



505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

**NOTICE OF PREPARATION
ENVIRONMENTAL IMPACT REPORT
OR INITIAL STUDY/MITIGATED NEGATIVE DECLARATION
FOR THE ALISO CANYON TURBINE REPLACEMENT PROJECT
PROPOSED BY SOUTHERN CALIFORNIA GAS COMPANY**

Application No. A.09-09-020

To: All Interested Parties

A. Subject

Southern California Gas Company (SoCalGas) has filed an application with the California Public Utilities Commission (CPUC) to amend its Certificate of Public Convenience and Necessity (CPCN), for the construction and operation of the Aliso Canyon Turbine Replacement Project (project). The CPUC will prepare an environmental review document to evaluate the project in accordance with the criteria, standards and procedures of the California Environmental Quality Act (CEQA) (Public Resources Code Sections 21000 et. seq.) and the State CEQA Guidelines (California Administrative Code Sections 15000 et. seq.).

This Notice indicates the CPUC's intent to prepare either a Mitigated Negative Declaration (MND) or an Environmental Impact Report (EIR) in accordance with CEQA. The EIR would describe the nature and extent of the environmental impacts of the project and project alternatives and would discuss mitigation measures for adverse impacts. Depending on the initial assessment of potential impacts related to the construction or operation of the project, the CPUC may instead issue an Initial Study (IS) and draft MND, if appropriate.

B. Summary of the Proposed Project

Background

SoCalGas is required to implement the proposed project in order to meet the terms of Phase 1 of the Settlement Agreement (SA) between SoCalGas and parties to the 2009 Biennial Cost Allocation Proceeding (BCAP) approved by the CPUC D.08-12-020. The SA requires that SoCalGas replace the TDCs and expand the overall injection capacity at the field by approximately 145 million cubic feet per day (MMcfd). The new compressor motors would provide reliable, efficient, and increased injection capabilities required by the terms of the SA.

Project Description

Project components project would include:

1. Construction of the proposed on-site Central Compressor Station and installation of new equipment including three variable frequency drive compressor trains, compressors, piping, coolers, and other additional required equipment.
2. Relocation of on-site office trailer facilities and an on-site guard house. The existing trailers would be replaced by new trailers at a site in proximity to the proposed Central Compressor Station. The guard house would be relocated approximately 500 feet north of the existing facility to relieve traffic congestion at the facility entrance.
3. Construction of a new on-site, four circuit, approximately 2,000-foot 12-kilovolt (kV) Plant Power Line (PPL) that would provide dedicated electric services to the proposed Central Compressor Station. The proposed PPL would be interconnected from the proposed SCE Natural Substation to the proposed Central Compressor Station. The PPL would be owned by SoCalGas and designed to San Diego Gas and Electric (SDG&E) standards.
4. Construction of the proposed on-site SCE Natural Substation including foundation and equipment pads, electrical equipment, installation of security perimeter wall/chain link fence, access road, and capacitor bank (additional elements may be included). The proposed SCE Natural Substation would be 56 MVA, 66/12-kV with a pre-fabricated mechanical electrical and engineering room. This project component would be constructed by SCE.
5. Construction of both on-site and off-site electric modifications to two existing SCE 66-kV subtransmission lines (up to approximately 12 miles long) in order to serve the proposed Central Compressor Station's load. Modifications would also include replacement of existing towers and H-frame structures with new tubular steel poles (TSP), and installation of telecommunication lines on the poles. This project component would be constructed and owned by SCE.
6. Conduct off-site substation modifications at three existing SCE substations (Newhall, Chatsworth, and San Fernando Substations) that support two existing SCE 66-kV subtransmission lines. Proposed modifications include: construction of a loop-in interconnection at San Fernando to provide for two new positions and installation of new relay systems and ancillary equipment within the substation to provide advanced electrical service protection. This project component would be constructed and owned by SCE.

Project Location

The main project site is located within the Aliso Canyon gas storage field (storage field), and is approximately 3,600 acres in size. The project would involve coordination between SoCalGas, SDG&E, and SCE, and project components would pass through unincorporated Los Angeles, the City of Los Angeles, the City of Santa Clarita (in Los Angeles County), the Community of Mission Hills (in Los Angeles County), and unincorporated Ventura County. Figure 1 shows an overview of the project area.

The storage field is located at 12801 Tampa Avenue, in Northridge, California, north of the Porter Ranch Community. The Aliso Canyon Plant Station is located 0.8 miles north of Sesnon Boulevard. Project activities within the storage field property would include construction of the proposed new Central Compressor Station, relocation of the office trailers and the guard house, construction of the PPL and Natural Substation, and modification of the existing SCE 66 kV sub-transmission line (see Figure 2).

