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February 12, 2015

Mr. Robert Peterson
Project Manager
Energy Division, Infrastructure Permitting and CEQA
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Re: Second Application Completeness Response: Certificate of Public Convenience and Necessity for the Pipeline Safety & Reliability Project (A.15-09-013; filed 9/30/15)

Dear Mr. Peterson:

SDG&E and SoCalGas (Applicants) have reviewed your letter dated December 30, 2015 regarding the application completeness determination (Second Application Completeness Letter) for the Certificate of Public Convenience and Necessity application (Application), including the Proponent's Environmental Assessment (PEA), for the proposed Pipeline Safety & Reliability Project (Proposed Project). Applicants have also reviewed the Joint Assigned Commissioner and Administrative Law Judge (ALJ) Ruling Requiring an Amended Application and Seeking Protests, Responses and Replies issued on January 22, 2016 (AC/ALJ January 22 Ruling). This letter constitutes Applicants' response to the Second Application Completeness Letter, which is due February 29, 2016, in light of the AC/ALJ January 22 Ruling.

The Second Application Completeness Letter requests numerous items more appropriately categorized as the "Purpose and Need" of the Proposed Projects. As we have discussed, Applicants believe that the purpose and need, as well as the relative costs and benefits of the Proposed Project as compared to project alternatives, are more properly addressed in the ALJ's regulatory proceeding, not in the environmental review process. Moreover, Applicants maintain that none of the items identified in the Second Application Completeness Letter constitute "deficiencies" for purposes of deeming the PEA complete.

In a continued effort to cooperate with CPUC staff and provide information that may be relevant to Energy Division's review of the Proposed Project, Applicants have prepared responses to a majority of the items requested in the Second Application Completeness Letter. Based on the AC/ALJ January 22 Ruling and as discussed with Energy and Legal Division staff and their consultants on February 9, Applicants anticipate that the Amended Application will address many, if not all, of the questions raised by Energy Division staff regarding the purpose and need of the Proposed Project as well as alternatives that may be evaluated as part of the environmental review process. Consequently, Applicants are not responding at this time to specified items requested in the Second Application Completeness Letter as

they pertain to topics that will be addressed in the Amended Application. (See Table 1: Items to be Addressed by the Amended Application.)

Applicants also note that the Second Application Completeness Letter further takes the position that until a NEPA Lead Agency is engaged in the PEA review process and agrees to move forward with all aspects of the joint environmental review, the PEA will remain incomplete. Applicants do not believe there is any question that MCAS Miramar will act as the NEPA Lead Agency. Applicants acknowledge that MCAS Miramar is awaiting approval from Marine Corps Installations Command (MCICOM) to enter into a Memorandum of Understanding/Memorandum of Agreement (MOU/MOA), but believe that MCICOM approval to execute the MOU/MOA will be received in due course. Nevertheless, the completeness of the PEA should stand on the merits of its contents and the requirements and not whether the NEPA Lead Agency has executed the MOU/MOA.

It is Applicants' understanding that CEQA Unit's review of the Application is on-going, notwithstanding any requests for additional information or pending finalization of the MOU/MOA. We appreciate your efforts to review the Application and develop the environmental analysis in parallel with the ALJ's regulatory process so that this important safety and reliability project is not unduly delayed. The AC/ALJ January 22 Ruling states the potential for a Prehearing Conference in May 2016. Applicants respectfully request that we continue to work towards initiating CEQA/NEPA Scoping by June 2016.

We look forward to continuing to work with you to achieve successful completion of this important safety and reliability project, and we sincerely appreciate your time, input, and guidance to date.

Very truly yours,



Estela de Llanos
Director, Major Project Development

cc: Mary Jo Borak
Jonathan Koltz
Peggy Farrell
David Buczkowski
Shirley Amrany
Edalia-Olivo Gomez
Allen Trial

Encl. Second Application Completeness Response Table
Items to be Addressed by the Amended Application Table