

Letter H: Lisa Cottle, Winston & Strawn for Horizon West Transmission, LLC (February 22, 2021)

Letter H

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North America Europe Asia

February 22, 2021

By Electronic Mail

Robert Peterson, c/o Tom Engels
 Horizon Water and Environment
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Re: Comments of Horizon West Transmission, LLC on the Draft Environmental Impact Report for the Estrella Substation and Paso Robles Area Reinforcement Project, December 2020 (California State Clearinghouse No. 2018072071)

Dear Mr. Peterson and Mr. Engels:

This letter and the enclosed documents provide the comments of Horizon West Transmission, LLC (“Horizon West”) on the Draft Environmental Impact Report (“DEIR”) for the Estrella Substation and Paso Robles Area Reinforcement Project (“Estrella Project” or “Proposed Project”) proposed by Horizon West and Pacific Gas and Electric Company (“PG&E”). Horizon West appreciates the time and effort of staff of the California Public Utilities Commission (“Commission” or “CPUC”) and its consultants in preparing the DEIR. Horizon West’s comments are intended to ensure that the final environmental impact report for the Estrella Project (“FEIR”) will be accurate, complete, and consistent with the California Environmental Quality Act (“CEQA”).

Section I below provides an overview of the Proposed Project and describes a minor project refinement (“MPR”) involving Horizon West’s acquisition of an additional five acres for the site of the substation portion of the Proposed Project (the “Estrella Substation Site”). The MPR also involves the slight reorientation of facilities and equipment at the Estrella Substation Site for access purposes. The MPR is described in greater detail in the memorandum provided as **Attachment 1** hereto and the updated Project Description provided as **Attachment 2** hereto. Horizon West requests that the Commission incorporate into the FEIR (i) the addition of five acres to the Estrella Substation Site and the other design refinements described in the MPR in **Attachment 1** hereto, (ii) the additional changes specified in the updated Project Description in **Attachment 2** hereto, and (iii) the comments and corrections specified in the detailed comment table in **Attachment 3** hereto.

Section II below describes the most significant of Horizon West’s comments on the DEIR, which are a subset of the comments and corrections specified in the detailed comment table in **Attachment 3** hereto. Specifically, Horizon West requests that the following modifications be incorporated into the FEIR:

- In Agriculture and Forestry Resources, revise Mitigation Measure AG-1 to (i) allow Horizon West and PG&E to utilize other comparable mitigation measures that would achieve conservation easements for important farmland, such as through

- H-2 cont. ↑ agreements with landowners to establish and record a conservation easement, or through contributions to a local agency to achieve the agricultural land conservation, and (ii) recognize that PG&E and Horizon West will have different contribution amounts that are based on their respective impacts to important farmland;
- H-3 | • Also in Agriculture and Forestry Resources, revise the FEIR to recognize that placing the Estrella Substation Site within the existing parcel that is under a Williamson Act contract would not conflict with that contract, including its underlying intent;
- H-4 | • In Noise, revise Mitigation Measure NOI-1 so that it will not apply to ground-level construction noise activities determined to have less than significant impacts;
- H-5 | • In the Alternatives Analysis, correct the DEIR’s understatement of the visual impacts of Alternative SS-1 (the Bonel Ranch Substation Site), and apply consistent findings regarding Williamson Act contracts to the Estrella Substation Site and the Bonel Ranch Substation Site;
- H-6 | • In the Alternatives Analysis, revise the FEIR to recognize that Alternatives BS-2 and BS-3 are purely speculative and have not been shown to be potentially feasible; and
- H-7 | • Also in the Alternatives Analysis, revise the FEIR to find that Alternative BS-2 and Alternative BS-3 also do not meet the key project objective of increasing reliability and should be eliminated.
- H-8 ↓ **I. OVERVIEW OF THE PROPOSED PROJECT AND MPR**
On January 25, 2017, Horizon West and PG&E filed a joint application (pending in CPUC Docket Application (“A.”) 17-01-023) in which each applicant requests a separate Permit to Construct (“PTC”) for its portion of the Proposed Project (“Joint Application”).¹ The Proposed Project is a reliability-driven transmission solution that was identified by the California Independent System Operator Corporation (“CAISO”) and approved in its 2013-2014 Transmission Plan. The Proposed Project is comprised of the Estrella Substation, which is a new 230 kilovolt (“kV”)/70 kV substation, plus a new approximately seven-mile overhead 70 kV double-circuit power line, and replacement and reconductoring of approximately three miles of an

¹ Horizon West is the entity formerly known as NextEra Energy Transmission West, LLC. On May 10, 2019, Horizon West submitted a Notice of Name Change to the Commission. On May 22, 2019, Horizon West filed a *Motion to Change Caption Due to Change in Name* in Docket A.17-01-023. The motion included copies of the California Secretary of State’s Amended Certificate of Registration confirming the name change and the Delaware Secretary of State’s certification of the name change.

existing 70 kV power line. Together, these components comprise the reliability-driven upgrade that the CAISO identified and approved.

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The CAISO identified certain components of the Proposed Project as being eligible for competition pursuant to its Tariff and Federal Energy Regulatory Commission (“FERC”) Order 1000,² including the new 230 kV substation, buswork, and termination equipment and a new 230/70 kV transformer bank. The CAISO conducted a competitive solicitation process and ultimately awarded those components to Horizon West as the approved project sponsor. The other components of the Proposed Project were not eligible for competitive solicitation and were awarded to PG&E as the incumbent utility. Because the Horizon West components and the PG&E components together form a single, integrated transmission project, the parties filed the Joint Application together to request a separate PTC for each applicant’s components.³ As proposed in the Joint Application, Horizon West would construct, own, and operate the new 230 kV buswork and termination equipment and a new 230/70 kV transformer bank at the Estrella Substation, while PG&E would construct the new 70 kV buswork and termination equipment at the Estrella Substation, new 230 kV interconnection facilities needed to interconnect the Estrella Substation to PG&E’s existing 230 kV facilities, the new approximately seven-mile 70 kV power line, and the approximately three miles of 70 kV reconductoring.⁴

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Since filing the Joint Application and the Proponents’ Environmental Assessment (“PEA”) in 2017, Horizon West and its engineers have refined the detailed design and engineering plans for the Estrella Substation. This work resulted in an MPR involving the Estrella Substation Site. The elements of the MPR are the following:

- Horizon West will acquire an additional five acres as part of the Estrella Substation Site. The Estrella Substation thus will be located on a twenty-acre parcel instead of a fifteen-acre parcel. The inclusion of the five acres is reflected in the comments and corrections in **Attachment 1**, **Attachment 2**, and **Attachment 3** hereto.
- Adding five acres necessitated a design change to the Estrella Substation to reorient it to allow access to the five-acre addition. Specifically, the 230 kV and 70 kV yards and associated equipment will be slightly reoriented closer to Union Road.

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² *Transmission Planning and Cost Allocation by Transmission Owning and Operating Public Utilities*, Order No. 1000, FERC Stats. & Regs. ¶ 31,323 (2011), *order on reh’g*, Order No. 1000-A, 139 FERC ¶ 61,132 (2012), *order on reh’g and clarification*, Order No. 1000-B, 141 FERC ¶ 61,044 (2012).

³ *See* Joint Application at 3 (“[Horizon] West could not successfully interconnect and energize its 230 kV project components without the project components that only PG&E can build and own. Conversely, PG&E would have no reason to seek a PTC for its 70 kV project components or its 230 kV interconnection facilities unless the [Horizon] West 230 kV project components also were being constructed.”).

⁴ Joint Application at 10-12.

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cont. ↑

At its closest point, the fence line will be located approximately 64 feet northwest of Union Road, as shown in Figure 2 in **Attachment 1** hereto. Without this change, the design would preclude access to the five-acre addition to the site. This slight reorientation will require approximately 72,000 cubic yards of cut and fill, which will be balanced on site to the extent feasible. The MPR will only result in a slight reconfiguration of the yard equipment and will not affect the type of electrical equipment to be housed within the site's fence line as originally proposed.

H-11 ↑

As demonstrated in the analysis presented in the memorandum in **Attachment 1** hereto, construction and operation activities associated with the MPR would not result in a new, significant impact or a substantial increase in the severity of a previously identified significant impact based on the criteria applied in the DEIR. Table 1 in **Attachment 1** hereto provides a summary of the potential impacts for resource area analyzed in the DEIR. The elements of the MPR reflect the updated design plan for the Estrella Substation and should be reflected in the FEIR as insignificant changes to the Estrella Substation design.

H-12 ↑

II. KEY SUBSTANTIVE COMMENTS ON THE DEIR

A. In Agriculture and Forestry Resources, Mitigation Measure AG-1 should be revised to allow use of comparable mitigation measures and recognize that Horizon West and PG&E will have different contribution amounts.

The DEIR finds that the Proposed Project would convert 2.66 acres of Farmland of Statewide Importance and 11.76 acres of Unique Farmland to non-agricultural uses, and concludes that the conversion of this small amount of acreage would constitute a significant impact.⁵ This suggests that the permanent conversion of any amount of designated farmland acreage, however small, is a significant impact.

Use of this stringent threshold would create a precedent for any project with any conversion of designated farmland, however small, to result in a significant agricultural impact. This negates the use of the California Agricultural Land Evaluation and Site Assessment Model ("LESA") which is endorsed by the Department of Conservation ("DOC") as an alternative and arguably more rigorous approach to assessing impacts to designated farmland.⁶ The DOC's website states: "The California LESA Model was developed to provide lead agencies with an optional methodology to ensure that potentially significant effects on the environment of agricultural land conversions are quantitatively and consistently considered in the environmental review process (Public Resources Code Section 21095), including in California Environmental Quality Act

⁵ DEIR at 4.2-12 through 4.2-13. The acreage numbers in Tables 4.2-1 and 4.2-2 in the DEIR are updated in the comments in **Attachment 3** hereto to reflect the addition of five acres to the Estrella Substation Site.

⁶ The LESA model is described on the DOC website at: https://www.conservation.ca.gov/dlrp/Pages/qh_les_a.aspx.

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cont. ↑ (CEQA) reviews.”⁷ The DEIR’s approach negates any quantitative assessment of potentially significant effects on the environment of agricultural land conversions by rendering any conversion of any acreage, regardless of overall quality or viability for agricultural purposes, a significant impact. Rote application of the DEIR’s stringent threshold, without more analysis of factors specific to the Proposed Project and its location, would be contrary to CEQA because “thresholds cannot be used to determine automatically whether a given effect will or will not be significant.”⁸ Indeed, Section 15064(b)(2) of the CEQA Guidelines was revised in 2018 to reflect this.

H-13 ↑ Use of the DEIR’s stringent threshold also is a departure from the thresholds applied for the conversion of agricultural lands by other CPUC-approved projects. The PEA evaluated the impacts of the Proposed Project’s conversion of agricultural land based on the CPUC’s analysis of PG&E’s Shepherd Substation project in A.10-12-003, approved May 2013. For that project, the CPUC recognized a standard of significance based on Government Code Section 51222, which identifies 10 acres as the size of a parcel large enough to sustain agricultural use in the case of Prime Farmland, and 40 acres in the case of Farmland of Statewide Importance, Unique Farmland, and non-Prime Williamson Act lands.⁹ The Commission also applied a minimum size threshold of significance in the 2015 Mitigated Negative Declaration and Supporting Initial Study (“MND/IS”) for the Southern California Edison Company (“SCE”) Banducci Substation Project in A.12-11-011. In that case, the CPUC found no significant impacts for SCE’s substation project, even though 6.3 acres of Prime Farmland would be converted to non-agricultural use.¹⁰ Specifically, the CPUC found a less than significant impact based on the conclusion that the 6.3 acres of converted Prime Farmland represents 0.001 percent of the 608,789 acres of Prime Farmland in Kern County.¹¹ Under these thresholds, the Proposed Project’s impacts are less than significant because the Proposed Project would convert a *de minimis* amount of Prime Farmland, less than 40 acres of the other categories addressed in Government Code Section 51222, only 0.001 percent of the approximately 22,697 acres of Farmland of Statewide Importance in San Luis Obispo County, and only 0.0004 percent of the 45,175 acres of Unique Farmland in San Luis Obispo County.¹² The Commission should consider whether the threshold applied in the DEIR should be adjusted in the FEIR for consistency with these statutory standards and prior Commission precedent.

⁷ *Id.*

⁸ *Protect the Historic Amador Waterways v. Amador Water Agency* (2004) 116 Cal. App. 4th 1099, 1108-1109.

⁹ PEA at 3.2-21, citing the PG&E Shepherd Substation Project IS/MND (May 2012) at 3.2-8 through 3.2-9.

¹⁰ See SCE Banducci Substation Project MND/IS at 5-59.

¹¹ *Id.*

¹² These percentage are calculated using the adjusted acreage numbers in the detailed comments in **Attachment 3** hereto, which include the addition of five acres to the Estrella Substation Site.

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H-14 | Additionally, although the Commission has applied the DEIR’s stringent standard in a recent case,¹³ this “binary” standard of deeming significant any loss of farmland fails to consider additional factors such as the overall acreage subject to conversion (which in this case is a small number), or the value of the farmland to be converted, using for example, the LESA model as supported by the DOC, or the relative percentage of Prime and other farmland to be converted compared to the overall acreage in the county. Under the DEIR’s approach, any conversion of Prime Farmland, Farmland of Statewide Importance, or Unique Farmland is automatically a significant and unavoidable impact. This approach overstates the Proposed Project’s impacts.

H-15 | To the extent mitigation is required, Mitigation Measure AG-1 should be revised to allow Horizon West and PG&E to utilize other comparable mitigation measures that would achieve conservation easements for important farmland, such as through agreements with landowners to establish and record a conservation easement, or through contributions to a local agency to achieve the agricultural land conservation requirement.¹⁴ Mitigation Measure AG-1 requires contributions to the California Farmland Conservancy Program, which promotes the long-term preservation of agricultural lands in California through agricultural conservation easements. Based on preliminary outreach, the California Farmland Conservancy Program is not aware of the Proposed Project and does not have a clear plan for implementing this mitigation measure. To provide flexibility and ensure that Horizon West and PG&E can comply, Mitigation Measure AG-1 should be revised to allow comparable mitigation as shown below and in the detailed comment table in **Attachment 3** hereto. The changes below also are necessary to clarify the scope and required timing of the mitigation, as well as the specific criteria that will be applied to confirm that the mitigation measure has been satisfied.

¹³ See SCE Circle City Substation and Mira Loma-Jefferson 66 kV Line Project (A.15-12-007).

¹⁴ In addition to applying the stringent threshold, the DEIR finds that Mitigation Measure AG-1 (as discussed in the DEIR on page 4.2-13) “would not fully offset the significant impact because it would not create any new Important Farmland” This finding may be intended to follow the decision in *King and Gardiner Farms, LLC v. County of Kern* (2020) 45 Cal.App.5th 814 addressing a situation involving a vastly larger permanent loss of designated farmland acreage. It should be recognized, however, that CPUC precedent has allowed the use of conservation easements to mitigate such impacts to less than significant levels, and that the 2018 revisions to the Section 15370(e) of the CEQA Guidelines make clear that “mitigation” includes “[c]ompensating for the impact by replacing or providing substitute resources or environments, including through permanent protection of such resources in the form of conservation easements.” Cal. Code Regs., tit. 14, § 15370(e). The holding in *King and Gardiner Farms* therefore is not appropriate here.

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H-16 Mitigation Measure AG-1: Provide Compensation for Loss of Agricultural Land.

H-16 HWT and PG&E, prior to the completion of Proposed Project or alternative construction, shall finalize and effectuate any combination of the following as long as the total acreage in the aggregate equals the amount required by the conservation ratio specified below: either (1) contribute sufficient funds, in an amount equal to the fair market value (determined as of the date construction commenced) of each acre for which the contribution is made, (i.e., adequate to support the conservation ratio described below) to the California Farmland Conservancy Program to compensate for the loss of Farmland of Statewide Importance and Unique Farmland that would occur from the Proposed Project or alternatives, or to another public agency or non-profit organization able to achieve long-term preservation of agricultural lands in San Luis Obispo County; and/or (2) enter into and record one or more conservation easements with landowners for specific farmland in San Luis Obispo County. The California Farmland Conservancy Program is established under PRC Sections 10200-10277 to promote the long-term preservation of agricultural lands in California through the use of agricultural conservation easements and is one potential recipient of any contribution in clause (1) above. The acreage for which amount of HWT's and PG&E's contributions are made in clause (1) above, together with any acreage preserved through recorded conservation easements in clause (2) above, shall equal a minimum total ensure the conservation of one acre of agricultural land in San Luis Obispo County for each acre of agricultural land converted by their respective components associated with the Proposed Project or alternatives, based on the market price for the commensurate agricultural land at the time that the impacts occur.

H-17 **B. Also in Agriculture and Forestry Resources, the DEIR's conclusion of significant and unavoidable agricultural impacts due to conflict with an existing Williamson Act contract misapplies the law and should be corrected.**

H-17 The DEIR also contradicts applicable law in its conclusion that the Proposed Project's agricultural impacts are significant and unavoidable due to conflict with an existing Williamson Act contract.¹⁵ The DEIR concludes that removing 15 acres¹⁶ for the Estrella Substation Site from the current 98-acre Williamson Act parcel would conflict with the existing Williamson Act

¹⁵ DEIR at 4.2-14.

¹⁶ As explained above, five acres will be added to the Estrella Substation Site.

