

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



SENT BY E-MAIL

October 30, 2015

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

RE: Application Completeness: Certificate of Public Convenience and Necessity for the Rainbow-San Diego (Line 3602) 36-inch Natural Gas Pipeline Project (A.15-09-013; filed 9/30/15 as the Pipeline Safety & Reliability Project)

Dear Ms. de Llanos:

The California Public Utilities Commission's (CPUC's) Energy Division, Infrastructure Permitting and CEQA section has completed its first review of San Diego Gas and Electric Company's (SDG&E's) and Southern California Gas Company's (SoCalGas's) application and Proponent's Environmental Assessment (PEA) for a Certificate of Public Convenience and Necessity (CPCN) as the Lead Agency pursuant to the California Environmental Quality Act (CEQA). CEQA Section 15100 requires the Lead Agency to assess completeness of the project proponent's application. Energy Division uses the CPUC's Information and Criteria List and PEA checklist as basic guides for determining application completeness.

Energy Division finds that the information contained in the application and PEA is incomplete. Although thorough in many sections, there are information gaps in critical areas that would prevent preparation of an adequate environmental document in a timely manner. The attached report provides a list of deficiencies.

Among the deficiencies are requests for status updates and further discussion regarding acceptance by the United States Marines Corps to act as the Lead Agency for compliance with National Environmental Policy Act (NEPA) requirements. A Memorandum of Understanding (MOU) between the CEQA and NEPA lead agencies is still in development and cannot be completed until NEPA Lead Agency arrangements are finalized. As a first step, reimbursement arrangements between SDG&E/SoCalGas and the NEPA Lead Agency must be made. It is anticipated that the CPUC and its consultant will prepare a joint EIR/EIS, but input from the NEPA Lead Agency about additional data that may be needed from SDG&E/SoCalGas is required. The MOU will likely establish that the NEPA Lead Agency has a responsibility to review sections of the PEA to ensure that its contents are adequate for EIS preparation.

The Draft MOU prepared by the CPUC on October 30, 2015 is based on a prior MOU between the CPUC and a federal agency and pursuant to the MOU guidelines established in the handbook, *NEPA and CEQA: Integrating Federal and State Environmental Reviews* (CEQ, OPR 2014). The MOU guidelines recommend that other public agencies with permitting authority over a proposed project be signatories to the MOU. It is anticipated that the California Department of Transportation will be a signatory to the MOU. It is unclear at this time what roles by other federal or state agencies may be necessary to identify in the MOU.

Information provided by SDG&E/SoCalGas in response to Energy Division's deficiency items should be filed as supplements to Application A.15-09-013. One complete set of responses should be sent to Energy Division's Rob Peterson, and a second complete set should be sent to Energy Division's consultant, Ecology & Environment, Inc. The responses should be provided in both hardcopy and electronic format. We request that both pdf and original file formats be provided (e.g., Word, Excel, and original image and GIS files). We request that SDG&E/SoCalGas respond in full to each deficiency no later than December 30, 2015 (60 days). Upon receipt of the supplemental information, the CPUC will perform another completeness review.

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

Sincerely,



Rob Peterson
Project Manager
Energy Division, Infrastructure Permitting and CEQA
rp3@cpuc.ca.gov

cc: ALJ Regina DeAngelis
Rachel Peterson, Chief of Staff, Commissioner Randolph
Antoinette Perez, Real Estate Director, United States Marine Corps Air Station Miramar
Molly Sterkel, Program Manager, Infrastructure Planning and Permitting
Mary Jo Borak, Supervisor, Infrastructure Permitting and CEQA
Jonathan Koltz, CPUC Attorney
Peggy Farrell, Project Manager, Ecology & Environment, Inc.

Attachment