

January 10, 2023

David Wilson LS Power Grid California 16150 Main Circle Drive, Suite 310 Chesterfield, MO 63017

Re: Notice to Proceed for the Gates 500 kilovolt (kV) Dynamic Reactive Support Orchard Substation Project

Dear Mr. Wilson:

On December 15, 2022, the California Public Utilities Commission (CPUC) adopted the Final Initial Study and Mitigated Negative Declaration (IS/MND) for the Gates 500 kilovolt (kV) Dynamic Reactive Support Orchard Substation Project (Project) and approved the Project (Application 21-02-018). The decision granted LS Power Grid California (LSPGC) a Permit to Construct and approved the Project conditionally with the implementation of Applicant Proposed Measures and Mitigation Measures adopted in the Mitigation Monitoring, Compliance, and Reporting Program (MMCRP).

On December 22, 2022, LSPGC submitted a Notice to Proceed Request (NTPR) to the CPUC seeking the authority to begin construction of the Project. A map showing proposed work locations associated with the NTPR is provided in NTPR **Attachment A**. This letter documents the CPUC's thorough evaluation of all activities covered in the NTPR. The evaluation process ensures that all applicant proposed measures and mitigation measures applicable to the location and activities covered in the Notice to Proceed are implemented as required in the CPUC's Decision. Upon receipt of this approval, LSPGC is authorized to initiate material deliveries to the Project site and site preparation and construction activities can begin. LSPGC estimates that construction activities for the Project will conclude in May 2024.

As described in the adopted IS/MND, for Orchard Substation to connect to the Pacific Gas and Electric Company (PG&E) Gates Substation, PG&E will construct and operate two single-circuit 500 kV interconnection transmission lines from the Gates Substation 500 kV bus to the Orchard Substation 500 kV take-off towers (see IS/MND, page 2-1). The construction and operation of the PG&E Interconnection Facilities, although analyzed in the IS/MND, are not considered part of the CPUC's LSPGC application decision and are therefore not subject to the requirements of this Notice to Proceed.

Minor Project Refinements

The Project components described above are consistent with the descriptions contained within the Project's Final IS/MND and Final Decision, except for minor design and engineering details that were not available during preparation of the Final IS/MND. As part of this NTPR, LSPGC is also requesting minor Project refinements consisting of a reduction of grading required for the substation pad and the increase in size of the Orchard





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Substation static synchronous compensator (STATCOM) enclosures. Brief descriptions of the proposed minor modifications to the Project are provided below.

As described above, it has been determined that a slight reduction of grading will be required for the Orchard Substation pad. The area of disturbance remains the same as evaluated in the IS/MND but there will be incremental reductions in the cut and fill volumes. As such, no mapping or other analysis updates were provided with the NTPR. Regarding the Orchard Substation STATCOM enclosures, they will each be increased from 4,000 square feet to 6,200 square feet relative to what was evaluated in the IS/MND. NTPR Attachment A has been updated so that the new area of the STATCOM enclosures are reflected on the Project Components Map. The STATCOM enclosures shown in IS/MND Figure 2-2 had been exaggerated to make them more visible, so the change in the new version of the map is relatively minor.

As defined in the MMCRP prepared for the Project, a variance to the Project, such as the proposed reduction in grading required for the substation pad and the increase in size of the Orchard Substation STATCOM enclosures, should be strictly limited to minor Project changes that will not trigger other permit requirements, that does not increase the severity of an impact or create a new impact, and that clearly and strictly complies with the intent of the mitigation measures. Since the proposed minor Project refinements will not trigger other permit requirements, will not increase the severity of an impact, or create a new impact, and would clearly and strictly comply with the intent of the IS/MND mitigation measures, the requested modifications to the Project are approved.

MMCRP Measures and Conditions

The table below identifies all applicant proposed measures (APMs) and mitigation measures described in the MMCRP along with the status of compliance for actions proposed under the NTPR. The Applicant Proposed Measure/Mitigation Measure column provides only summaries of the measures. For the full text of the measures, refer to the MMCRP. As discussed above, implementation of the measures proposed by PG&E for its Interconnection Facilities associated with the Project are not subject to this Notice to Proceed.

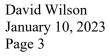
Applicant Proposed Measure/ Mitigation Measure	Compliance Action / Status
APM AE-1: All Orchard Substation Facilities sites will be maintained in a clean and orderly state.	LSPGC and/or its construction contractors will implement during construction as defined.
APM AE-2: Use of on-reflective finish and neutral gray color.	All structures and equipment at the Orchard Substation will have a non-reflective finish and natural gray color.
APM AGR-1: Compliance with the Williamson Act.	Complete. Pursuant to Title 5, Division 1, Part 1, Chapter 7, Article 6 of the California Government Code, the Williamson Act on the property is nullified automatically upon LSPGC's purchase of the property after issuance of the permit to construct.