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cont. ↑ contract’s “intent” to “preserve agricultural land in agricultural use.”¹⁷ This is not correct, however, because Government Code Section 51238 expressly provides that “the erection, construction, alteration, or maintenance of gas, electric, water, communication, or agricultural laborer housing facilities are hereby determined to be compatible uses within any agricultural preserve.” Further, as noted in the DEIR, removing the acreage for the proposed substation parcel from the 98-acre Williamson Act parcel would not disqualify the remainder (*i.e.*, 78 acres) from being an agricultural preserve under the County of San Luis Obispo’s Rules of Procedure to Implement the California Land Conservation Act of 1965. Indeed, the remaining 78 acres under the modified Williamson Act contract satisfy the acreage under the County’s rules, (*i.e.*, 40-acre minimum parcel size) and will continue to be cultivated and with land uses limited to compatible uses. In short, the Proposed Project does not present a conflict with the existing Williamson Act contract, and the DEIR’s conclusion of a significant and unavoidable impact is contrary to law and lacks a factual basis.

H-18 ↑ To be consistent with Government Code Section 51238, the language in the DEIR on page 4.2-15 should be modified in the FEIR as follows:

~~However, p~~ Placing the substation within the existing parcel under Williamson Act contract would not conflict with that contract, including its underlying intent, which is to preserve agricultural land in agricultural use, because Government Code Section 51238 specifies that “the erection, construction, alteration, or maintenance of gas, electric, water, communication, or agricultural laborer housing facilities are hereby determined to be compatible uses within any agricultural preserve.” Removing the proposed substation parcel from the 98-acre Williamson Act would not disqualify the remaining contracted area from an agricultural preserve, and the remaining parcel will exceed the 40-acre minimum parcel size specified in the original contract.

H-19 ↑ C. **The DEIR incorrectly applies Mitigation Measure NOI-1 to all construction activities, even though ground-level construction noise impacts are determined to be less than significant.**

CEQA is clear that mitigation measures are not required for effects which are not found to be significant.¹⁸ The DEIR on page 4.13-18 states that “ground-level construction noise from the Proposed Project would not be significant given: (1) the limited number of noise-sensitive receptors in proximity to much of the Proposed Project; (2) the relatively rapid attenuation of even the loudest pieces of construction equipment with distance from the source, and (3) the impacts would be temporary and occur over a relatively short duration at individual structure locations or

¹⁷ DEIR at 4.2-15.

¹⁸ Pub. Res. Code § 21002; CEQA Guidelines, Cal. Code Regs., tit. 14, §§ 15126.4, subd. (a)(3) and 15091.

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cont. ↑ segments of the 70 kV power line alignment (as opposed to work occurring along the entire alignment simultaneously).” Notwithstanding the DEIR’s finding that ground-level construction noise impacts will be less than significant, the DEIR states that Mitigation Measure NOI-1 is applicable to all construction activities. The DEIR provides no basis for this requirement, and it appears wholly unnecessary and onerous given that Applicant Proposed Measure (APM) NOI-2 is expressly discussed in the DEIR as a way to further reduce the already less than significant ground-level construction noise impacts.¹⁹ Given this, Horizon West requests that the FEIR not require NOI-1 for ground-level construction activities.

H-20 D. **The DEIR correctly selects the Estrella Substation Site as the environmentally superior alternative, but understates or ignores significant impacts that would result from Alternative SS-1 (the Bonel Ranch Substation Site).**

The DEIR concludes that Alternative Combination #2 “offers the most advantages and least drawbacks among the Proposed Project and other alternative combinations.”²⁰ Alternative Combination #2 consists of the Estrella Substation (*i.e.*, the Proposed Project), Alternative PLR-1A, Alternative BS-2, and Alternative BS-3.²¹ Horizon West agrees with the DEIR’s assessment that the Estrella Substation as proposed by Horizon West is the environmentally superior alternative as compared with the other alternatives for the substation site.

H-21 Although the DEIR correctly selects the Estrella Substation as environmentally superior, the DEIR ignores or understates some of the impacts associated with the alternative substation site labeled as Alternative SS-1 (also referred to as the Bonel Ranch Substation Site). As Horizon West detailed in its comments on the Alternatives Screening Report,²² which is included in the DEIR as Appendix B, the Bonel Ranch Substation Site would result in significant impacts. The DEIR ignores or understates those impacts, as explained below.

H-22 ↓ First, the DEIR fails to recognize the significant visual effects of locating the substation at the Bonel Ranch Substation Site. As discussed in the DEIR on page 4.1-45, the Bonel Ranch Substation Site would be located adjacent to the Estrella River in an agricultural area, with the closest residence located approximately 0.5 mile west on Estrella Road. While the DEIR states that “[d]evelopment of the substation at the Bonel Ranch site would substantially alter the visual character of this immediate area and its agricultural setting,” the DEIR concludes incorrectly that the alternative would have a “less severe effect on the area’s visual character and visual quality”

¹⁹ DEIR at 4.13-18.

²⁰ DEIR at 5-13.

²¹ DEIR at 5-1.

²² See Comments of Horizon West Transmission, LLC (formerly known as NextEra Energy Transmission West, LLC) (U 222 E) on Draft Alternatives Screening Report for the Estrella Substation and Paso Robles Area Reinforcement Project (A.17-01-023), dated May 10, 2019.

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cont. ↑ compared to the Proposed Project due to lower “viewer concern” and “exposure.”²³ The DEIR reaches this conclusion by asserting that the Estrella Substation Site would be visible from numerous wineries and from motorists along Union Road, whereas the Bonel Ranch Substation Site would reduce aesthetic impacts because it would not be visible from any vineyards or wineries and would affect a fewer number of motorists because the average daily traffic along Estrella Road is substantially less than along Union Road. This analysis fails, however, to consider potential changes to the visual character and quality of the Bonel Ranch Substation Site that would result if the substation were located there, including potential visual incompatibility with the surrounding landscape as seen from Estrella Road. In fact, comparison of the visual simulations in the DEIR for key observation points (“KOPs”) 1 and 2 (near the proposed Estrella Substation Site) compared to those for KOPS 11, 12 and 13 (near the Bonel Ranch Substation Site) contradict the DEIR’s conclusion.²⁴ As can be seen in the visual simulations for KOPS 1 and 2 (near the proposed Estrella Substation Site), the existing transmission line structures already present a degraded visual landscape in KOPS 1 and 2. In contrast, KOPS 11, 12 and 13 (near the Bonel Ranch Substation Site) all have agrarian landscapes untarnished by industrial structures. Additionally, construction of the Alternative PLR-1C route (or minor route variation) could result in additional visual impacts to these KOPS, but the DEIR does not discuss these potentially significant impacts. The DEIR thus lacks substantial evidence supporting the conclusion that visual impacts from Alternative SS-1 would be less significant than those for the Estrella Substation Site.

H-23 ↓ Second, the DEIR fails to identify potentially significant agricultural impacts from the Bonel Ranch Substation Site due to cancellation of a Williamson Act contract, despite finding a significant impact for the Estrella Substation Site due to such cancellation. As stated above, the DEIR’s finding of a significant impact for the Estrella Substation Site for Williamson Act reasons is contrary to the Government Code. But if the Commission retains that conclusion in the FEIR for the Estrella Substation Site, then the FEIR must reach the same conclusion regarding the Bonel Ranch Substation Site. According to the San Luis Obispo County Land Use View GIS mapper, the Bonel Ranch Substation Site parcel is under an existing Williamson Act contract. The DEIR erroneously reaches the opposite conclusion. This should be corrected in the FEIR, and the FEIR’s findings regarding Williamson Act contract implications should be consistent for the Estrella Substation Site and the Bonel Substation Site. Recognizing impacts accurately and consistently will provide additional support for selection of the Estrella Substation Site as the environmentally superior substation alternative.

H-24 ↓ **E. Alternatives BS-2 and BS-3 are purely speculative, have not been shown to be potentially feasible, and should be eliminated.**

As noted above, the DEIR selects Alternative Combination #2 as the environmentally superior alternative based on the conclusion that it “offers the most advantages and least drawbacks

²³ DEIR at 4.1-46.

²⁴ Cf., DEIR, Figures 4.1-2 through 4.1-3 with Figures 4.1-11 through 4.1-12.

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among the Proposed Project and other alternative combinations.”²⁵ Alternative Combination #2 includes as distribution components Alternative BS-2 and Alternative B-3. Alternative BS-2 would involve installation of front-of-the-meter (“FTM”) battery energy storage systems (“BESS”) connected to the distribution system to defer the need for additional distribution capacity in the Paso Robles Distribution Planning Area (“DPA”).²⁶ The DEIR used “illustrative” and “potentially feasible” sites for Alternative BS-2, and acknowledges that: “Because site-specific analyses are speculative at this time, this DEIR uses the illustrative sites to demonstrate the feasibility of this alternative, and the relatively small footprint these facilities would occupy throughout the project area.”²⁷ Alternative BS-3 would involve behind-the-meter (“BTM”) solar and battery storage to reduce loading on circuits within the Paso Robles DBA.²⁸ The DEIR does not identify site locations for Alternative BS-3 based on statements that: “Because it is unknown which specific customers will opt into the BTM resources program and install BTM resources on their property, the specific locations of activities under Alternative BS-3 are unknown;” and “In general, BESS would be anticipated to be installed within existing commercial and industrial buildings, and within existing residential homes or apartment complexes.”²⁹

These statements in the DEIR confirm that Alternative BS-2 and Alternative BS-3 are purely speculative and are not potentially feasible alternatives to the Proposed Project. An EIR is required to describe a range of reasonable alternatives to the project, or to the location of the project, which would feasibly attain most of the basic objectives of the project but would avoid or substantially lessen any of the significant effects of the project, and evaluate the comparative merits of the alternatives.³⁰ An EIR is not required to consider alternatives that are infeasible, and an EIR need examine in detail only those alternatives that “could feasibly attain most of the basic objectives of the project.”³¹

For Alternative BS-2 and Alternative BS-3, there is no evidence in the record demonstrating that the theoretical FTM or BTM BESS systems are potentially feasible.³² The

²⁵ DEIR at 5-13.

²⁶ DEIR at 3-112.

²⁷ DEIR at 3-122.

²⁸ DEIR at 3-132.

²⁹ DEIR at 3-134.

³⁰ CEQA Guidelines, Cal. Code Regs., tit. 14, § 15126.6(a).

³¹ CEQA Guidelines, Cal. Code Regs., tit. 14, § 15126.6(f).

³² CEQA defines “Feasible” as “capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, legal, social, and technological factors.” Pub. Resources Code § 21061.1; CEQA Guidelines, Cal. Code Regs., tit. 14, § 15364. The CEQA Guidelines enumerate which factors should be assessed: “Among the factors that may be taken into account when addressing feasibility of alternatives are site

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Commission should find that Alternative BS-2 and Alternative BS-3 are remote and speculative because they are unlikely as a practical matter to be carried out within the reasonable future, and because they are contingent on the occurrence of uncertain future events such as future procurement activities that may or may not result in a sufficient addition of BESS to meet the distribution objective.³³ The DEIR acknowledges that “[i]t is not possible to identify with certainty FTM BESS sites that could be selected by PG&E in the future” and concedes that “site-specific analyses are speculative at this time.”³⁴ Alternative BS-3 is even more speculative and is based upon the assumption that 17,000 customers could and would implement solar and battery storage, which would result in 88 megawatts (“MW”) of solar and 125 MW/240 MWh of storage.³⁵ But there is no evidence presented in the DEIR that any of these potential customers would adopt these technologies, or where any such future facilities would be located: “Because it is unknown which specific customers will opt into the BTM resources program and install BTM resources on their property, the specific locations of activities under Alternative BS-3 are unknown.”³⁶

As a result, each of Alternative BS-2 and Alternative BS-3 fails the most basic CEQA standards. Both, as expressly admitted in the DEIR, are inherently speculative. There is no evidence the FTM or BTM batteries could or would be deployed, and even if there were, there is nothing more than pure speculation regarding where such batteries and related facilities might be deployed. The DEIR also acknowledges that deployment of the hypothetical is likely to occur over many years, demonstrating substantial delay in completion. A substantial delay could, by itself, render an alternative incapable of being “accomplished in a successful manner within a reasonable period of time,” and hence infeasible.³⁷ As noted above, in the context of alternative locations for a project, the CEQA Guidelines recognize that another factor in the determination of feasibility is whether the proponent can reasonably acquire, control, or otherwise have access to

suitability, economic viability, availability of infrastructure, general plan consistency, other plans or regulatory limitations, jurisdictional boundaries (projects within a regionally significant impact should consider the regional context), and whether the proponent can reasonably acquire, control or otherwise have access to the alternative site (or the site is already owned by the proponent).” CEQA Guidelines, Cal. Code Regs., tit. 14, § 15126.6(f)(1), citing *Citizens of Goleta Valley v. Board of Supervisors* (1990) 52 Cal.3d 553 and *Save Our Residential Environment v. City of West Hollywood* (1992) 9 Cal.App.4th 1745, 1753, fn. 1.

³³ See *Al Larson Boat Shop Inc. v. Board of Harbor Commissioners* (1993) 18 Cal.App.4th 729, 745; *Bowman v. City of Petaluma* (1986) 185 Cal.App.3d 1065, 1084.

³⁴ DEIR at 3-112.

³⁵ DEIR at 3-132.

³⁶ DEIR at 3-134.

³⁷ CEQA Guidelines, Cal. Code Regs., tit. 14, § 15364; *Bowman v. City of Petaluma*, *supra*, 185 Cal.App.3d at 1084 (condition of project approval requiring development of ring road that would result in long delay was infeasible).

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the alternative site.³⁸ The DEIR lacks sufficient information and analysis regarding the potential environment impacts of Alternative BS-2 and Alternative BS-3. Selection of these two BESS alternatives as the environmentally superior distribution alternative therefore is not supported by substantial evidence.

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F. Alternatives BS-2 and BS-3 also should be eliminated because they do not meet the Proposed Project’s objective to ensure transmission and distribution reliability.

The CAISO designated the Proposed Project as a “reliability” project that is needed to mitigate thermal overloads and low voltage conditions in the Los Padres 70 kV system. The Proposed Project was identified in the CAISO’s 2013-2014 Transmission Plan as a project needed to mitigate thermal overloads and voltage concerns in the Los Padres 70 kV system (specifically in the San Miguel, Paso Robles, Templeton, Atascadero, Cayucos, and San Luis Obispo areas). CAISO modeling determined that thermal overloads and very low voltage conditions, including voltage collapse in the area, could occur in this system following either one of two Category B1 contingencies: (1) loss of the Templeton 230 kV/70 kV #1 Transformer Bank; or (2) loss of the Paso Robles-Templeton 70 kV Transmission Line. If either the #1 Transformer Bank at the Templeton Substation or the 70 kV transmission line connecting the Paso Robles and Templeton Substations were to fail for any reason, that failure would result in dangerous overloading and low voltage conditions in the regional system.

This occurs due to both high load (*i.e.*, electrical service demand) in the Paso Robles area relative to substation capacity, and a lack of transmission redundancy in the system. Currently, the only sources of power to the Paso Robles Substation are the San Miguel-Paso Robles 70 kV Transmission Line from the north and the Paso Robles-Templeton 70 kV Transmission Line from the south, with the latter providing the bulk of the power and the nearest connection to a 230 kV power source. The San Miguel-Paso Robles 70 kV Transmission Line does not have the capacity to accommodate the load served through the Paso Robles Substation should the power source from Templeton Substation fail; therefore, thermal overloads, low voltages, and/or voltage collapse in the area could occur during one of the Category B contingencies identified by the CAISO. Because PG&E has an interim operational plan (an under-voltage load shedding scheme) that serves to protect the transmission system infrastructure in the event of such overload scenarios, load would be systematically dropped to bring voltages to acceptable levels. This operational plan could result in 60 to 70 MW of load in Paso Robles being dropped during one of the Category B contingencies described above.

The Proposed Project is designed to meet this CAISO-identified reliability need. The CAISO specified that: “As described in the ISO Functional Specification for the Estrella Substation project, the substation will address reliability issues in the Paso Robles area by providing Paso Robles Substation with more reinforced 70 kV sources from Templeton and

³⁸ CEQA Guidelines, Cal. Code Regs., tit. 14, § 15126.6(f)(1).

H-25
cont.

Estrella Substations.”³⁹ The CAISO’s functional specifications explain that the Proposed Project would meet the reliability need as follows:

The project will mitigate the thermal overloads and voltage concerns identified in the Los Padres 70 kV system, specifically in the San Miguel, Paso Robles, Templeton, Atascadero, Cayucos and San Luis Obispo areas following a Category B contingency due to loss of either the Templeton 230/70 kV #1 Bank or the Paso Robles-Templeton 70 kV Line. These two Category B contingencies put approximately 60-70 MW of load at Paso Robles at risk by activating the existing Paso Robles UVLS during summer peak conditions to alleviate the thermal and low voltage concerns. Also, a Category C3 contingency condition involving loss of Morro Bay-Templeton and Templeton-Gates 230 kV lines results in thermal overloads and low voltages in the underlying 70 kV system. With the additional source from the Gates 230 kV system, the Estrella Substation Project will provide robust system reinforcement to the Paso Robles and Templeton 70 kV system operations.⁴⁰

Consistent with this fundamental reliability purpose, the Joint Application and PEA specified the following project objectives:

- (1) **Reinforce Electrical Reliability by Implementing the CAISO-Approved Electrical Plan of Service.** Increase reliability and mitigate thermal overloads and voltage concerns in the area by having an additional 230 kV source of power that will increase service reliability in San Luis Obispo County, and maintain compliance with North American Electric Reliability Corporation reliability standards, as described in the *Estrella Substation Project Functional Specifications* issued by the CAISO in June 2014. The Proposed Project also is intended to allow Horizon West and PG&E to meet their obligation to add the CAISO-approved project to the CAISO-controlled grid, as defined in the *Functional Specifications* and the Approved Project Sponsor Agreement.⁴¹
- (2) **Meet Expected Future Electric Distribution Demand.** Provide a location for future 21 kV distribution facilities with a 230/70 kV source near the anticipated

³⁹ Joint Application, Exhibit H—CAISO Estrella Substation Project—Project Sponsor Selection Report at 2.

