## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298



April 29, 2016 SENT BY E-MAIL

Estela de Llanos San Diego Gas and Electric Company Director, Major Project Development 8330 Century Park Court, CP31D San Diego, CA 92123 edellanos@semprautilities.com

RE: Application Completeness Review: CPCN for the Rainbow—San Diego (Line 3602) 36-inch Natural Gas Pipeline Project (A.15-09-013; filed 9/30/15 as the Pipeline Safety & Reliability Project)

Dear Ms. de Llanos:

The California Public Utilities Commission's (CPUC's) Energy Division, Infrastructure Permitting and CEQA section has completed its third review of San Diego Gas and Electric Company's and Southern California Gas Company's (the Applicants') application and Proponent's Environmental Assessment (PEA) for a Certificate of Public Convenience and Necessity (CPCN) filed on September 30, 2015. Energy Division provided a list of deficiency items to the Applicants on October 30, 2015. The Applicants submitted responses from November 30 through December 21, 2015. The Energy Division provided a second list of deficiency items to the Applicants on December 30, 2015. The Applicants submitted responses from February 12, 2016 to March 21, 2016. The Applicants filed an Amended Application and PEA in accordance with the joint assigned Commissioner and Administrative Law Judge's ruling dated January 22, 2016. Energy Division finds that the information contained in the amended application and PEA is still incomplete. There are information gaps in critical areas that would prevent preparation of an adequate environmental document in a timely manner.

As stated previously, the data gap of the Lead Agency determination under the National Environmental Policy Act (NEPA) still remains. The proposed project would cross approximately 3.5 miles of land within United States Marine Corps Air Station Miramar. If the United States Marine Corps accepts the role of NEPA Lead Agency, a Memorandum of Understanding (MOU) between the CPUC and United States Marine Corps must be completed. As a first step toward completing the MOU, reimbursement arrangements between SDG&E/SoCalGas and the NEPA Lead Agency must be finalized. The reimbursement arrangements are a critical first step toward ensuring that the NEPA Lead Agency has the opportunity to review sections of the PEA and Amended PEA that are relevant to selection of the required type of NEPA environmental document and its preparation; agree to the use of specific environmental consultants; identify research needs and data requests; and participate in all the other early scheduling and planning activities required in joint processes for projects of regional or area-wide significance, including scoping.

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CPUC staff still has additional questions on the purpose and need as well as alternatives. The majority of our technical questions on other resource areas have been addressed; however, a few minor clarifications are included in the attached report. The report also provides a list of deficiency items that are complete and those that require a follow-up response. Until a NEPA Lead Agency is engaged in the PEA review process and agrees to move forward with all aspects of the joint environmental review as specified in the completed MOU, the application will remain incomplete. Until that time, Energy Division still requires that SDG&E/SoCalGas respond in full to all of the deficiency items identified.

Information provided by the Applicants in response to Energy Division's deficiency items should be filed as supplements to the PEA. One complete set of responses should be sent to Energy Division's Rob Peterson, and a second complete set should be sent to Energy Division's consultant, Ecology & Environment, Inc. The responses should be provided in both hardcopy and electronic format. We request that both pdf and original file formats be provided (e.g., Word, Excel, and original image and GIS files). We request that the Applicants respond in full to each deficiency within 60 days. Upon receipt of the supplemental information, the CPUC will perform another completeness review.

Questions should be directed to Rob Peterson at (415) 703-2820 or by e-mail. Please copy the CPUC's consultant, Peggy Farrell, Ecology & Environment, Inc., on all communications (pfarrell@ene.com). Energy Division reserves the right to request additional information at any point during the proceeding and subsequently during project construction and restoration should the CPCN application be approved.

Sincerely,

Rob Peterson

Project Manager, Energy Division, Infrastructure Permitting and CEQA

Rp3@cpuc.ca.gov

cc: Judge Colette Kersten

Rachel Petersen, Chief of Staff, Commissioner Randolph Antoinette Perez, Real Estate Director, USMC Air Station Miramar Molly Sterkel, Program Manager, Infrastructure Planning and Permitting Mary Jo Borak, Supervisor, Infrastructure Permitting and CEQA Jonathan Koltz, CPUC Attorney

Peggy Farrell, Project Manager, Ecology and Environment, Inc.

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Attachment: 2016\_04-29 Deficiency Items Table No. 3.pdf