The reconductoring and pole replacement of the Chatsworth-MacNeil-Newhall-San Fernando line and the MacNeil-Newhall-San Fernando line would take place in the cities of Santa Clarita and Los Angeles, and portions of unincorporated Los Angeles County. The reconductoring and pole replacement of the Chatsworth-MacNeil-Newhall-San Fernando line and the MacNeil-Newhall-San Fernando line would originate at the Newhall Substation, located at the intersection of Wiley Canyon Road and Lyons Avenue, in the community of Newhall located in the City of Santa Clarita. The route of the proposed SCE 66 kV sub-transmission line modification would follow the existing right-of-way (ROW) from the Newhall Substation toward Interstate 5 (I-5) south to the SCE Chatsworth tap, at tap point A, located approximately 4 miles south of the Newhall Substation. At the Chatsworth tap, the route of the proposed sub-transmission line modification would traverse in a southwesterly direction to the proposed SCE Natural Substation location (see Figure 1).

Additional off-site improvements would include modifications at SCE's Newhall, Chatsworth, and San Fernando Substations. The Newhall Substation is located within the community of Newhall in the city of Santa Clarita; the Chatsworth Substation is located near the Chatsworth Reservoir, near Valley Circle Road and Plummer Street; and the San Fernando Substation is located near the intersection of San Fernando Mission Boulevard and Sepulveda Boulevard in the community of Mission Hills in Los Angeles County (see Figure 1).

Project Construction

Construction of the project components could occur concurrently. Construction-related activities are estimated to take 22 months to complete.

Operations and Maintenance

Storage Field Project Components

The project components that would be located within the storage field would be integrated into SoCalGas's existing safety measures, operational controls, and maintenance and monitoring procedures, including procedures and best management practices for fire safety and stormwater drainage. Operations and maintenance activities would be performed by SoCalGas operations and maintenance personnel except at the Natural Substation owned and operated by SCE, as described below.

SCE Natural Substation and SCE Electric Sub-transmission Lines

The proposed SCE Natural Substation would be unstaffed, and electrical equipment within the proposed SCE Natural Substation would be remotely monitored and controlled by an automated system from SCE's Regional Control Center. SCE personnel would perform routine site visits for electrical switching and maintenance purposes. Routine maintenance would include equipment testing, equipment monitoring, and repair. Routine site visits to the proposed SCE Natural Substation would be typically performed three to four times per month.

The modified Chatsworth-MacNeil-Newhall-San Fernando line and MacNeil-Newhall-San Fernando line would be maintained in a manner consistent with CPUC General Order (GO) 95 and CPUC GO 165. The sub-transmission lines may occasionally require emergency repairs, which would be conducted by SCE personnel.

C. Project Alternatives

If an EIR is confirmed to be the appropriate CEQA document for environmental review of the project, reasonable project alternatives will be identified and analyzed in the Draft EIR. Agencies and the public will be given the opportunity to comment on the project alternatives considered following publication of the Draft EIR during the 45-day comment period. A Notice of Availability (NOA) will be issued at the time of the publication of the Draft EIR to inform the public and agencies that the 45-day comment period for the Draft EIR has been initiated.

If an MND is confirmed to be the appropriate CEQA document for environmental review of the project, the public will be given the opportunity to comment following publication of the Draft MND during the 30-day comment period. A Notice of Availability (NOA) will be issued at the time of the publication of the Draft MND to inform the public and agencies that the 30-day comment period for the Draft MND has been initiated.

D. Scope of EIR and Discussion of Potential Impacts

CEQA requires agencies to consider environmental impacts that may result from a proposed project, to inform the public of potential impacts and alternatives, and to facilitate public involvement in the assessment process. The CEQA document prepared for the project will describe in detail the nature and extent of the environmental impacts of the project, and will discuss appropriate mitigation measures for any adverse impacts. The EIR will include, among other matters, discussions of the project objectives, a description of the affected environment, an evaluation of the environmental impacts of the proposed project, and proposed mitigation to reduce environmental impacts to a less-than-significant level. If it is found that all environmental impacts can be mitigated to a less-than-significant level, an MND will be prepared.

The Proponent’s Environmental Assessment (PEA), prepared by SoCalGas for the project, identified the following potential environmental impacts. The EIR may identify additional impacts.