⁴⁰ Joint Application, Exhibit K—CAISO Estrella Substation Project Description and Functional Specifications for Competitive Solicitation at 2-3.

⁴¹ Joint Application at 7-8; PEA at 2-1; DEIR at 2-14.

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cont.



growth areas in northern Paso Robles to efficiently add distribution capacity and improve service reliability when required in the Paso Robles DPA.⁴²

- (3) **Balance Safety, Cost, and Environmental Impacts.** Locate, design, and build the project in a safe, cost-effective manner that will also minimize environmental impacts.⁴³

The CAISO’s updated studies confirm that the Proposed Project is still needed as soon as possible for reliability at the transmission and distribution level. The CAISO performed revised transmission planning studies for the 2017-2018 transmission planning process. The CAISO restudied the need for the Proposed Project in the near-term planning horizon using the 2019 and 2022 summer peak base cases used in the 2017-2018 transmission planning process with the Proposed Project removed from the model. The CAISO explained that the results “would be very similar in 2027” and explained:

For the P1 (N-1) contingency, the reliability constraint is overloading of the Coalinga-San Miguel 60 kV and San Miguel Paso-Robles 60 kV lines as well as voltage collapse in the area.

The reliability studies are consistent with the current loading and reliability constraints in the area. . . . an outage of the Templeton-Paso Robles 60 kV will result in an overloading of the San Miguel-Paso Robles 60 kV lines in addition to voltage stability in the area. The loading on the Coalinga-San Miguel 60 kV line is the same as the San Miguel-Paso Robles 60 kV line and would also be overloaded. The interim operational action plan to address the reliability constraints in the area, until the Estrella Substation project is in-service, is to rely on an under voltage load shedding (UVLS) scheme that will trip load in the area that addresses the overload and voltage stability conditions under the P1 contingency condition.

The Estrella Substation project was originally approved in the 2012-2013 transmission planning process to address the transmission reliability constraints identified above in addition to the need PG&E has identified for a new load interconnection point for the distribution system in the area. The ISO has reviewed an alternative that would add an additional 230/70 kV transformer at the Templeton substation, reconstruction of the Templeton substation by PG&E, upgrades to the Paso Robles substation, and a new Templeton-Paso Robles 70 kV line. The alternative would

⁴² PEA at 2-2; DEIR at 2-14.

⁴³ Joint Application at 7-8; PEA at 2-2; DEIR at 2-14.

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cont.

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address the transmission reliability constraints but at a higher estimated cost than the Estrella Substation Project and does not address the need identified by PG&E for a new load interconnection point for the distribution system in the area.⁴⁴

In the DEIR, Commission staff developed its own project objectives and used those objectives “to inform the CEQA process/evaluation, including the development and screening of project alternatives.”⁴⁵ The DEIR articulates those objectives as consisting of the following separate “Transmission Objective” and “Distribution Objective”:

- **Transmission Objective:** Mitigate thermal overload and low voltage concerns in the Los Padres 70 kV system during Category B contingency scenarios, as identified by the CAISO in its 2013-2014 Transmission Plan.
- **Distribution Objective:** Accommodate expected future increased electric distribution demand in the Paso Robles DPA, particularly in the anticipated growth areas in northeast Paso Robles.⁴⁶

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↓

In its Transmission Objective, the DEIR partly recognizes the reliability need, but fails to fully capture the nature of the reliability need, the objective for avoiding loss of load, and the fundamental dual transmission/distribution reliability objective served by adding a 230/70 kV substation to support the 70 kV system while also adding a new load interconnection point for the distribution system in the area. The DEIR also fails to recognize the need to increase service reliability at the distribution level as part of the “Distribution” objective. To the contrary, the DEIR specifies that: “The issue of long feeders and poor service reliability was not identified as a fundamental project objective by the CPUC; however, it is considered a beneficial effect of the Proposed Project.”⁴⁷

Omission of this reliability objective resulted in the DEIR’s incorrect selection of two BESS alternatives—Alternative BS-2 and Alternative BS-3—as the distribution component of the environmentally superior alternative. A BESS alternative would not meet the reliability objective of the Proposed Project to “improve service reliability when required in the Paso Robles DPA.”⁴⁸ The addition of BESS in lieu of upgrading the distribution system could, if they materialize, help address load growth. But BESS alone would not increase reliability of the distribution system.

⁴⁴ CAISO Letter from J.E. (Jeff) Billinton, Manager, Regional Transmission—North to Mr. Rob Peterson, Energy Division, Infrastructure Permitting and CEQA, California Public Utilities Commission (February 23, 2018) at 4-5.

⁴⁵ DEIR at 2-14.

⁴⁶ DEIR at 2-14 through 2-15.

⁴⁷ DEIR at 2-15.

⁴⁸ PEA at 2-2; DEIR at 2-14.

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cont. ↑ The BESSs cannot solve the issue of long feeders and poor service reliability that are one of the Proposed Project’s objectives. A BESS alternative therefore would not meet the reliability objective of the Proposed Project to “improve service reliability when required in the Paso Robles DPA.”⁴⁹ PG&E’s comments on the DEIR provide a more detailed explanation of the problems associated with the BESS alternatives. In sum, Alternative BS-2 and Alternative BS-3 do not meet the key project objective of increasing reliability at the distribution level and should be eliminated in the FEIR.

III. CONCLUSION

H-27 ↑ Horizon West appreciates the opportunity to submit these comments and requests that the modifications described above and in **Attachment 1**, **Attachment 2**, and **Attachment 3** hereto be incorporated into the FEIR.

Very truly yours,

/s/ Lisa Cottle

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Enclosed: Additional Documents Provided With This Letter:

Attachment 1	Memorandum Regarding Minor Project Refinement
Attachment 2	Updated Project Description
Attachment 3	Detailed Comment Table

⁴⁹ *Id.*

Attachment 1

Memorandum Regarding Minor Project Refinement



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February 22, 2022

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Re: Minor Project Refinement for the Estrella Substation and Paso Robles Area Reinforcement Project (Project)

INTRODUCTION

H-28 | Horizon West Transmission, LLC (Horizon West) provides this memorandum for the California Public Utilities Commission (Commission) in order to document a minor project refinement (MPR) to support its analysis of the Project under the California Environmental Quality Act (CEQA). The MPR includes a design change to the proposed Estrella Substation and the acquisition of an additional five acres of land immediately adjacent to the originally proposed 15-acre parcel. As depicted in Figure 1, the additional five acres of land is located in the northeast portion of the 20-acre parcel. A design change to the Estrella Substation was necessitated after it was determined that the substation, as originally proposed, would preclude access to the additional five acres of land.

The MPR would slightly reorient the 230 kilovolt (kV) and 70 kV yards and associated equipment closer to Union Road to allow access to the additional five acres of land in the northeast portion of the parcel. At its closest point, the fence line for the 230 kV and 70 kV yards would be located approximately 64 feet northwest of Union Road. The configuration of the electrical equipment for the 230 kV and 70 kV substations is provided in Figure 2. The slight reorientation of the substation facilities would require approximately 68,000 cubic yards of cut and fill, which would be balanced on site to the extent feasible. The MPR would extend construction activities at the substation site by one week. The MPR would only result in a sight reconfiguration of the yard equipment and would not affect the type of electrical equipment to be housed within the substation fence line, as originally proposed.

SUMMARY OF IMPACTS

H-29 | The minor substation design changes were evaluated to verify that construction and operation activities would not result in a new, significant impact or a substantial increase in the severity of a previously identified significant impact based on the criteria used in the Draft Environmental Impact Report (DEIR) for the Project. The following table provides a brief summary of the potential impacts for each resource area analyzed in the DEIR.

Minor Project Refinement for the Estrella Substation and Paso Robles Area Reinforcement Project

Table 1. Summary of Potential Impacts by Resource Section

H-30	Resource Section	Summary of Potential Impacts
	Aesthetics	<i>No Change.</i> The MPR would slightly reorient Estrella Substation closer to Union Road. The slight reorientation of the MPR closer to Union Road would render the facility slightly more pronounced to viewers along Union Road. However, this change in visual prominence would be minor, particularly when considered in the context of the significant and unavoidable impact to visual resources already identified in the DEIR. As such, the MPR would not result in a new impact or constitute a substantial change in the severity of the previously identified significant and unavoidable impact to visual resources.
H-31	Agriculture and Forest Resources	<i>No Change.</i> The MPR would involve the acquisition of an additional five acres of land to the originally proposed 15-acre site within the existing, approximately 98-acre parcel. The 20-acre substation parcel associated with the MPR would not disqualify the remaining Williamson Act contracted area from an agricultural preserve under the County of San Luis Obispo's Rules of Procedure to Implement the California Land Conservation Act of 1965. Further, the additional five acres is classified as Unique Farmland and is currently used for viticulture. The acquisition of this additional agricultural land for industrial activities would be considered a permanent impact to Unique Farmland. However, when considered in the context of the significant and unavoidable impact to Important Farmland already identified in the DEIR, the MPR would not result in a new impact or constitute a substantial change in the severity of the previously identified significant and unavoidable impact to agriculture and forest resources.
H-32	Air Quality	<i>Decrease.</i> The MPR would contain a similar sized footprint (15 acres) to that analyzed in the DEIR. However, earthwork activities are anticipated to result in approximately 68,000 cubic yards of cut and fill, which would be balanced on site to the extent feasible. Given the increase in grading volume and additional week of construction activities, construction emissions associated with construction of the substation would slightly increase. Air quality emissions were remodeled to account for the additional week of construction activities at the substation site and to reflect the 21-month Project construction schedule. ¹ As provided in Attachment A, cumulative Project emissions would not exceed the daily and quarterly maximum daily emission limits for any criteria pollutants. ² Therefore, the MPR, when considered in the context of the Project, would reduce the severity of previously identified significant impacts resulting from daily emission exceedances of ROG + NOx and quarterly exceedances of ROG + NOx and fugitive dust to less than significant levels.
H-33	Biological Resources	<i>No Change.</i> The originally proposed 15-acre parcel and the additional five acres to be acquired as part of the MPR are under viticulture production. The additional five acres was surveyed in the field as part of the Proponent's Environmental Assessment (PEA) and was determined to have similar habitat characteristics and species issues as the originally proposed 15-acre parcel. Therefore, the MPR would not result in a new, significant impact or constitute a substantial increase in the severity of a previously identified impact to biological resources, which was determined to be less than significant with mitigation in the DEIR.
H-34	Cultural Resources	<i>No Change.</i> The originally proposed 15-acre parcel and the additional five acres to be acquired as part of the MPR are currently under viticulture production and have the same low potential for cultural resources. The additional five acres was surveyed in the field as part of the PEA, and no archeological resources were identified onsite. Therefore, the MPR would not result in a new, significant impact or constitute a substantial increase in the severity of a previously identified impact to cultural resources, which was determined to be less than significant with mitigation in the DEIR.
H-35	Energy	<i>No Change.</i> The MPR would increase construction activities by one week, which would result in a corresponding increase in the total usage hours of construction equipment and number of off-road truck trips. However, the number of weekly truck trips and equipment usage hours would not change. The MPR would slightly increase the projected fuel consumption or energy use. However, this increase would not be considered substantial. Therefore, the MPR would not result in a new, significant impact or constitute a substantial increase in the severity of a previously identified impact to energy, which was determined to be less than significant in the DEIR.

¹ The California Emission Estimator Model (CalEEMod) conducted for the Project and described in the Proponent's Environmental Assessment (PEA) and DEIR assumed a seven-month construction schedule, not the 21-month Project construction schedule that would apply to the Project. As a result, air quality emissions were remodeled assuming the 21-month Project construction schedule and additional week of construction activity at the substation site.

² Construction activities were redistributed over the 21-month construction schedule and, therefore, result in fewer instances of overlapping activity compared to the CalEEMod assumptions described in the Draft EIR and PEA. As a result, daily emissions of ROG + NO_x and quarterly construction emissions of ROG + NO_x and fugitive dust decreased below their respective maximum daily limits.

Minor Project Refinement for the Estrella Substation and Paso Robles Area Reinforcement Project

	Resource Section	Summary of Potential Impacts
H-36	Geology and Soils	<i>No Change.</i> The originally proposed 15-acre parcel and the additional five acres to be acquired as part of the MPR are underlain by geologic formations of the same paleontological sensitivity. The additional five acres was surveyed in the field as part of the PEA and no paleontological resources or any paleontologically sensitive geologic formations on the ground surface were discovered. The additional five acres contain similar soils characteristics and seismic risks as the 15-acre parcel already assessed in the DEIR. Earthwork activities are anticipated to result in approximately 68,000 cubic yards of cut and fill, which would be balanced on site to the extent feasible. Earthwork activities would occur within the same parcel already assessed in the DEIR and, therefore, would not change the susceptibility of the soils underlying the MPR to soil erosion. Therefore, the MPR would not result in a new, significant impact or constitute a substantial increase in the severity of a previously identified impact to geology, soils, and paleontological resources, which were determined to be less than significant with mitigation in the DEIR.
H-37	Greenhouse Gas Emissions	<i>No Change.</i> The Greenhouse Gas Emissions section of the DEIR calculates the maximum annual construction- and operation-related greenhouse gas (GHG) emissions to be approximately 187 metric tons of carbon dioxide equivalent (MTCO ₂ E) per year, which is well under the San Luis Obispo County Air Pollution Control District threshold of 10,000 MTCO ₂ E per year. As provided in Attachment A, while construction activities would increase by one week at the substation site, the MPR, when considered together with the power line components of the Project, would also result in approximately 187 MTCO ₂ E per year. Therefore, GHG emissions would not increase beyond what was analyzed in the DEIR and the MPR would not trigger an exceedance of this threshold. The MPR would not result in a new, significant impact or constitute a substantial increase in the severity of a previously identified impact, which was determined to be less than significant in the DEIR.
H-38	Hazards and Hazardous Materials	<i>No Change.</i> The MPR would not alter the construction materials, construction methods, or operational aspects of the originally proposed substation design, as described in the DEIR. No known hazardous materials sites are located within the additional five acres. Therefore, the MPR would not result in a new, significant impact or constitute a substantial increase in the severity of a previously identified impact to hazards and hazardous materials, which was determined to be less than significant with mitigation with mitigation in the DEIR.
H-39	Hydrology and Water Quality	<i>No Change.</i> The MPR would not result in a greater disturbance footprint than the originally proposed substation design. Earthwork activities are anticipated to result in approximately 68,000 cubic yards of cut and fill, which would be balanced on site to the extent feasible. However, this increase in earthwork activity would not substantially increase erosion and sedimentation impacts, degrade water quality, or require additional water use compared to the proposed substation design with implementation of identified APMs. Additionally, the MPR would not impact any jurisdictional water features. Therefore, the MPR would not result in a new, significant impact or constitute a substantial increase in the severity of a previously identified impact to water resources, which was determined to be less than significant in the DEIR.
H-40	Land Use and Planning	<i>No Change.</i> As discussed in the DEIR, land use impacts would be significant under the CEQA if the Project results in a conflict with an applicable land use plan, policy, or regulations and/or results in a division of an established community or disrupts a recently approved land use. As part of the MPR, Horizon West would acquire 20 acres within an existing 98-acre parcel designated as agriculture and currently used for viticulture. The MPR would be consistent with the analysis in the DEIR because its use would not conflict with any land use plans, policies, or regulations. The MPR would be reoriented within the same 15-acre area already assessed in the DEIR. As a result, the MPR would not result in a new, significant impact or constitute a substantial increase in the severity of a previously identified impact to land use, which was determined to be less than significant in the DEIR.
H-41	Mineral Resources	<i>No Change.</i> The additional five acres to be acquired as part of the MPR is located entirely within an area classified as MRZ-1, or an area with little likelihood for the presence of significant mineral resources. No known mineral resources or extraction activities are associated with the additional five acres. Thus, the MPR would not result in a new, significant impact or constitute a substantial increase in the severity of a previously identified impact to mineral resources, which was determined to be no impact for the Estrella Substation site in the DEIR.
H-42	Noise	<i>No Change.</i> The MPR would slightly reorient the substation closer to Union Road. However, the distance of the substation to the nearest residence would not materially change. Therefore, the MPR would not result in a new, significant impact or constitute a substantial increase in the severity of a previously identified impact to noise, which was determined to be less than significant with mitigation for Estrella Substation in the DEIR.