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APM AQ-1: Use of 32 percent of diesel- powered equipment that meet USEPA- certified Tier 4 standards.	Complete. LSPGC provided CPUC a copy of the diesel-powered equipment tracking tool. LSPGC or its contractor will track the use of all diesel-powered equipment and submit records to the CPUC monthly. Records of engine tier status to be submitted upon request.
APM AQ-2: Compliance with San Joaquin Valley Air Pollution Control District (SJVAPCD) Rule 8021.	Approved. The Project's Dust Control Plan (DCP) was approved by the SJVAPCD on 12/08/2022. The DCP will be implemented during construction.
APM AQ-3: Compliance with AB 203 and provide Valley Fever awareness training.	Approved. A Worker Environmental Awareness Program (WEAP) has been developed to include Valley Fever awareness training. The final version of the WEAP was submitted to the CPUC on 12/16/2022 and approved on 12/27/2022. All construction workers will receive WEAP training before starting work on the Project. WEAP training sign-in sheets will be kept as part of the Project record and will be provided to the CPUC upon request. Additional trainings will be held for new workers as needed throughout construction.
Mitigation Measure BIO-1: Protection of Kit Fox during construction.	Preconstruction surveys for San Joaquin kit fox are not required under this measure since the Project site was cultivated within the previous 12 months (i.e., during the 2022 growing season).
APM BIO-1: Limit speed of vehicles along access roads and on the Project site to 15 mph.	LSPGC and/or its construction contractors will implement during construction as defined.
APM BIO-2: Raptor protections.	Conductors and ground wires for the Project have been designed to meet this specification.
APM BIO-3: Methods to reduce avian collisions	Methods to reduce risk of avian collisions have been incorporated into the Project design.
APM BIO-4: Avoid construction during the migratory bird nesting or breeding season or perform a survey in the area where the work is to occur and establish buffers for active nests.	Construction is scheduled to begin during the non-nesting bird season.
APM BIO-5: Raptor nest survey.	If an active raptor nest is observed during construction, a qualified biologist will monitor the nest and make recommendations for protection as needed.
APM BIO-6: Secure excavated holes and trenches.	LSPGC and/or its construction contractors will implement during construction as defined.
APM BIO-7: Minimize use of outdoor lighting.	LSPGC and/or its construction contractors will implement during construction and operations/ maintenance as defined.
APM BIO-8: Conduct Worker Environmental Awareness Program (WEAP) training to avoid harming wildlife during construction or O&M activities.	Approved. A WEAP has been developed to educate all construction and O&M workers on site- specific biological and non-biological resources. The final version of the WEAP was submitted to the CPUC on 12/16/2022 and approved on 12/27/2022. All construction workers will receive WEAP training before starting work on the Project. WEAP training sign-in sheets will be kept as part of the Project record and will be provided to the CPUC upon request. Additional trainings will be held for new workers as needed throughout construction.
APM CUL-1: WEAP training to consider cultural resources.	Approved. A WEAP has been developed to include cultural resources awareness training. The final version of the WEAP was submitted to the CPUC on 12/16/2022 and approved on 12/27/2022. All construction workers will receive WEAP training before starting work on the Project. WEAP training sign-in sheets will be kept as part of the Project record and will be

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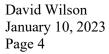


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	provided to the CPUC upon request. Additional trainings will be held for new workers as needed throughout construction.
APM CUL-2: Conduct cultural resources Inventory if work occurs outside of previously surveyed area.	A cultural resources inventory will be prepared if proposed facilities and ground disturbing activities move outside the previously surveyed area.
APM CUL-3: Archaeological and Native American monitoring during all excavation associated with the Project.	Complete and ongoing. Consultation with the Dumna Wo-Wah Tribal Government on the appropriate course of action to be taken should unanticipated cultural materials, and specifically human remains, be discovered has occurred. If subsurface prehistoric or ethnohistoric resources are encountered during construction, LSPGC will adhere to the protocols outlined in APM CUL-3.
APM CUL-4: Requirements for unanticipated discovery of potentially significant prehistoric and historic resources.	If previously unidentified cultural resources are uncovered during construction, LSPGC and/or its contractors will adhere to the protocols outlined in APM CUL-4.
APM CUL-5: Requirements for unanticipated discovery of human remains	APM CUL-5 will be implemented if human remains are encountered during construction and operation of the Project.
Mitigation Measure GEO-1: Fault Study	Complete. LSPGC provided CPUC a copy of the final geotechnical engineering report (including the fault study) on August 30, 2022.
APM GEO-1: Minimize impact\s from geological hazards and disturbance to soils.	LSPGC and/or its construction contractors will implement this measure during construction.
APM GEO-2: Compliance with CBC standards and adherence to the Project's Supplemental Geotechnical Engineering Report.	Complete. LSPGC provided CPUC a copy of the final geotechnical engineering report on August 30, 2022.
Mitigation Measure GEO-2: WEAP training and monitoring protocols to include paleontological resources considerations.	Approved. A WEAP has been developed to include paleontological resources awareness training. The final version of the WEAP was submitted to the CPUC on 12/16/2022 and approved on 12/27/2022. All construction workers will receive WEAP training before starting work on the Project. WEAP training sign-in sheets will be kept as part of the Project record and will be provided to the CPUC upon request. Additional trainings will be held for new workers as needed throughout construction.
Mitigation Measure GEO-3: Implement paleontological resource monitoring, salvage, and treatment protocols and preparation of a Paleontological Resources Monitoring and Mitigation Plan (PRMMP).	If significant paleontological resources are encountered during construction, a PRMMP will be submitted to the CPUC for approval prior to the continuation of construction activities in the area of the find. In addition, the PRMMP protocols and monitoring requirements will be implemented.
APM PALEO-1: Protections for an inadvertent fossil discovery.	If fossils are unearthed during earthwork activities a qualified paleontologist will evaluate and monitor the discovery as necessary.
APM PALEO-2: Recovered fossils shall be prepared, identified, catalogued, and	In the event that fossils are encountered, LSPGC and/or it construction contractor will implement APM PALEO-2.

