
(530) 749-7380

The Project's Public Website

http://www.cpuc.ca.gov/Environment/info/ene/palermo/Palermo_East_Nicolaus.html



**Palermo - East Nicolaus
115-kV Transmission Line**



*Thursday, August 19, 2010
in Marysville, California
Starting at 7:00 p.m.*

**Notice of Intent to Adopt a Mitigated Negative Declaration
FOR PG&E'S PALERMO-EAST NICOLAUS PROJECT**

Announcing the upcoming public meeting regarding the

From:
California Public Utilities Commission
c/o Ecology and Environment, Inc.
130 Battery Street – Suite 400
San Francisco, CA 94111