Minor Project Refinement for the Estrella Substation and Paso Robles Area Reinforcement Project

	Resource Section	Summary of Potential Impacts
H-43	Population and Housing	<i>No Change.</i> The MPR would slightly reorient the substation closer to Union Road, but would have no effect on the quantity of personnel required during the construction or operation phases. The project would remain consistent with the intent of the City of Paso Robles General Plan Housing Element. Therefore, the MPR would not result in a new, significant impact or constitute a substantial increase in the severity of a previously identified impact to population and housing, which was determined to be less than significant in the DEIR.
H-44	Public Services	<i>No Change.</i> Overall impacts of the MPR on public services would not change following implementation of the MPR. The MPR would not increase safety concerns or otherwise result in the increased demand on public services. Therefore, the MPR would not result in a new, significant impact or constitute a substantial increase in the severity of a previously identified impact to public services, which was determined to be less than significant with mitigation in the DEIR.
H-45	Recreation	<i>No Change.</i> The additional acreage that would be acquired as part of the MPR is not located near any recreational facilities and would have no effect on the quantity of personnel required during construction or operation phases. Therefore, the MPR would not result in a new, significant impact or constitute a substantial increase in the severity of a previously identified impact to recreational resources, which was determined to be less than significant in the DEIR.
H-46	Transportation	<i>No Change.</i> The MPR would increase construction activities by one week, which would result in a corresponding increase in the total number of construction vehicles and delivery trucks. However, the number of weekly truck trips would not change. While the total number of truck trips would slightly increase, this increase would not be considered substantial. Therefore, the MPR would not result in a new, significant impact or constitute a substantial increase in the severity of a previously identified impact to transportation, which was determined to be less than significant with mitigation in the DEIR.
H-47	Tribal Cultural Resources	<i>No Change.</i> The originally proposed 15-acre parcel and the additional five acres to be acquired as part of the MPR is entirely within an agricultural area under viticulture production. The MPR would not increase the amount of permanent or temporary disturbance area, involve a change in the amount of ground-disturbing activity, or disturb an area of known tribal cultural sensitivity. Additionally, a search of the Sacred Lands Files from the Native American Heritage Commission was conducted of the additional 5 acres as part of the PEA. The results of the Sacred Lands Files search indicate that no Native American cultural resources are known in the immediate vicinity. Therefore, the MPR would not result in a new, significant impact or constitute a substantial increase in the severity of a previously identified impact to cultural resources, which was determined to be less than significant with mitigation in the DEIR.
H-48	Utilities and Service Systems	<i>No Change.</i> Overall impacts of the MPR on utilities and service systems would not change as a result in the MPR. Earthwork activities are anticipated to result in approximately 68,000 cubic yards of cut and fill, which would be balanced on site to the extent feasible. As a result of the additional soil movement, an incremental increase in water use would be necessary to support construction activities, but would not exceed the estimates described in the DEIR. The MPR would not change the volume of wastewater or solid waste analyzed in the EIR generated by the project. Therefore, the MPR would not result in a new, significant impact or constitute a substantial increase in the severity of a previously identified impact to utilities, which was determined to be less than significant in the DEIR.
H-49	Wildfire	<i>No Change.</i> The MPR would slightly reorient the substation closer to Union Road within the same 15-acre parcel already assessed in the DEIR. The originally proposed 15-acre parcel and the additional five acres to be acquired as part of the MPR are under viticulture production. The additional five acres contains similar topography and the same fire hazard classification as the originally proposed 15-acre parcel. Therefore, the MPR would not result in a new, significant impact or constitute a substantial increase in the severity of a previously identified impact to wildfire risks, which was determined to be less than significant with mitigation in the DEIR.

FIGURES

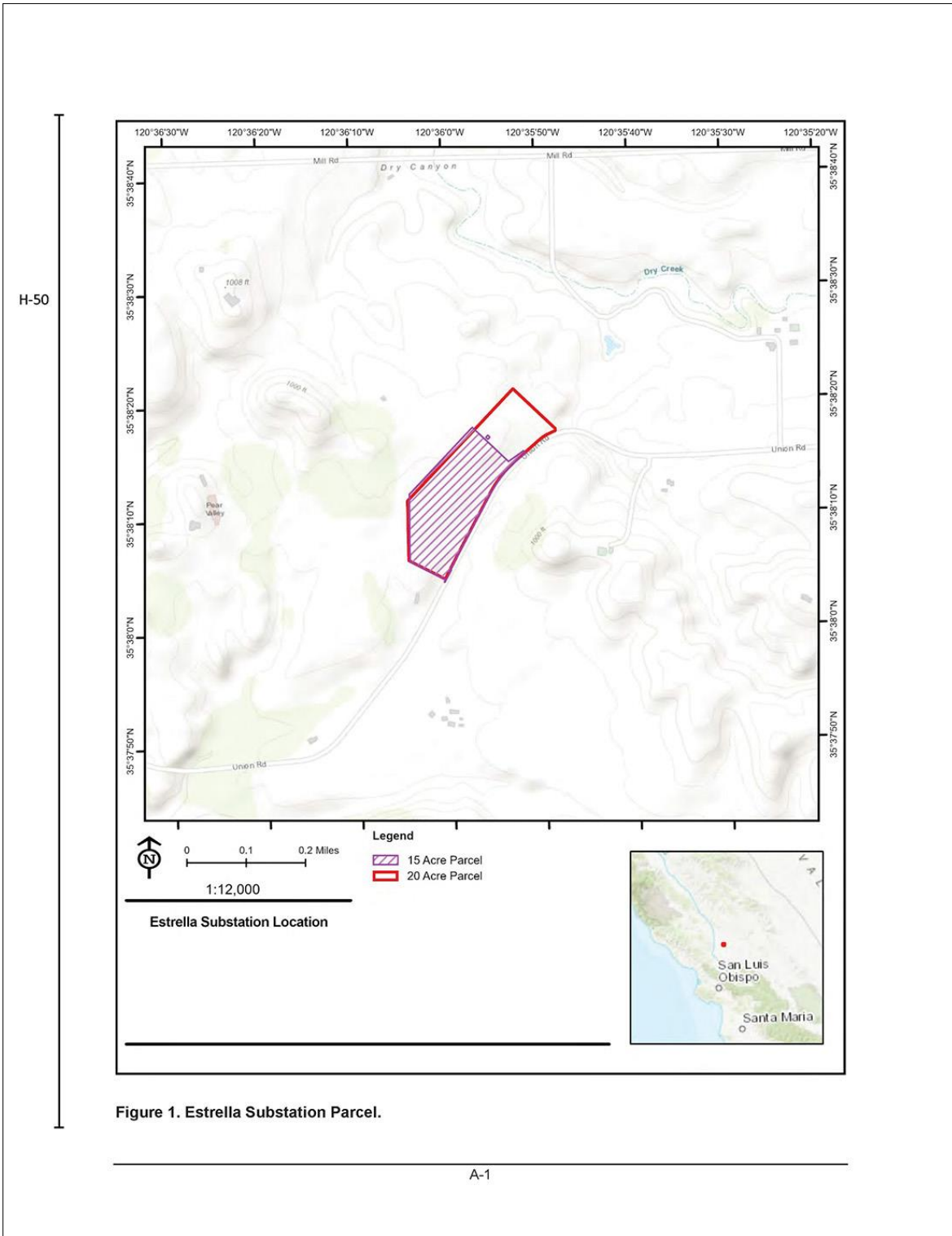
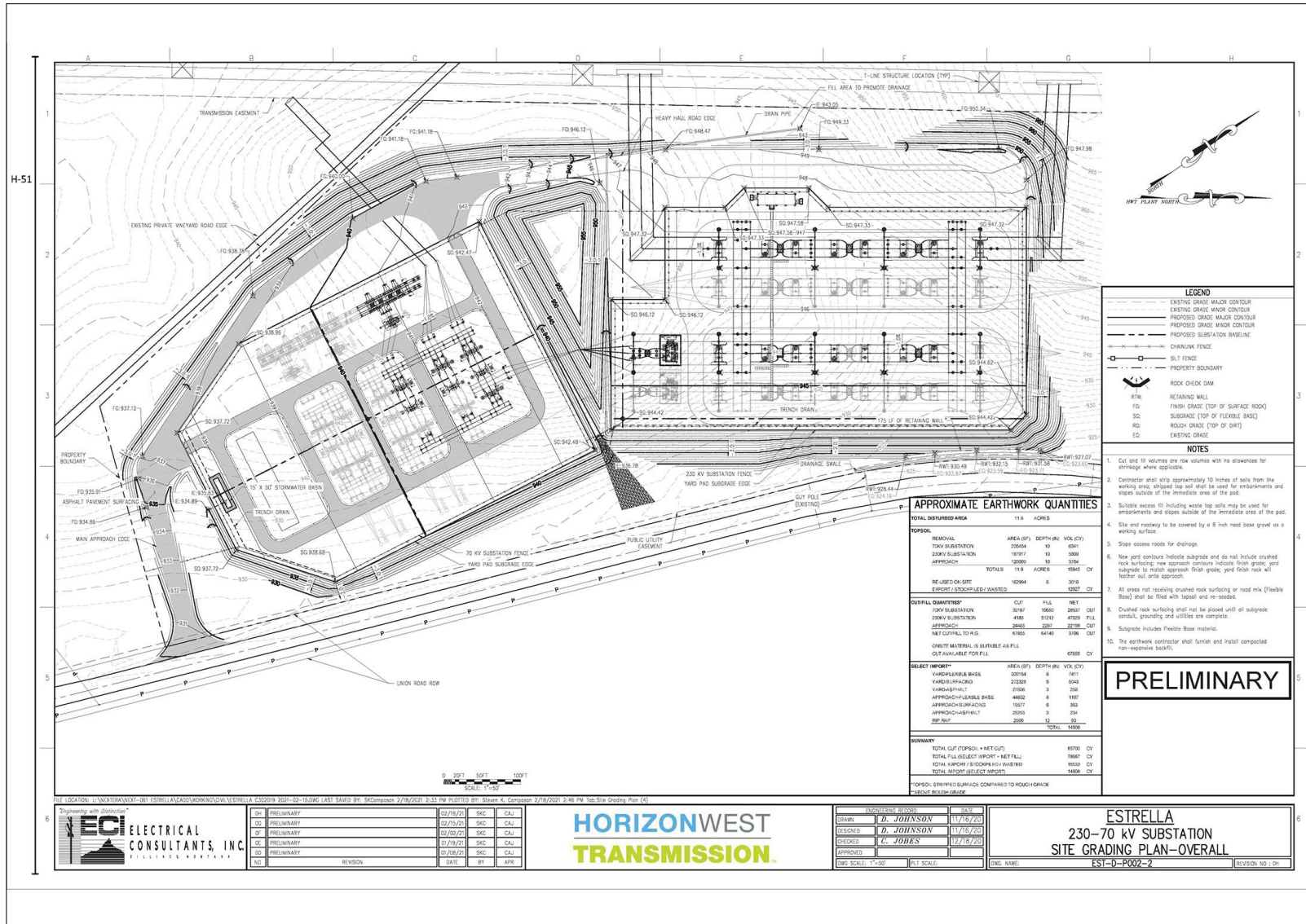


Figure 2. Preliminary Plan

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ATTACHMENT A

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Table 4.3-5 Proposed Project Construction Emissions (to replace corresponding table in DEIR)

	CO	ROG	NO _x	ROG + NO _x	SO _x	Fugitive Dust PM ₁₀	PM ₁₀	PM _{2.5}	DPM
Maximum Daily Emissions (lbs/day)									
CalEEMod Sources (unmitigated)	77.59	11.89	110.48	122.37	0.28	8.47	12.38	7.38	3.91
Helicopter (unmitigated)	11.86	1.60	30.17	30.56	3.58	46.30	48.36	48.36	0.00
Total Maximum Daily (unmitigated)	79.88	11.89	110.48	122.37	3.83	47.78	52.66	51.37	3.91
CalEEMod Sources (mitigated)	77.59	11.89	110.48	122.37	0.28	4.05	7.96	5.28	3.91
Helicopter (mitigated)	11.86	1.60	30.17	30.56	3.58	46.30	48.36	48.36	0.00
Total Maximum Daily (mitigated)	79.88	11.89	110.48	122.37	3.83	47.78	52.66	51.37	3.91
Significance Thresholds	-	-	-	137	-	-	-	-	7
Significant?	-	-	-	No	-	-	-	-	No
Maximum Quarterly Emissions (tons/quarter)									
CalEEMod Sources (unmitigated)	-	-	-	1.18	-	0.04	-	-	0.04
Helicopter (unmitigated)	-	-	-	0.09	-	0.12	-	-	-
Total Maximum Quarterly (unmitigated)	-	-	-	1.28	-	0.16	-	-	0.04
CalEEMod Sources (mitigated)	-	-	-	1.18	-	0.03	-	-	0.04
Helicopter (mitigated)	-	-	-	0.09	-	0.12	-	-	-
Total Maximum Quarterly (mitigated)	-	-	-	1.28	-	0.14	-	-	0.04
Significance Thresholds	-	-	-	Tier 1 2.5 Tier 2 26.3	-	2.5	-	-	0.13
Significant?	-	-	-	No	-	No	-	-	No

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cont.

	CO	ROG	NO _x	ROG + NO _x	SO _x	Fugitive Dust PM ₁₀	PM ₁₀	PM _{2.5}	DPM
Total Project Emissions (tons)									
CalEEMod Sources (unmitigated)	6.82	0.97	8.63	9.60	0.02	0.29	0.60	0.38	0.31
Helicopter (unmitigated)	0.04	0.01	0.15	0.16	0.02	0.21	0.22	0.22	-
Total Construction Project (unmitigated)	6.86	0.98	8.78	9.76	0.04	0.50	0.82	0.60	0.31
CalEEMod Sources (mitigated)	6.82	0.97	8.63	9.60	0.02	0.22	0.53	0.35	0.31
Helicopter (mitigated)	0.04	0.01	0.15	0.16	0.02	0.21	0.22	0.22	-
Total Construction Project (mitigated)	6.86	0.98	8.78	9.76	0.04	0.43	0.75	0.57	0.31

Note: Some totals may be off due to rounding

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Table 4.8-1 Proposed Project GHG Emissions (to replace corresponding table in DEIR)

Phase	GHG Emissions (Metric Tons CO ₂ e)
Ground-Based Construction Emissions (unmitigated)	2,206
Helicopter Emissions (unmitigated)	43.70
Total Construction Emissions (unmitigated)	2,250
Amortized Construction Emissions (unmitigated)	75.0
Ground-Based Construction Emissions (mitigated)	2,206
Helicopter Emissions (mitigated)	43.70
Total Construction Emissions (mitigated)	2,250
Amortized Construction Emissions (mitigated)	75.0
SF ₆ Gas Insulated Switches and Equipment	96
Total Annualized Emissions	187

Attachment 2
Updated Project Description

This entire Revised Project Description submittal is included as Comment H-54

Chapter 2 Project Description

H-54

The California Public Utilities Commission (CPUC) is responsible for environmental review and permitting of Horizon West Transmission, LLC's (HWT) (formerly NextEra Energy Transmission West, LLC [NEET West]) and Pacific Gas and Electric Company's (PG&E) (collectively referred to as the "Applicants") proposed Estrella Substation and Paso Robles Area Reinforcement Project (Proposed Project). The Proposed Project would involve construction and operation of a new 230 kilovolt (kV)/70 kV substation and a new approximately 7-mile-long 70 kV power line, and replacement/reconductoring of approximately 3 miles of an existing 70 kV power line. The Proposed Project also anticipates providing for the future establishment of three new distribution feeders from the proposed Estrella Substation, including construction of roughly 1.7 miles of new distribution line and additional reconductoring activities. The distribution components are not planned to be constructed presently, but are being evaluated in the EIR because they are reasonably foreseeable (PG&E 2020). These facilities would be located in unincorporated San Luis Obispo County and within the City of Paso Robles. The Proposed Project is intended to address identified deficiencies in the electrical grid system in the Paso Robles area and to accommodate projected new growth.

This chapter describes the Proposed Project's purpose and objectives, location and setting, components, construction actions and methods, operation and maintenance, and anticipated permits and approvals. Information presented in this chapter is based primarily on the Proponent's Environmental Assessment (PEA) prepared by SWCA Environmental Consultants, Inc. for HWT and PG&E (NEET West and PG&E 2017) and follow-up requests by the CPUC for additional information.

2.1 Proposed Project Purpose, Need, and Objectives

2.1.1 Purpose and Need

The Proposed Project is needed to provide transmission system redundancy and power support in the event of outages (i.e., contingencies), as well as increased distribution capacity to accommodate forecasted electrical load growth in the Paso Robles area. The Proposed Project would also improve electrical service reliability by reducing the length of distribution feeders in the area. The following subsections provide further detail regarding the fundamental purpose and need of the Proposed Project.

Transmission System

The Proposed Project was identified in the California Independent System Operator's (CAISO) 2013-2014 Transmission Plan as a project needed to mitigate thermal overloads and voltage concerns in the Los Padres 70 kV system (specifically in the San Miguel, Paso Robles, Templeton, Atascadero, Cayucos, and San Luis Obispo areas) (CAISO 2014). CAISO modeling determined that

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thermal overloads and very low voltage conditions could occur in this system following either one of two Category B (i.e., P1 or N-1)¹ contingencies: loss of the Templeton 230 kV/70 kV #1 Transformer Bank or loss of the Paso Robles-Templeton 70 kV power line.