Table 1: Potential Project Issues or Impacts

Environmental Issue Area	Potential Issues or Impact
<i>Aesthetics</i>	<ul style="list-style-type: none"> Construction of the SCE project elements could result in impacts to aesthetics.
<i>Air Quality</i>	<ul style="list-style-type: none"> Construction could result in an exceedance of nitrogen oxide (NO_x) emissions above the CEQA threshold.
<i>Biological Resources</i>	<ul style="list-style-type: none"> Construction could result in impacts to native habitat including Venturan coastal sage scrub.
<i>Cultural Resources</i>	<ul style="list-style-type: none"> Construction of some project elements could result in impacts to historic resources.

E. Project Scoping Process and Scoping Meetings

Circulation of this Notice opens a public comment period on the scope of the CEQA document that extends from October 21, 2010 through November 22, 2010. The CPUC invites interested parties to the following public scoping meetings for the project:

- Thursday, November 4, 2010 at the **Porter Valley Country Club**, 19216 Singing Hills Drive, Northridge, CA 91326
 - Open House: 6:30 PM to 7:00 PM.
 - Presentation and Public Comment Session: 7:00 PM
- Friday, November 5, 2010 at the **Wiley Canyon Elementary School**, 24607 Walnut St, Newhall, CA 91321
 - Open House: 6:30 PM to 7:00 PM
 - Presentation and Public Comment Session: 7:00 PM

The public is invited to present comments about the project and scope of the environmental document at either or both of the above meetings. Comments may also be mailed, faxed, or emailed to the CPUC during the NOP comment period specified above. Comments may be mailed to the following address:

Public Scoping Comments
RE: Aliso Canyon Turbine Replacement Project
c/o Ecology and Environment, Inc.
130 Battery Street, Suite #400
San Francisco, CA 94111

Emailed comments may be sent to the following address: AlisoCanyonNG@ene.com. Faxed comments may be sent to the following number: (415) 981-0801. Voice messages may be left at (877) 676-8678. Please include your name and mailing address at the bottom of the comment for mailed, faxed, and emailed comments and note the "Aliso Canyon Turbine Replacement Project."

Comments on the scope and content of the CEQA document must be received or postmarked by *Monday, November 22, 2010*, to be accepted. No comments will be accepted after the scoping comment period is closed. Interested parties will have an additional opportunity to comment on the project during the 45-day public review period to be held for the Draft EIR.

F. Agency Comments

This NOP has been sent to responsible and trustee agencies, cooperating federal agencies, and the State Clearinghouse. We need to know the views of your agency as to the scope and content of the environmental information, which reflects your agency's statutory responsibilities in connection with the proposed project. Once again, responses should identify the issues to be considered in the CEQA document, including significant environmental issues, alternatives, mitigation measures, and whether the responding agency will be a responsible agency or a trustee agency. Due to the time limits mandated by State laws, your response must be sent at the earliest possible date but no later than 30 days (November 22, 2010) after receipt of this notice. Please send your response to:

Public Scoping Comments
RE: Aliso Canyon Turbine Replacement Project
c/o Ecology and Environment, Inc.
130 Battery Street, Suite #400
San Francisco, CA 94111

G. Additional Information

Information about the Aliso Canyon Project and the CEQA compliance process is available at the following website:

<http://www.cpuc.ca.gov/PUC/energy/Environment/Current+Projects/>

The website will be used to post all public documents related to the CEQA document. No public comments will be accepted on this website; however, the website will provide a sign-up option for interested parties to be placed on the project mailing list, and a printable comment form.

The CEQA Guidelines are available at the following website:

http://www.ceres.ca.gov/topic/env_law/ceqa/guidelines/

Appendix G of the CEQA Guidelines, which serves as an environmental checklist for all CPUC CEQA documents, is available here:

http://www.ceres.ca.gov/ceqa/guidelines/pdf/appendix_g-3.pdf

The California Public Utilities Commission hereby issues this Notice of Preparation of an Environmental Impact Report or Initial Study/Mitigated Negative Declaration.