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stored in a recognized professional repository.	
APM GHG-1: Minimize greenhouse gas emissions.	LSPGC and/or its construction contractors will implement during construction as defined.
APM HAZ-1: Preparation of a site- specific Spill Prevention, Control, and Countermeasure Plan (SPCCP).	Complete for construction. LSPGC submitted a copy of the SPCCP to the CPUC. LSPGC and/or its contractors will implement the SPCCP during construction. LSPGC will prepare a separate SPCCP for the operations and maintenance of Orchard Substation.
APM HAZ-2: Preparation of a Hazardous Materials Management Plan (HMMP).	Complete for construction. LSPGC provided CPUC a copy of the HMMP. LSPGC and/or its contractors will implement the HMMP during construction. LSPGC will prepare a separate HMMP for the operations and maintenance of Orchard Substation.
APM HAZ-3: Testing of soils suspected of being contaminated.	If soils suspected of being contaminated are encountered, LSPGC and/or its construction contractors will implement during construction as defined.
APM HAZ-4: Implement ongoing fire patrols during the fire season and prepare a Construction Fire Prevention Plan (CFPP).	Complete and ongoing. LSPGC provided CPUC a copy of the CFPP. LSPGC and/or its contractors will implement the measure as defined and the CFFP during construction.
APM WQ-1: Prepare and implement a Stormwater Pollution Prevention Plan (SWPPP).	Complete and ongoing. The SWPPP was submitted to CPUC for review and submitted to the State Water Resources Control Board on 11/30/2022. The Project was assigned WDID: 5F10C399233. LSPGC and/or its contractors will implement the SWPPP during construction.
APM WQ-2: handle and discharge groundwater in accordance with all state and federal regulations.	LSPGC and/or its construction contractors will implement during construction as defined.
APM PS-1: LSPGC would coordinate construction activities with local law enforcement and fire protection agencies. Emergency service providers would be notified of the timing, location, and duration of construction activities.	Prior to the start of construction LSPGC will notify law enforcement and fire protection agencies regarding the timing, location, and duration of construction activities.
APM TRA-1: Prepare a Traffic Control Plan.	Complete and ongoing. LSPGC provided CPUC a copy of the Traffic Control Plan (TCP) and will implement the TCP during construction.
APM UTIL-1: Notify all utility companies with utilities located within or crossing the Orchard Substation Facilities' Rights-of-Way (ROW).	Prior to the start of construction LSPGC will notify all utilities located within or crossing the Orchard Substation Facilities to mark and locate existing underground utilities.

Note: The Applicant Proposed Measure/Mitigation Measure column provides only summaries of the measures. For the full text of the measures, refer to the MMCRP.

LSPGC is authorized to proceed with the proposed construction activities associated with the NTPR provided that all proposed actions and construction is carried out in accordance with the methods and conditions described in the

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NTPR and this NTP, and subject to completion of the following implementing actions by LSPGC prior to the start of construction:

- LSPGC will implement the MMCRP to ensure implementation of all APMs, applicable Project Mitigation Measures, compliance plans, and permit conditions during construction activities. Some measures are on-going and/or have time-sensitive requirements and shall be implemented prior to and during construction as applicable. A copy of the MMCRP, other permits, and this Notice to Proceed will be kept at the construction site.
- Prior to the start of construction LSPGC will notify law enforcement and fire protection agencies regarding the timing, location, and duration of construction activities.
- Prior to the start of construction LSPGC will notify all utilities located within or crossing the Orchard Substation Facilities to mark and locate existing underground utilities.
- Prior to conducting construction activities under this Notice to Proceed, LSPGC will conduct a Worker Environmental Awareness Program (WEAP) training for all Project personnel. LSPGC will maintain training logs at the construction site and will make them available upon request.
- LSPGC will provide local encroachment and traffic control permits to CPUC as they are obtained.

Sincerely,

Boris Sanchez, AICP CPUC Environmental Project Manager

cc: Mike Manka, ESA Matt Fagundes, ESA