Essentially, if either the #1 Transformer Bank at the Templeton Substation or the 70 kV power line connecting the Paso Robles and Templeton Substations were to fail for any reason (e.g., vehicular impact to existing infrastructure, vegetation and/or storm damage, wildlife damage to existing electrical connections, and/or mechanical failure), this could result in dangerous overloading and low voltage conditions in the regional system. This is both due to high load (i.e., electrical service demand) in the Paso Robles area relative to substation capacity, as well as lack of redundancy in the system. As shown in Figure 2-1, currently, the only sources of power to the Paso Robles Substation are the San Miguel-Paso Robles 70 kV power line from the north and the Paso Robles-Templeton 70 kV power line from the south, with the latter providing the bulk of the power and the nearest connection to a 230 kV power source. The San Miguel-Paso Robles 70 kV power line does not have the capacity to accommodate the load served through the Paso Robles Substation should the power source from Templeton Substation fail; therefore, thermal overloads and low voltage could occur on this line during one of the Category B/P1 contingencies identified by CAISO (NEET West and PG&E 2017).

Because PG&E has an Under-Voltage Load Shedding (UVLS) scheme that serves to protect the transmission system infrastructure in the event of such overload scenarios, rather than allow the power line to deteriorate or completely fail, load would be systematically shed to bring voltages to acceptable levels. Practically, without the Proposed Project, this could result in 60 to 70 megawatts (MW) of load in the Paso Robles area being dropped during one of the Category B/P1 contingencies described above (CAISO 2014).


¹ The CAISO uses the National Electric Reliability Commission (NERC) reliability standards to analyze the need for transmission system upgrades. The NERC standards provide criteria for system performance requirements that must be met under a varied but specific set of operating conditions, and prior to 2012, included the following categories:

- Category A – System Performance Under Normal Conditions
- Category B – System Performance Following Loss of a Single Bulk Electric System (BES) Element
- Category C – System Performance Following Loss of Two or More BES Elements
- Category D – System Performance Following Extreme BES Events

The latest adopted NERC TPL-001-4 transmission reliability standard applies new terminology; P0 through P7 define different scenarios based on the initial system condition and nature of the event (e.g., loss of generator, transmission circuit, bus section fault, etc.). The Category B contingencies identified for the Proposed Project would equate to a P1 (single contingency), while the Category C3 contingency would equate to a P6 (multiple contingency; two overlapping singles) (NERC No Date). The NERC standards allow for load to be dropped for a P6 contingency, but not for a P1 contingency.

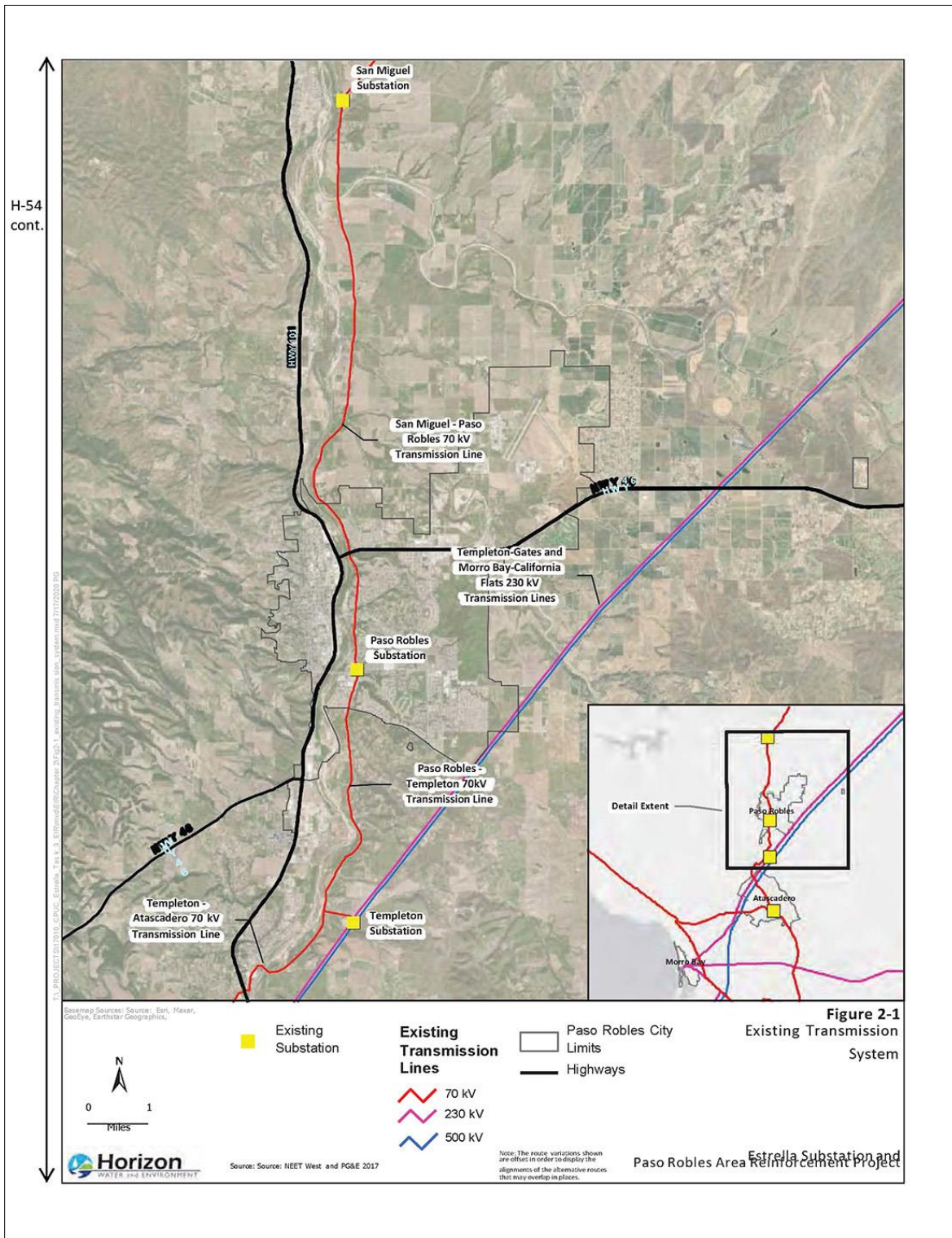
NERC also refers to single contingencies (i.e., loss of a single BES element) as N-1 events. A multiple contingency where both BES elements fail at the same time (e.g., two circuits on the same pole line fail when a pole is hit by a vehicle) is known as a N-2 event. A multiple contingency involving the consecutive loss of two single BES elements that are not physically or electrically connected is known as a N-1-1 event. The Category B/P1 contingencies identified for the Proposed Project would be N-1 events, whereas the Category C3/P6 contingency would be a N-1-1 event.

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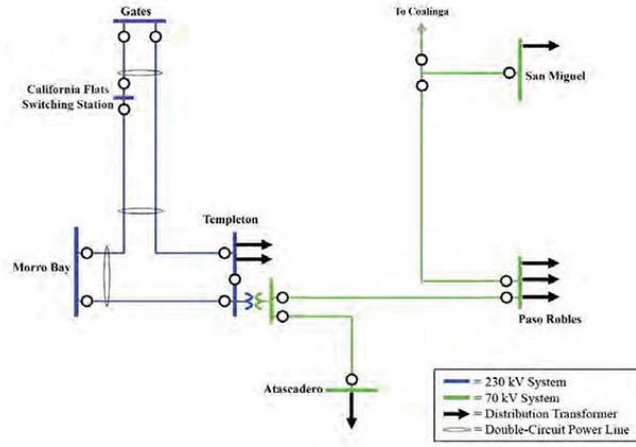
In addition to the above issues, CAISO also identified a Category C3 (i.e., P6 or N-1-1) contingency condition involving loss of the Morro Bay-Templeton and Templeton-Gates 230 kV lines that would result in thermal overloads and low voltages in the underlying 70 kV system. The 2013-2014 Transmission Plan states that with the additional source from the Gates 230 kV system, the Proposed Project would provide robust system reinforcement to the Paso Robles and Templeton 70 kV system operations (CAISO 2014).

Figure 2-1 shows a map depicting the transmission system in the area of Paso Robles. Figure 2-2 and Figure 2-3 show conceptual diagrams of the existing transmission system and the proposed transmission system with the addition of Estrella Substation.



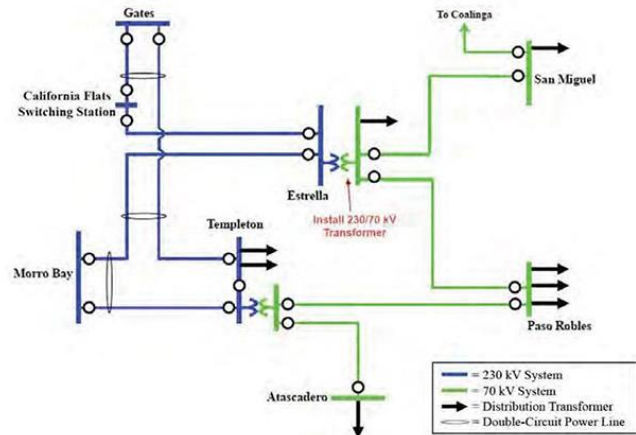
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Figure 2-2. Existing Transmission System – Line Diagram



Note: kV = kilovolt
Source: NEET West and PG&E 2017

Figure 2-3. Proposed Transmission System – Line Diagram



Note: kV = kilovolt
Source: NEET West and PG&E 2017

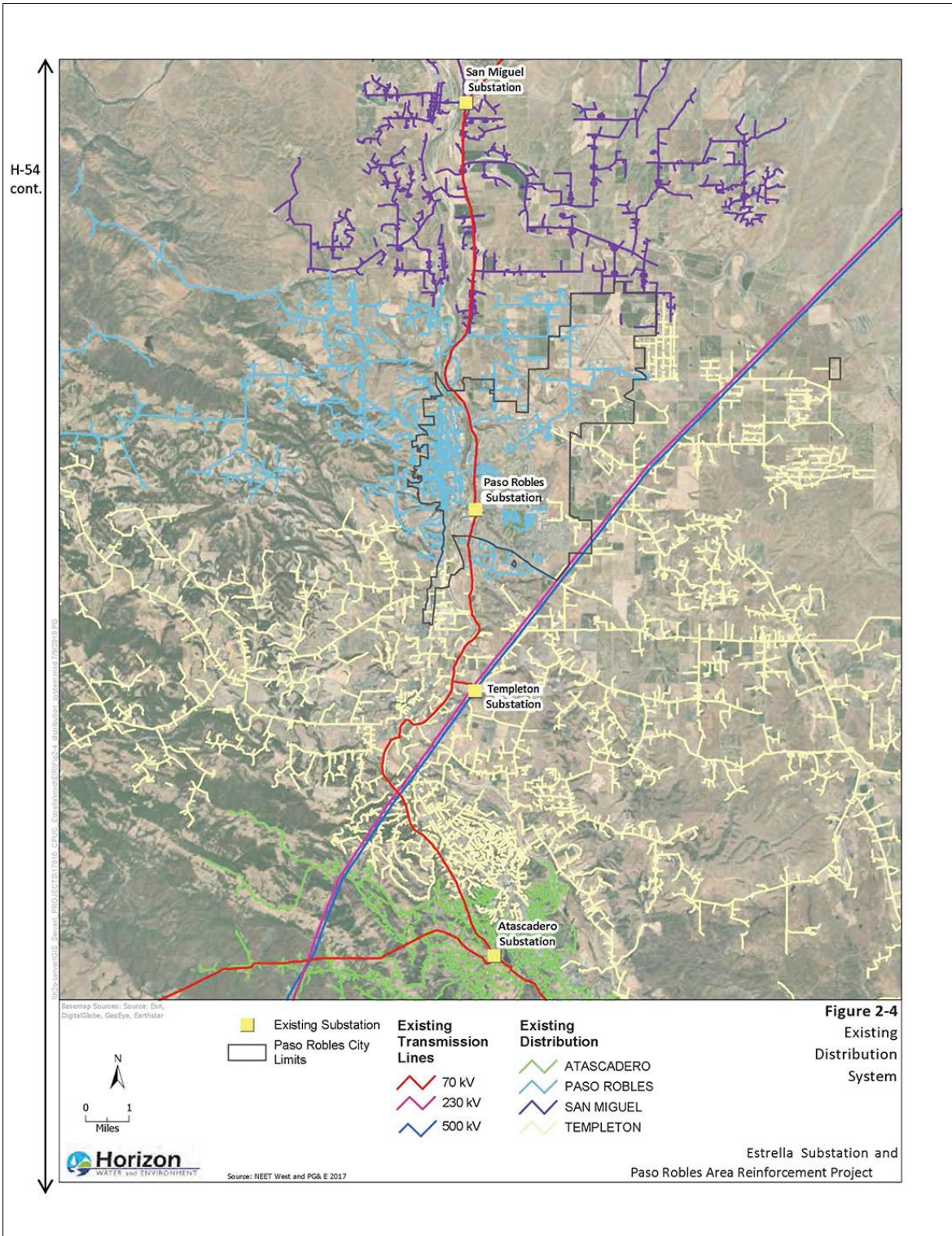
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Distribution System

The Proposed Project also would address existing undesirable conditions and projected load growth in the distribution system in the Paso Robles area. As described in detail in Appendix G of the Applicants’ PEA, the Paso Robles system is characterized by very long distribution feeders², particularly those extending from Templeton Substation (see Figure 2-4). This is undesirable because long feeders are more susceptible to potential outages caused by vehicle pole strikes, downed vegetation from storms, or other incidents (NEET West and PG&E 2020a). Additionally, outages that occur on long feeders may affect larger numbers of people than similar events that occur on feeders of moderate length. In general, PG&E states that “Reliable distribution systems consist of substations located at regular intervals and sized correctly in terms of capacity and number of feeders to cover the area between substations without overextending some substations and underutilizing others. The Paso Robles Distribution Planning Area (DPA) is not currently in line with these system goals” (NEET West and PG&E 2020a).

Locating the new substation at its proposed location would allow for the long feeders to be split in half and for some of the load currently being served by the Templeton Substation to be served by the new Estrella Substation. Reducing the length of these feeders would reduce potential outages for customers in this area and improve the reliability of the distribution system in this area. Table 2-1 shows historical outages on the Templeton feeders, while Table 2-2 provides more detailed information (including root cause) for the sustained outages on the Templeton feeders. Finally, Table 2-3 provides a comparison of indices for reliability for the Templeton feeders, as compared to the Paso Robles DPA as a whole and to PG&E’s entire system. Of note, the information in Table 2-1, Table 2-2, and Table 2-3 shows that (1) numerous sustained and momentary outages have occurred in recent years on the Templeton 21 kV feeders, affecting a substantial number of customers; (2) sustained outages on the Templeton feeders have been caused by a variety of factors and have often lasted quite long (up to 16 hours and 43 minutes); and (3) compared to the Paso Robles DPA and the PG&E system as a whole, the Templeton feeders have a higher average frequency of sustained outages (AIFI) and average frequency of momentary interruptions (MAIFI).

² Distribution *circuits* (i.e., electrical lines or conductors) are commonly referred to as *feeders*. They operate at voltages under 50 kV.



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Table 2-1. Five-Year Outage History of Templeton 21 Kilovolt Feeders (February 2012 to February 2017)

Feeder Name	Area Served Where Outages Occurred	No. of Sustained Outages	No. of Momentary Outages	Average No. of Customer Connections Affected Per Event	Highest No. of Customer Connections Affected by an Event
Templeton 2108	Northern Atascadero	7	10	2,955	3,189
Templeton 2109	Northeast Paso Robles	5	9	2,957	4,325
Templeton 2110	Rural West Paso Robles	4	20	1,802	2,926
Templeton 2111	Western Atascadero	6	10	1,847	2,433
Templeton 2112	Southern Paso Robles	3	10	475	1,068
Templeton 2113	Santa Margarita	7	25	1,911	5,446

Source: NEET West and PG&E 2020a

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Table 2-2. Sustained Outage History of Templeton 21 kV Feeders (February 2012 to February 2017)

Feeder Name	Root Cause Explanation of the Sustained Outage	Duration of Sustained Outage	Start Time for Sustained Outage (date and time)	Number of Customers Affected
Templeton 2108	Unknown Cause, Patrol – Not Conducted	39 Minutes	12/11/2014, 17:28	3,115
	Equipment Failure/Involved, Overhead	16 hours and 43 minutes	5/18/2015, 16:22	3,124
	Company Initiated, Personnel, Company	21 minutes	10/5/2012, 15:57	3,146
	Equipment Failure/Involved, Other	21 minutes	3/14/2014, 11:49	3,041
	Unknown Cause, Patrol – Found Nothing	20 minutes	8/29/2014, 13:21	2,307
	Unknown Cause, Patrol – Found Nothing	15 minutes	10/8/2014, 14:06	2,313
	Equipment Failure/Involved, Other	51 minutes	9/27/2013, 7:23	3,011
Templeton 2109	3 rd Party, Vehicle	2 hours and 3 minutes	5/5/2012, 3:02	4,305
	3 rd Party, Vehicle	20 minutes	3/31/2013, 16:58	2,021
	Company Initiated, Coordination Failure	3 hours and 53 minutes	6/28/2013, 16:14	2,023
	Vegetation, Tree – Fell into Line	3 hours and 25 minutes	2/17/2017, 10:10	332
	Equipment Failure/Involved, Other	56 minutes	7/21/2016, 18:19	2,364
Templeton 2110	Equipment Failure/Involved, Substation	3 hours and 45 minutes	6/21/2016, 16:52	2,924
	Equipment Failure/Involved, Other	24 minutes	6/25/2015, 07:45	1,247
	Vegetation Tree – Branch Fell on Line	7 minutes	6/21/2016, 20:49	491
	Equipment Failure/Involved, Underground	24 minutes	6/1/2016, 23:57	1,247
Templeton 2111	Environmental/External, Lightning	10 hours and 15 minutes	7/19/2015, 2:35	1,406
	Equipment Failure/Involved, Overhead	8 hours and 23 minutes	11/9/2015, 01:37	960
	Vegetation, Tree – Fell into Line	10 hours and 40 minutes	3/5/2016, 23:10	959
	Unknown Cause, Patrol – Found Nothing	1 hour and 15 minutes	4/17/2016, 12:53	960
	3 rd Party	52 minutes	4/14/2016, 11:34	2,376

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cont.