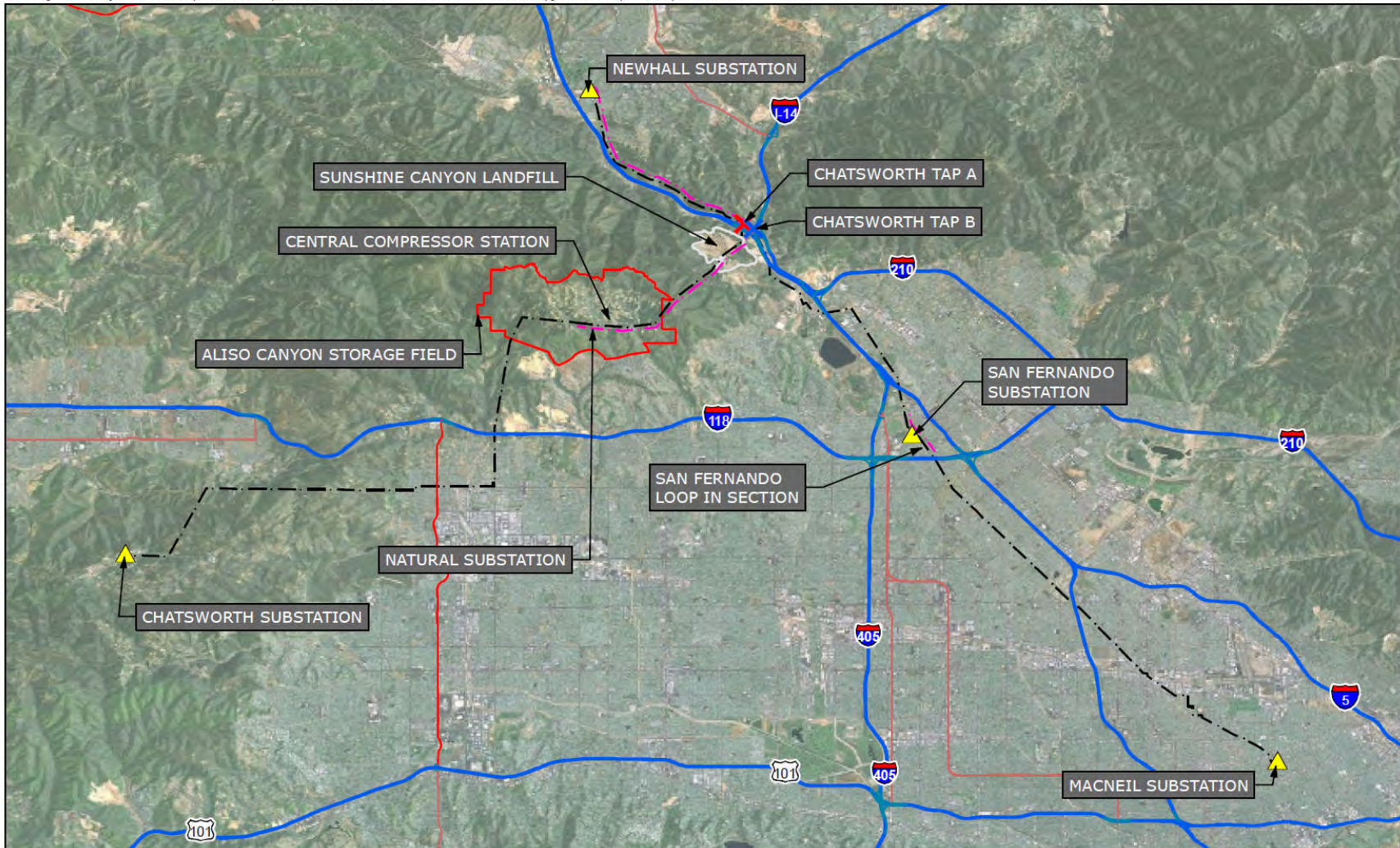
Andrew Barnsdale, Project Manager
California Public Utilities Commission

October 21, 2010

Attachments:

Figure 1 – Project Overview

Figure 2 – Project Components Within the Storage Field



<p>Map Location</p>	<p>Legend</p> <ul style="list-style-type: none"> — Proposed SCE 66 kV Modification — Existing SCE 66 kV Alignment — Aliso Canyon Storage Field Sunshine Canyon Landfill Existing Substation Existing SCE Chatsworth Tap A Proposed SCE Chatsworth Tap B <div style="text-align: center;"> </div> <div style="text-align: center;"> <p>0 3 6 Miles</p> </div>
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Figure 1
Project Overview

002975.CP13.02.a (Archives - Lacie2) 10/19/2010

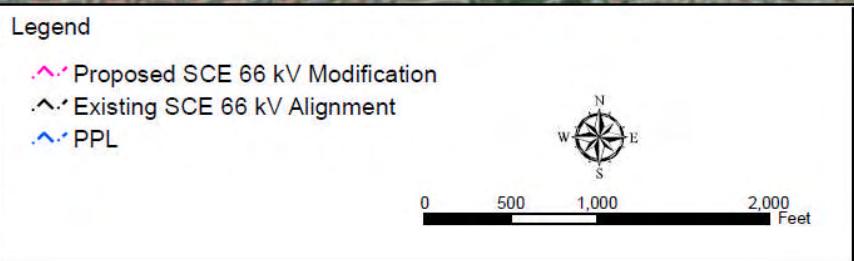


Figure 2
Project Overview
 Proposed Project Components
 Within the Storage Field

002975.CP13.02.b (Archives - Lacie2) 10/19/2010