Feeder Name	Root Cause Explanation of the Sustained Outage	Duration of Sustained Outage	Start Time for Sustained Outage (date and time)	Number of Customers Affected
	Vegetation, Tree – Fell into Line	51 minutes	7/10/2012, 13:30	2,376
Templeton 2112	3 rd Party, Vehicle	12 hours and 16 minutes	12/17/2016, 00:40	937
	Vegetation, Tree – Branch Fell on Line	5 hours and 29 minutes	7/14/2012, 18:51	428
	Company Initiated, Failed Equipment	1 hour and 37 minutes	11/5/2012, 10:27	428

Source: NEET West and PG&E 2019

Table 2-3. Templeton 21 Kilovolt Feeder Outage Indices, as Compared to Indices for the Paso Robles DPA and PG&E System-wide

Sample	Year	AIDI	AIFI	MAIFI	CAIDI	SO	MO
Templeton Feeders							
Selected Templeton Feeder Outages	2012	28.8	0.590	1.687	48.8	6	13
	2013	52.5	0.570	0.907	92.1	6	9
	2014	14.8	0.598	1.234	24.7	5	12
	2015	64.0	0.490	2.337	130.8	5	25
	2016	112.2	1.463	2.532	76.7	12	21
	2017	24.5	0.290	1.011	84.5	2	7
Average	49.48	0.67	1.62	76.27	-	-	
Paso Robles DPA Feeders							
Other Feeder Outages in the Paso Robles DPA	2012	34.1	0.329	0.835	103.4	12	33
	2013	49.6	0.504	1.611	98.5	16	40
	2014	110.9	0.659	1.144	168.3	25	23
	2015	136.5	0.617	1.021	221.1	22	61
	2016	38.2	0.454	1.440	84.2	22	47

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		2017	109.0	0.430	1.017	253.7	19	17
		Average	79.70	0.50	1.18	154.87	-	-
	System-wide Feeders							
	System-wide Feeder Outages	2012	70.8	0.609	1.467	116.1	3,191	7,706
		2013	61.3	0.584	1.350	105.0	2,933	7,521
		2014	73.8	0.643	1.265	114.8	3,419	6,870
		2015	59.5	0.546	1.538	108.8	3,281	8,816
		2016	56.2	0.620	1.311	90.5	3,486	8,154
		2017	82.9	0.312	0.667	266.0	1,893	4,247
	Average	67.41	0.55	1.27	133.53	-	-	
<p>Notes: AIDI = average outage duration; AIFI = average frequency of sustained outages; CAIDI = average service restoration times; MAIFI = average frequency of momentary interruptions; MO = momentary outages; SO = sustained outages</p> <p><i>Source: NEET West and PG&E 2019</i></p>								
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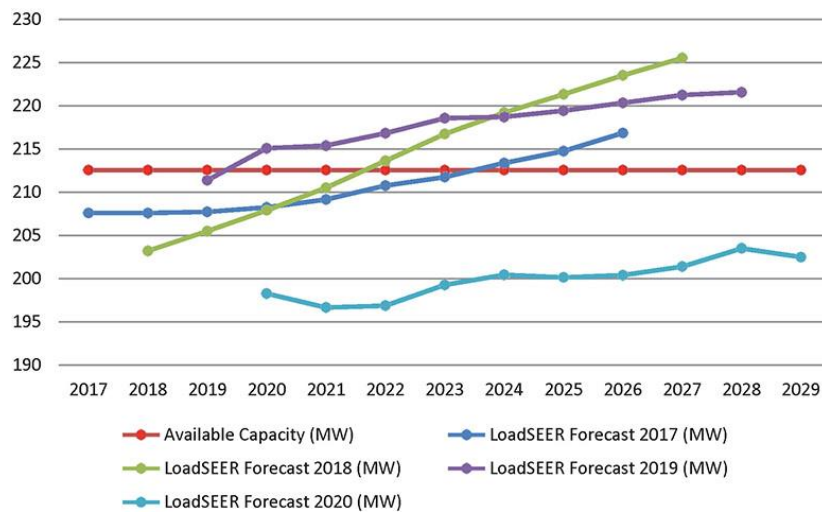
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In addition to the issue of long feeders, the projected growth within the Paso Robles DPA is anticipated to exceed the capacity of the system in the future. The City of Paso Robles (City) expects strong industrial growth to occur north of State Route (SR-) 46 in the Paso Robles city limits (in particular within the Golden Hill Industrial Park and directly south of Paso Robles Airport along Dry Creek Road) within the next 10 years, and a resurgence of residential growth south of SR-46 (NEET West and PG&E 2020a). Overall, City planners are estimating a 50 percent increase in the population of Paso Robles by 2045.

Increases in electrical demand (i.e., load) will place increased demands on the distribution and transmission systems. After using its LoadSEER³ forecasting tool over the last several years, PG&E predicts that anticipated normal growth in the area, coupled with the addition of large “block loads” (e.g., large new businesses or developments that require large amounts of electricity), will exceed the available capacity of the Paso Robles system within 5 to 15 years (see Figure 2-5).

Figure 2-5. LoadSEER Forecasts (2017-2020), Paso Robles DPA



Source: NEET West and PG&E 2018, 2019, 2020a, 2020b

³ LoadSEER is a spatial load forecasting tool which is used by electric distribution system planners to predict load and power changes, where on the grid the loads will occur, how distributed generation changes the load shape, and when it must be supplied (Integral Analytics No Date). PG&E utilizes the LoadSEER forecasting tool to predict growth in area electrical demand within a DPA for a 10-year period into the future, incorporating the most recent 13 years of substation historical peak-load data.

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cont.

As shown in Figure 2-5, the available capacity in the Paso Robles DPA is currently static at just over 212 MW. This capacity is equal to the cumulative capacities of the four substations (Atascadero, Paso Robles, Templeton, and San Miguel) in the DPA, whereas the LoadSEER forecast prepared for the Paso Robles DPA represents the cumulative load that must be served by the distribution system for this area. The forecasted load has varied considerably over the last 4 years of LoadSEER forecasting by PG&E. The current (2020) forecast does not show that load will exceed available capacity in the next ten years, but additional capacity may be needed in the future. In a practical sense, without addition of a new or expanded substation or other facilities to serve increased load when it materializes, this situation could result in thermal overloads, low voltage, and electrical service outages, as the infrastructure is unable to meet demands. While the LoadSEER forecast takes a conservative approach to predict the peak load in any given year (assuming a 1-in-10 year in terms of heat and electricity usage), the actual recorded peak loads in the Paso Robles DPA have been lower than forecasted in recent years, as shown in Table 2-4.

Table 2-4. Recorded Peak Load in the Paso Robles DPA

Year	Historical Available DPA Capacity	Historical DPA Peak Load
2007	182.46	179.44
2008	197.51	169.40
2009	197.51	164.40
2010 ¹	212.55	158.73
2011	212.55	150.69
2012	212.55	173.98
2013	212.55	180.63
2014	212.55	164.74
2015	212.55	169.33
2016	212.55	185.50 ³
2017	212.55	195.06
2018	212.55	190.30
2019 ²	212.55	168.10

Notes: DPA = Distribution Planning Area; MW = megawatt

1. Paso Robles Bank 1 was replaced in 2010 with a 30 megavolt ampere transformer unit, bringing available DPA capacity to 212.55 megawatt (MW).
2. Paso Robles Bank 1 capability updated in May 2019 to reflect customer reserve capacity.
3. The original 190.14 MW from 2016 has been corrected to reflect the true value of 185.50.

Source: NEET West and PG&E 2020c

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cont.

The intent of the Proposed Project is to provide enhanced operational flexibility, improved area system reliability, and add capacity to the system with the addition of the new Estrella Substation. The new Estrella Substation would be able to absorb load currently served by other substations within the DPA and alleviate existing undesirable conditions. Additionally, since the new industrial growth is anticipated to occur in the Golden Hill Industrial Park area, the new substation and the reasonably foreseeable new distribution circuits would be well positioned to serve this new load. Please refer to Appendix G of the Applicants' PEA for detailed discussion of the Proposed Project purpose and need, and the modeling conducted for the existing distribution system.

2.1.2 Project Objectives

Applicants' Project Objectives

In their PEA, the Applicants identified the following objectives for the Proposed Project:

- **Reinforce Electrical Reliability by Implementing the CAISO-Approved Electrical Plan of Service.** Increase reliability and mitigate thermal overloads and voltage concerns in the area by having an additional 230 kV source of power that will increase service reliability in northern San Luis Obispo County, and maintain compliance with NERC reliability standards, as described in the *Estrella Substation Project Functional Specifications* issued by CAISO in June 2014. The Estrella Project is also intended to allow NEET West [HWT] and PG&E to meet their obligation to add the CAISO-approved project to the CAISO-controlled grid, as defined in the *Functional Specifications* and the Approved Project Sponsor Agreement.
- **Meet Expected Future Electric Distribution Demand.** Provide a location for future 21 kV distribution facilities with a 230/70 kV source near the anticipated growth areas in northern Paso Robles to efficiently add distribution capacity and improve service reliability when required in the Paso Robles DPA.
- **Balance Safety, Cost, and Environmental Impacts.** Locate, design, and build the project in a safe, cost-effective manner that will also minimize environmental impacts.

CPUC's Project Objectives

As part of its authority as the lead agency under the California Environmental Quality Act (CEQA) for preparation of the environmental impact report (EIR) for the Proposed Project, the CPUC is responsible for identifying appropriate project objectives to inform the CEQA process/evaluation, including the development and screening of project alternatives. These objectives may differ from the Applicants' stated objectives. Based on its understanding of the fundamental underlying purpose of the Proposed Project, the CPUC has identified the following CEQA objectives for the Proposed Project:

- **Transmission Objective:** Mitigate thermal overload and low voltage concerns in the Los Padres 70 kV system during Category B contingency scenarios, as identified by the CAISO in its 2013-2014 Transmission Plan.

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cont.

- **Distribution Objective:** Accommodate expected future increased electric distribution demand in the Paso Robles DPA, particularly in the anticipated growth areas in northeast Paso Robles.

The issue of long feeders and poor service reliability was not identified as a fundamental project objective by the CPUC; however, it is considered a beneficial effect of the Proposed Project.

2.2 Proposed Project Location and Setting

The Proposed Project would be located within the northern portion of San Luis Obispo County, California, including portions of the City of Paso Robles. The nearest communities are San Miguel, which is approximately 9 miles to the northwest, and Templeton, which is approximately 8.5 miles to the southwest. Land uses surrounding the Proposed Project area south of SR-46 are a mixture of intensive agriculture, vineyards, and rural residential development. North of SR-46 and within the City of Paso Robles limits, land uses consist of light industrial development, urban and residential development, and wineries/vineyards. Topography in the vicinity of the Proposed Project is generally rolling hills, with existing elevations ranging from approximately 920 feet to 970 feet above mean sea level. Figure 2-6 shows an overview of the Proposed Project components, location, and setting.

2.2.1 Estrella Substation

Estrella Substation would be located on an approximately 15 acres of a 20-acre site. The site was created from a 98.6-acre parcel of land. This entire 20-acre site and the parcel of land are currently planted with grape vines of 10-foot-wide span lengths. Several existing dirt maintenance roads traverse the parcel. Scattered oak trees are located close to Union Road along with one residential dwelling near the southwest corner of the parcel. Dry Creek, an ephemeral tributary to Huer Huero Creek, passes approximately 1,500 feet to the north of the proposed Estrella Substation site. In addition to the one residence at the southwest corner of the parcel, there is a residence located 1,000 feet to the east of the substation site, and a winery located 1,000 feet to the south. The topography of the site is moderately sloped with rolling hills in the vicinity.

The site is bordered by Union Road to the southeast, PG&E’s existing easement for a 230 kV double-circuit transmission line and a 500-kV transmission line to the northwest, and vineyards under cultivation to the south and northeast. The existing transmission lines traverse along the northwest portion of the Estrella Substation site on two sets of lattice steel towers (LSTs).

2.2.2 Power Line

The new 70 kV power line would travel southwesterly from Estrella Substation, spanning over vineyards, and crossing under and paralleling existing 230 kV and 500 kV transmission lines for approximately 0.5 mile. North of Union Road, the new line turns westerly and joins an existing 12 kV overhead distribution line, which becomes an underbuild⁴ on the new structures. The new line follows existing distribution lines for about 2.5 miles, extending through vineyards and large

⁴ Distribution underbuild is a lower voltage distribution line placed underneath a higher voltage power line on the same structure or set of structures.

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cont.

residential properties on the north side of Union Road, and then turning northwesterly and crossing Huer Huero Creek and continuing along the north side of Union Road.

Note that a possible Minor Route Variation (MRV) is under consideration at roughly the location where the new 70 kV power line would cross Huer Huero Creek along Union Road. This MRV would only be implemented if a possible golden eagle nest along Huer Huero Creek in this location is confirmed to have eagles present prior to Project construction.

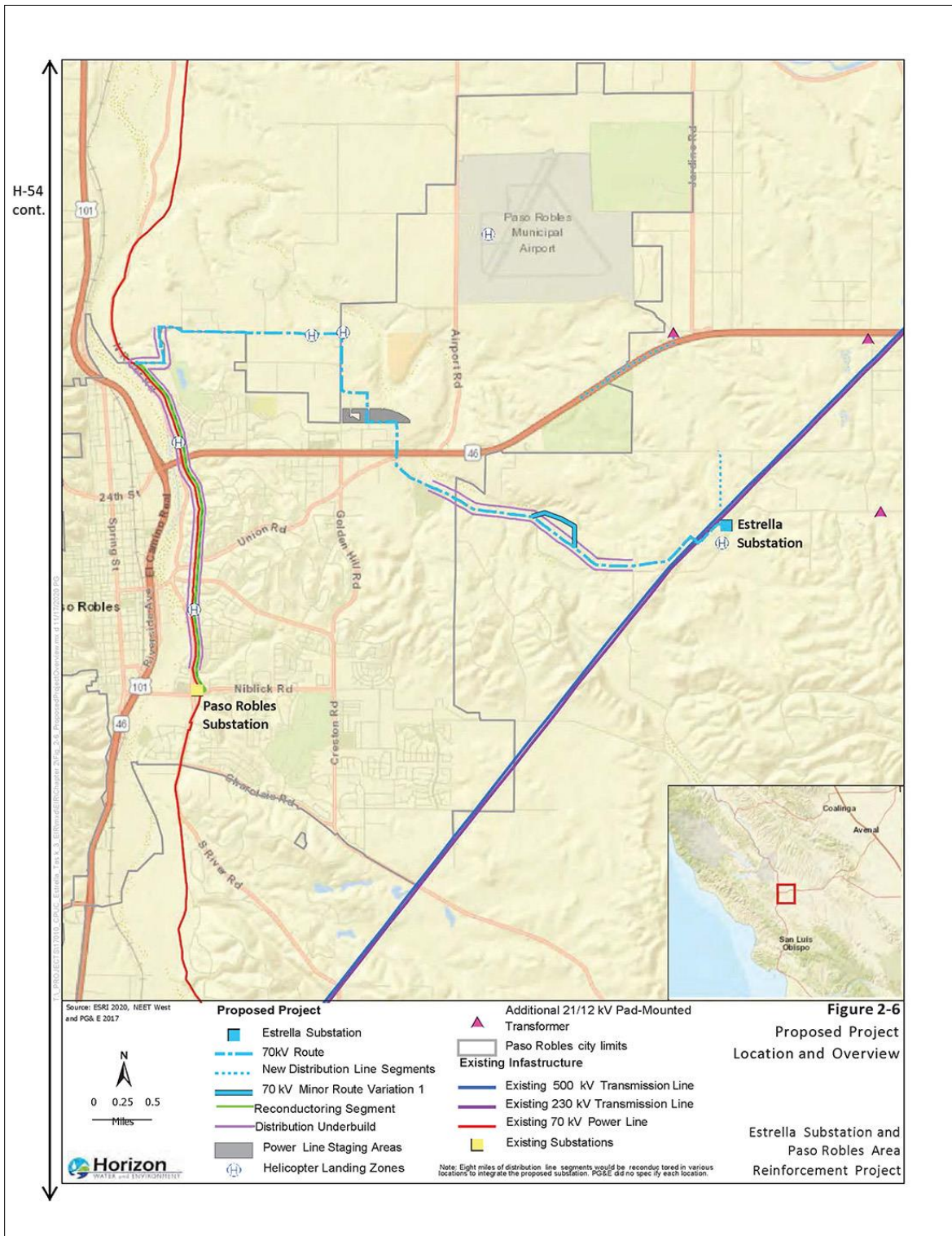
Near the Paso Robles Sports Club, the new 70 kV power line segment leaves the existing distribution alignment and crosses to the southwesterly side of Union Road. The new line continues in a northwesterly direction, crossing SR-46, and then generally traveling westerly for approximately 0.5 mile to Golden Hill Road. At Golden Hill Road, the route heads northerly along the Golden Hill Road alignment for approximately 1 mile and adjacent to the existing light industrial uses to the east and existing residences to the west. The new line then continues generally westerly for approximately 1.5 miles and then southwesterly for 0.5 mile to River Road, adjacent to existing residences, vineyards, and other agricultural uses. At River Road, the new 70 kV power line segment would interconnect with the existing San Miguel-Paso Robles 70 kV power line.

The existing San Miguel-Paso Robles 70 kV power line would then be reconnected south to Paso Robles Substation. This 3-mile-long reconnection segment runs behind and through predominantly residential areas, extending south along the existing pole line alignment on the easterly side of River Road for about 1 mile, crossing SR-46. The segment then continues southerly for about 2 miles, crossing Union and Creston Roads, then into Paso Robles Substation.

2.2.3 Reasonably Foreseeable Distribution Components

The timing of construction of the distribution components is not known but is expected within 15 years. Based on the most recent load growth forecast (see Figure 2-5), the distribution components of the Proposed Project are not presently needed and are not planned to be constructed at the same time as the rest of the Proposed Project. However, if subsequent load growth forecasts show the need arising sooner or if applications are made for new large block loads, the timing of construction of the distribution components could accelerate.

The reasonably foreseeable new distribution line segments would be installed along an existing unpaved road through agricultural fields and along existing roadways. From Estrella Substation, a new distribution line segment would extend north approximately 0.6-mile along an unpaved road to Mill Road, where it would connect with an existing 21 kV circuit. The second new distribution line segment would follow SR-46 for approximately 1.1 mile and would fill in a gap in the existing distribution network. This portion of SR-46 is largely rural in nature, with the Hunter Ranch Golf Course and agricultural parcels bordering the highway on the south. Reconnecting of existing distribution lines would occur in rural areas of San Luis Obispo County and within portions of the City of Paso Robles.



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cont.

2.3 Proposed Project Components

The Proposed Project is comprised of two main components: Estrella Substation and the 70 kV power line. Each of these main components has several subcomponents, which are described below. The reasonably foreseeable distribution components and ultimate substation buildout are also described below.

- Estrella Substation Components
 - HWT to construct, own and operate a new 230 kV substation with one 230/70kV three-phase power transformer.
 - PG&E to construct, own, and operate a new 70 kV substation including room for reasonably foreseeable 70/21 kV distribution facilities.
 - PG&E to construct, own and operate a new 230 kV transmission line interconnection that will loop the existing Gates-Morro Bay 230kV into Estrella.
- 70 kV Power Line Components
 - PG&E to construct, own and operate a new 70 kV double-circuit power line between the new 70 kV substation and the existing San Miguel-Paso Robles 70 kV power line.
 - PG&E will reconductor and replace poles on a portion of the existing 70 kV power line between the interconnection point of the new 70 kV power line segment and Paso Robles Substation.
- Reasonably Foreseeable Distribution Components
 - Establish three new 21 kV distribution feeders connecting from Estrella Substation to the existing distribution system, including:
 - Installing a new 30 megavolt amperes (MVA), 70/21 kV three-phase power transformer in the 70 kV substation.
 - Constructing 1.7 mile of new distribution line to fill in gaps in future Estrella Feeder #2.
 - Installing three new 21/12 kV pad-mounted transformers.
 - Reconductoring approximately 8 miles of existing distribution circuits to facilitate integration of the new Estrella feeders.

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- Ultimate Substation Buildout
 - Establish additional 70 kV lines and 21 kV distribution feeders⁵, as needed to meet future distribution demand and transmission needs, including the following activities within or adjacent to the Estrella Substation:
 - Constructing an additional 230 kV interconnection between the 230 kV substation and the adjacent 230 kV transmission line.
 - Installing an additional 230/70 kV transformer with associated breakers and switches.
 - Installing up to three additional 70/21 kV transformers with associated 70 kV breakers, 21 kV breakers, and switches.

A common neutral⁶ would be collocated along the entire length of the 70 kV power line from Estrella Substation to Paso Robles Substation. A fiber optic line for communication services would be installed on the 70 kV power line to provide a fiber optic link between Estrella Substation and Paso Robles Substation.

The Proposed Project components, including estimated permanent ground disturbance acreages, are summarized in Table 2-5.

Table 2-5. Proposed Project Components Summary

Component	Approximate Quantity	Approximate Height Range and Average Height (Feet Above Ground)	Total Approximate Permanent Ground Disturbance (Acres)
<i>Estrella Substation¹</i>			
Substations			
230 kilovolt (kV) Substation	1	65 (approx. tallest 230 kV dead-end structure)	4.0 (fenced portion)
70 kV Substation	1	37 (approx. tallest 70 kV dead-end structure)	3.5 (fenced portion)

⁵ The routes of any future 70 kV power lines and 21 kV distribution lines that could be installed as part of the ultimate Estrella Substation buildout are unknown at this time. As a result, the potential environmental effects associated with the power and distribution lines are not evaluated in this DEIR. The additional equipment within Estrella Substation at ultimate buildout is included in the DEIR's evaluation.

⁶ A common neutral conductor runs the entire length of the line from substation to substation where it attaches to the substation ground grids.

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Component	Approximate Quantity	Approximate Height Range and Average Height (Feet Above Ground)	Total Approximate Permanent Ground Disturbance (Acres)
230 kV Transmission Line Interconnect			
Lattice Steel Towers	6	39–113 68	0.2
70 kV Power Line²			
New 70 kV Power Line Segment			
Light-Duty Steel Poles	63	70–110 91	0.3
Tubular Steel Poles	38	68–133 99	0.2
Wood Distribution Poles	1	46	<0.1
Reconductoring Segment			
Light-Duty Steel Poles	40	76–101 85	0.2
Tubular Steel Poles	9	71–108 88	<0.1
Wood Distribution Poles	6	48–62 56	<0.1
Reasonably Foreseeable Distribution Components^{3, 4}			
Wood Distribution Poles	31	40–50 45	<0.1
21/12 kV Pad-Mounted Transformers	3	10	<0.1

Notes: kV = kilovolt;

- Permanent ground disturbance for Estrella Substation is approximately 20 acres, including the area that would be permanently disturbed outside of the 230 kV and 70 kV substation fence lines.
- Permanent ground disturbance for the 70 kV power line route assumes a 10-foot radius around each pole location supporting distribution equipment in grassland areas.
- Installation of the 70/21 kV transformer and associated equipment within the Estrella Substation to support the reasonably foreseeable distribution components would not result in any new permanent ground disturbance, as it would be installed within the fence line of the substation. Reconductoring of existing distribution lines also would not result in new permanent ground-disturbance.
- With respect to ultimate substation buildout, installation of additional transmission and distribution transformers and associated equipment within the 70 kV and 230 kV substations is assumed to not result in any additional permanent ground disturbance nor increase the height of

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the substation. The additional 230 kV interconnection associated with ultimate substation buildout could result in similar ground disturbance to that described for the Proposed Project (see “230 kV Interconnect” within the table).

Source: *NEET West and PG&E 2017*

Figure 2-7 shows a detailed view of the Proposed Project substation and 70 kV power line components, including construction temporary impact areas (see Section 2.5.2 for discussion of temporary impact areas). As noted in Section 2.2.2, an MRV for the new 70 kV power line is under consideration to avoid a possible golden eagle nest along Huer Huero Creek near Union Road. Figure 2-8 shows this MRV in detail. Additionally, Figure 2-9 shows the reasonably foreseeable new Estrella distribution circuits (or “feeders”) that are anticipated as part of the Proposed Project. Figure 2-10 shows a detailed view of the reasonably foreseeable distribution line segments and pad-mounted transformers that would need to be constructed to establish the Estrella feeders.

2.3.1 Estrella Substation

Estrella Substation would be comprised of two separate and distinct substations on approximately 15 acres within a 20-acre site. One 230 kV substation would be constructed and operated by HWT and one 70 kV substation would be constructed and operated by PG&E. The preliminary substation layout is provided in Figure 2-11.

Access to the Estrella Substation site would be off of Union Road, along a new private access road. The access road would be paved up to the second entrance to the 70 kV substation (approximately 700 feet) and have an aggregate-surface up to the 230 kV substation access point and the 70 kV substation would have two separate access points. The entrance gates would be a minimum 16 feet in width and would be locked and monitored remotely to limit access to qualified personnel. Warning signs would be posted on the perimeter chain-link fencing and gates, in accordance with the National Electric Safety Code (NESC) and the respective HWT and PG&E guidelines.

Lighting would be installed at Estrella Substation and would conform to NESC requirements. NESC recommends, as good practice, illuminating the substation facilities to a minimum of 22 lux or 2 foot-candles. Lighting would consist of sodium vapor or light-emitting diode (LED) fixtures and would be installed inside the facility and at the entry/exit gates to allow for safe access to the facility and its equipment. The fixtures would be mounted on legs of dead-end or switch support structures, the control enclosure, and on approximately 12-foot-tall galvanized steel lighting poles. Lights would be controlled by a photocell that automatically turns the lights on and off. All on-site lighting would be oriented downward to minimize glare onto surrounding property. Additional manually controlled lighting would also be provided to create safe working conditions at the substation when required. The exact number of fixtures and their output and location would be determined during final facility design.

The 230 kV and 70 kV substations would have their own sources of station power. Power would be supplied by tapping into the existing PG&E Gates- Morro Bay 230kV power line adjacent to the HWT substation site. Electric service would be requested from the local utility and applied for so that power can be served from the existing power lines adjacent to the station.

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The existing telecommunications network would connect to Estrella Substation by splicing optical ground wire (OPGW) on the nearby existing 230 kV towers and installing a fiber optic line for communication services on the power line between Estrella and Paso Robles Substations. The communication cables would transition from the last 230 kV tower or 70 kV pole outside of the substation and enter a pull/splice box positioned near the base of each structure. From each pull/splice box, the fiber optic cable would transition underground in 4-inch conduits to the substation. All pull/splice boxes used for telecommunication cable would be 3-foot by 5-foot pre-cast polymer concrete.

230 kV Substation

The 230 kV substation would be owned and operated by HWT. The preliminary configuration for the 230 kV substation (general arrangement and profile view) is provided in Figure 2-12 and Figure 2-13. The tallest structures within the 230 kV substation would be the dead-end structures, which are approximately 65 feet high and 50 feet wide.

The following electrical equipment would be located within the fenced area of the 230 kV substation in the proposed configuration:

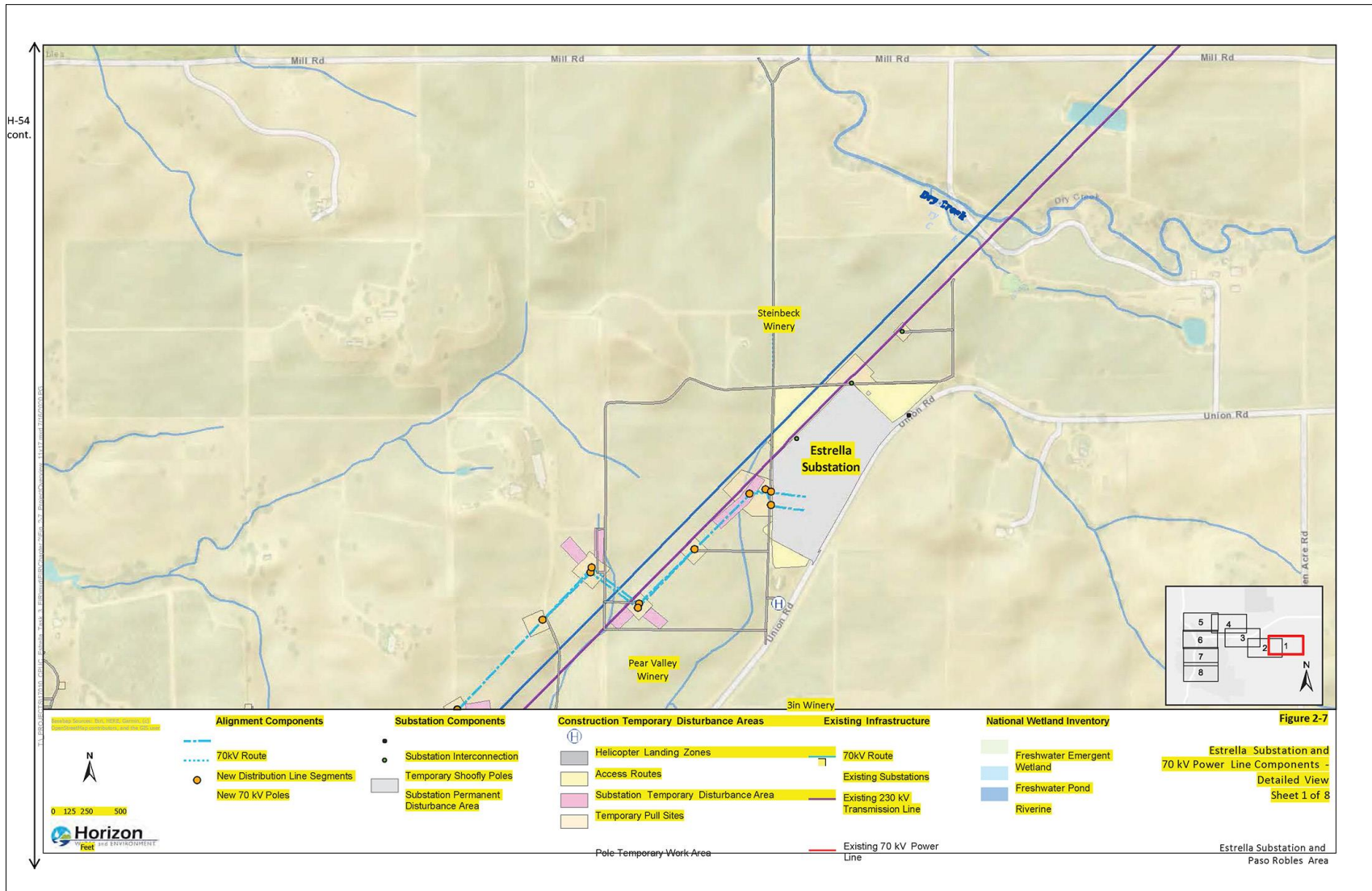
- Two 230kV Breaker and a Half bays and two operating buses
- One three-phase 230/70 kV 200 MVA transformer
- Twelve 230 and three 70 kV capacitive voltage transformers
- Thirteen 230 kV and one 70 kV group operated air break switches
- Five 230 kV and one 70 kV sulfur hexafluoride (SF₆) insulated circuit breakers
- Eight 230 kV and one 70 kV dead-end steel structures
- Nine 230 kV and three 70 kV lightning surge arresters
- A protection and control enclosure measuring about 50 feet long, 15 feet wide, and 15 feet high would be installed on 10 concrete piers measuring about 11 feet deep. The control enclosure would have redundant air conditioning units installed to protect electronic components.

In addition to the electrical equipment, the 230 kV substation would include the following infrastructure:

- Dark Sky Lighting⁷ and signage
- Telecommunications and distribution feeder line for electrical service

⁷ Dark sky lighting refers to lights that comply with the International Dark Sky Association Fixture Seal of Approval Program. Lights compliant with this program are typically shielded on the top and sides so light does not go up to the sky and are only used when needed (use motion detectors and only the wattage necessary). Lights are typically “warm” in color, which is generally considered more yellow or orange/amber than white.

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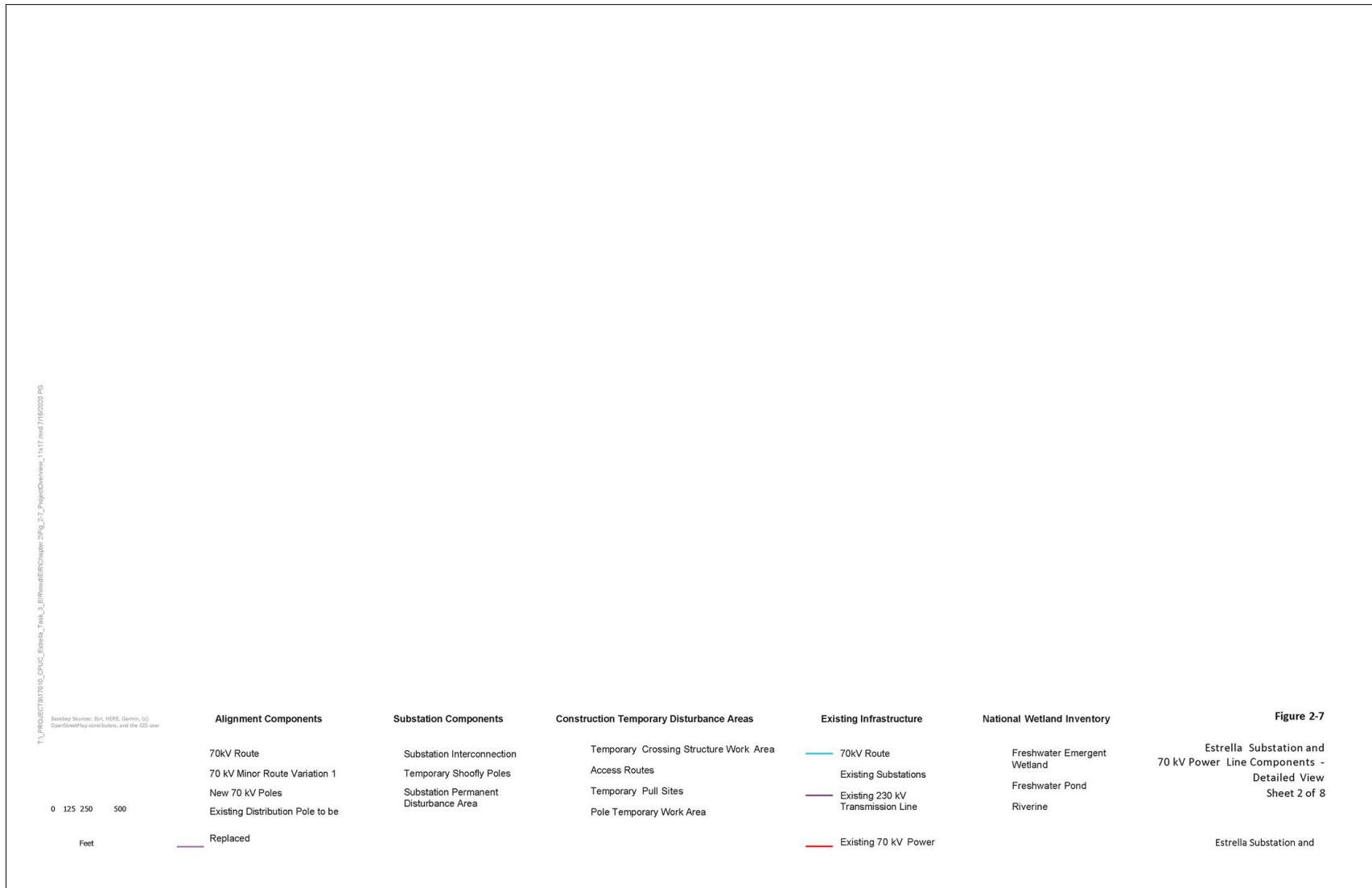
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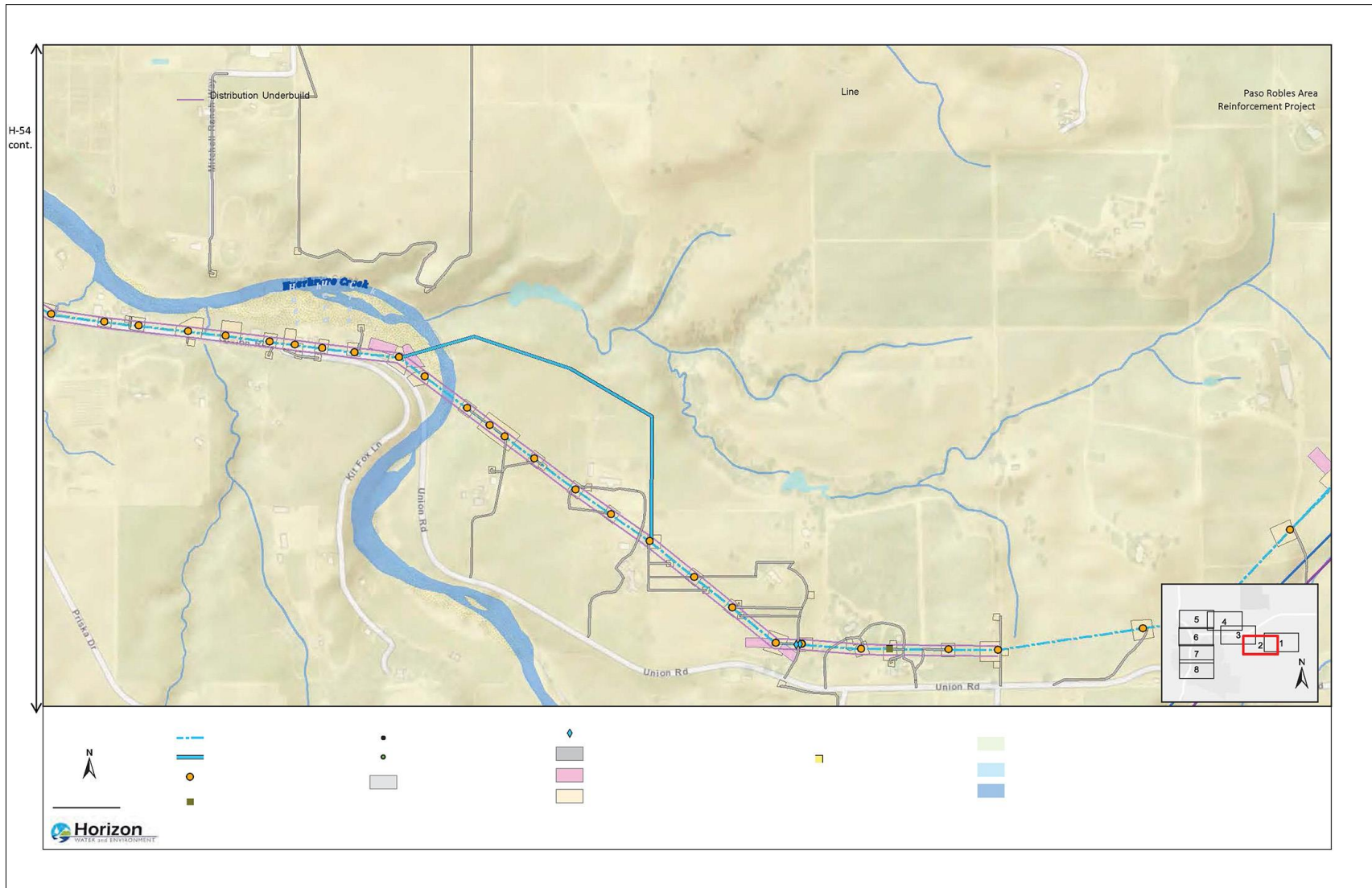
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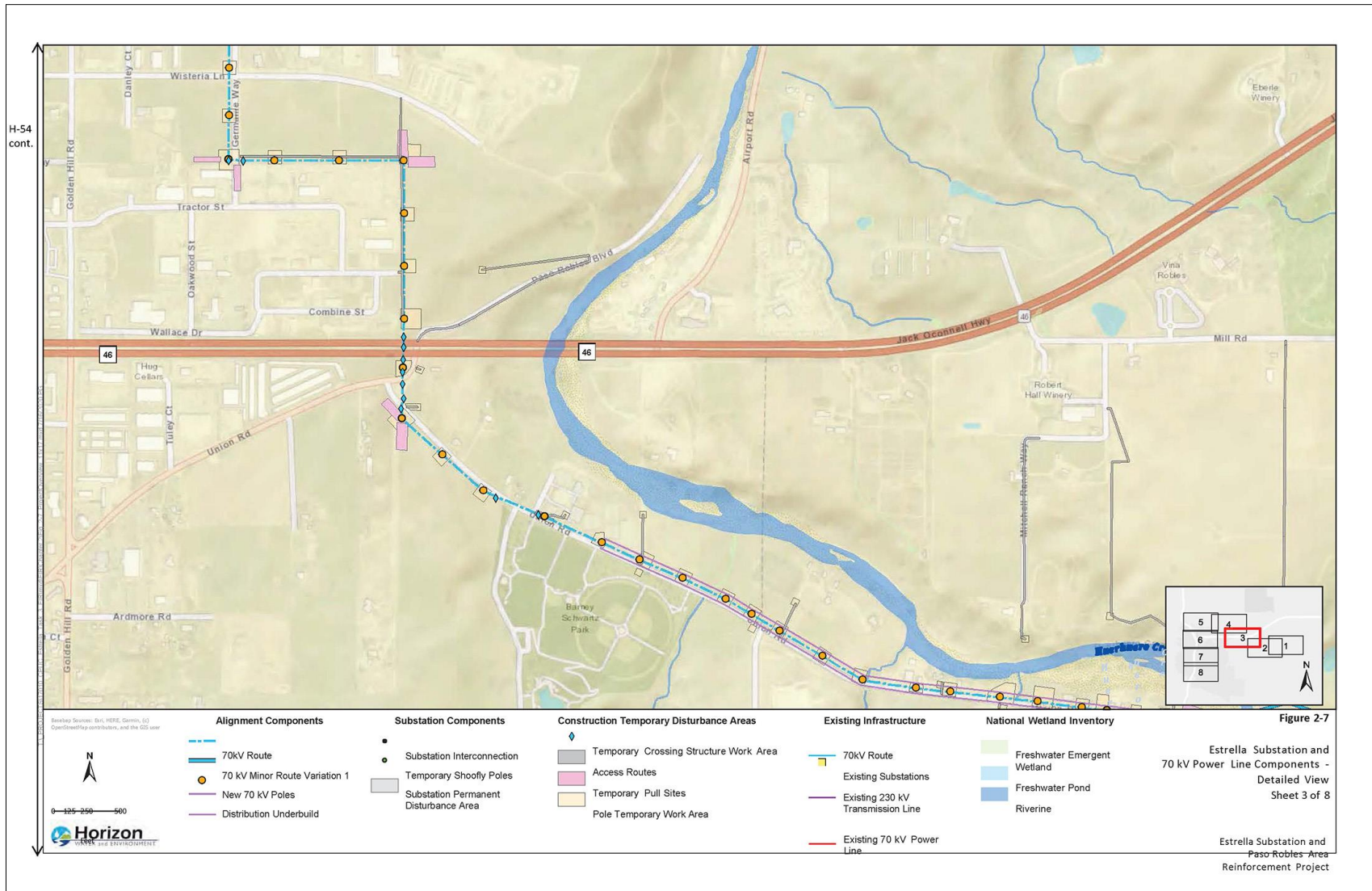
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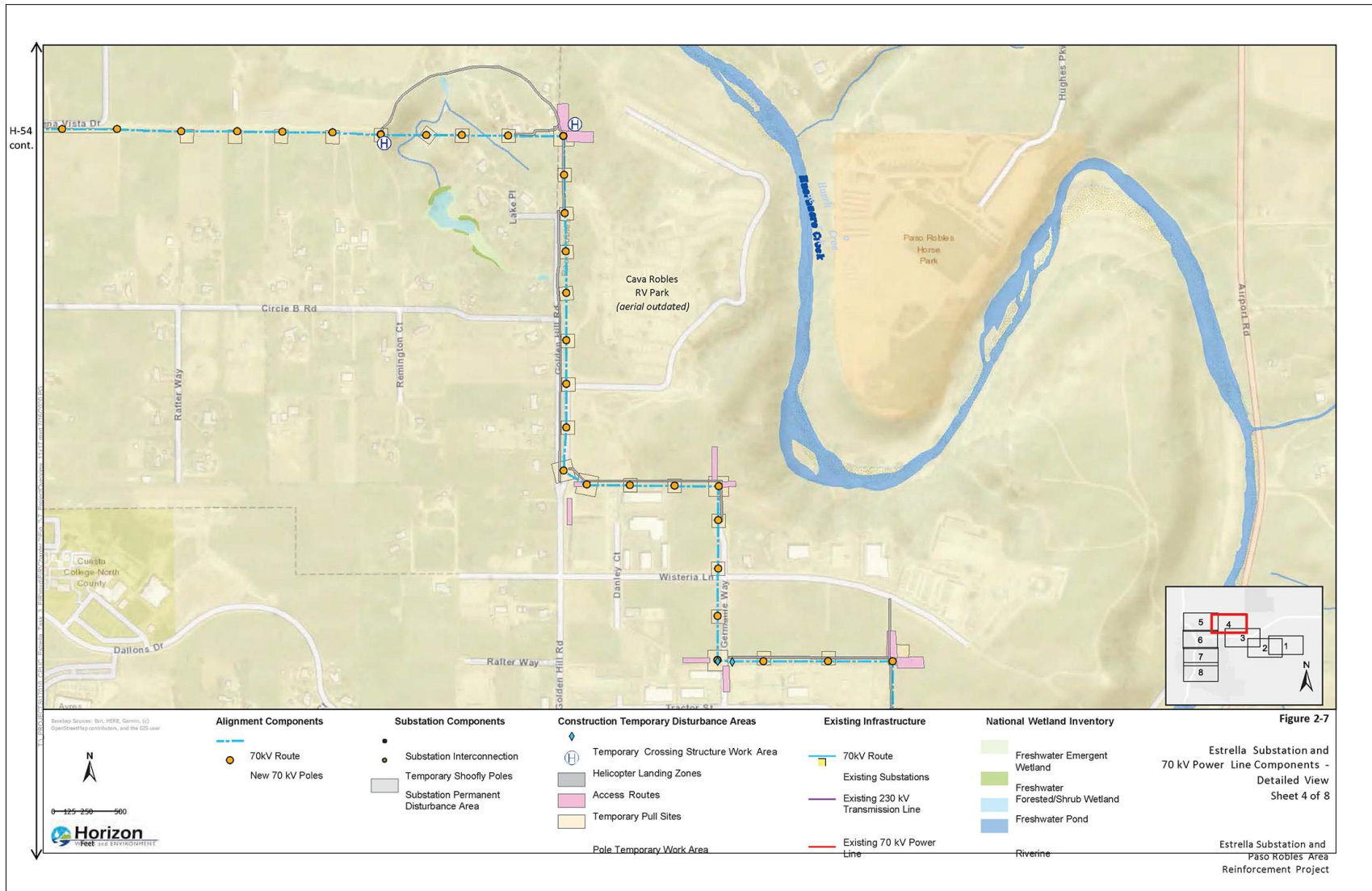
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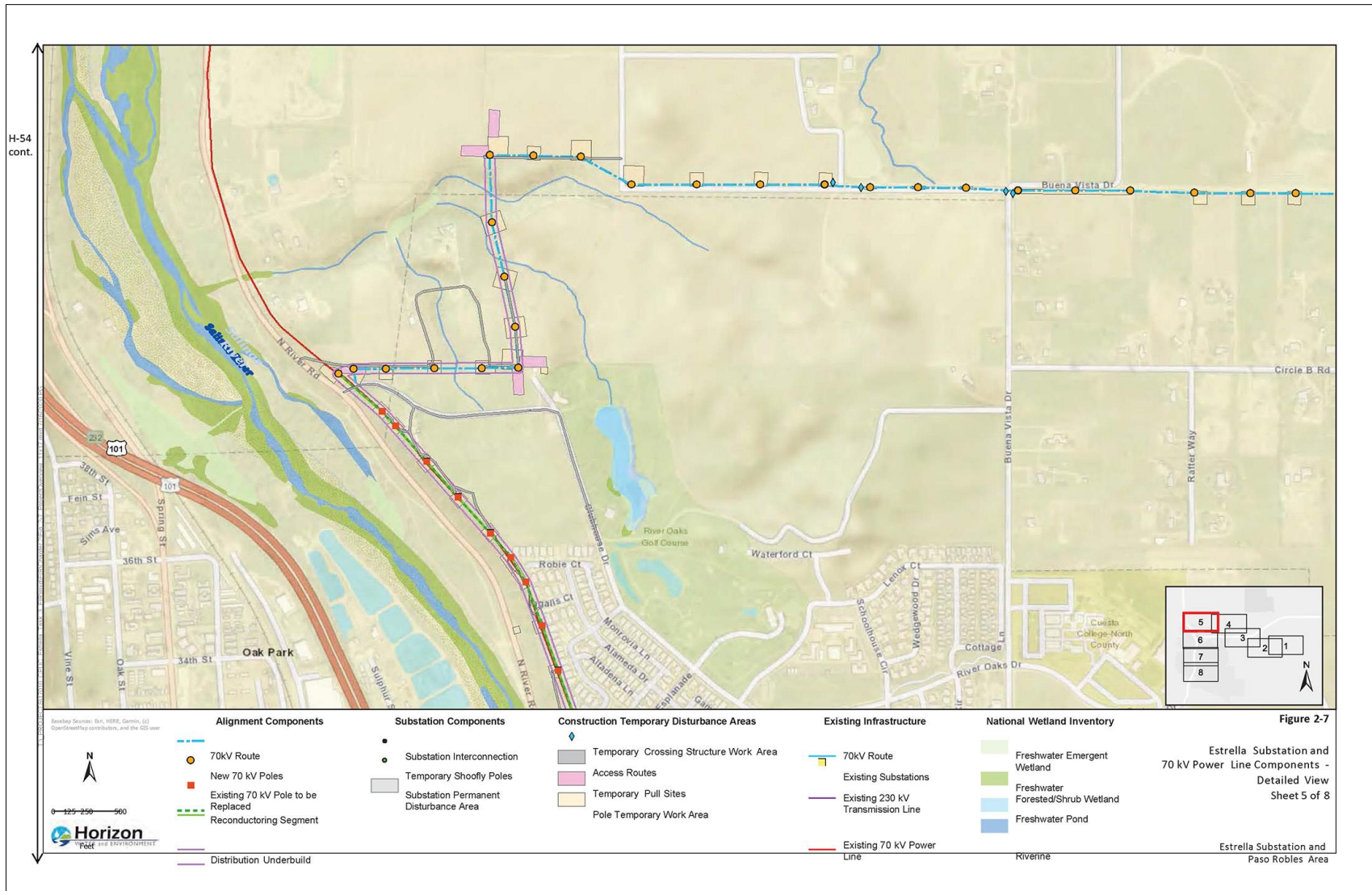
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