



FACT SHEET

California Public Utilities Commission

Pipeline Safety and Reliability Project – New Natural Gas Line 3602 and De-rating Line 1600 (PSRP)



CPUC Application Review Process

On September 30, 2015, San Diego Gas & Electric Company (SDG&E) and Southern California Gas Company (SoCalGas) (the applicants) requested a Certificate of Public Convenience and Necessity (CPCN) (Application No. A.15-09-013) from the California Public Utilities Commission (CPUC) to construct, operate, and maintain the proposed *Pipeline Safety and Reliability Project – New Natural Gas Line 3602 and De-rating Line 1600* (PSRP, or the proposed project). A summary of the applicants' proposed project is provided on the CPUC's PSRP Fact Sheet No. 1 of 3 (dated May 2017).

The CPUC regulates investor-owned public utilities in California and therefore is the agency responsible for reviewing the applicants' CPCN application. As part of the CPUC's consideration of the CPCN application for the proposed project, the CPUC is conducting a review process that consists of (1) an environmental review under the California Environmental Quality Act (CEQA) and (2) a project need and cost review proceeding.

CPUC Environmental Review under CEQA

As the agency with jurisdiction over approval of the CPCN application, the CPUC is the "Lead Agency" for purposes of CEQA. The CPUC Energy Division is responsible for carrying out the CPUC's environmental review of the proposed project in accordance with CEQA. CEQA was passed into law in 1970 and requires state and local public agencies to identify potential environmental impacts of their actions, identify alternatives to the proposed project, and avoid or mitigate identified impacts, if feasible. The CEQA process provides the information necessary for government decision-makers to balance the need for a project against the potential for significant impacts on important natural resources and the human environment.

The CPUC will prepare a Draft and Final Environmental Impact Report (EIR) to evaluate the proposed project's potential impacts on the environment. The EIR will describe the nature and extent of the environmental impacts of the proposed project and will determine whether those impacts could be avoided, eliminated, compensated for, or reduced to less than significant levels. The EIR will also identify and analyze alternatives to the proposed project that could reduce, eliminate, or avoid one or more of the proposed project's significant impacts.

Public participation is a fundamental part of the CEQA environmental review process. Receiving public input early in the environmental review process will help the CPUC determine the scope, focus, and content of the EIR and identify the range of alternatives, environmental effects, and mitigation measures to be analyzed in the EIR. A summary of public involvement opportunities during the CPUC environmental review process is provided on the CPUC's PSRP Fact Sheet No. 3 of 3 (dated May 2017).

CPUC Project Need and Cost Review Proceeding

In addition to the CPUC's environmental review, the CPUC also appoints an administrative law judge (ALJ) to review the CPCN application with a focus on the need for and cost of the proposed project. This analysis aids the CPUC in reaching a decision on the CPCN application.

Upon conclusion of the project need and cost review proceeding, the ALJ will prepare a proposed decision for consideration by the CPUC Commissioners, including a finding and recommendation regarding CEQA compliance. The ALJ will base the proposed decision on information collected as part of the environmental review process and the project need and cost review proceeding. The ALJ's proposed decision is subject



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to a public comment period. After the public comment period, the CPUC Commissioners vote on whether to certify the EIR and adopt the ALJ's proposed decision. The outcome of the vote will determine whether a CPCN is granted to construct the proposed project, the CPCN is denied, or an alternative to the proposed project is approved.

CEQA Responsible and Trustee Agencies

Other regulatory agencies will work to support the CPUC Energy Division in the environmental review of the proposed project. The California Department of Fish and Wildlife is participating as a CEQA "Responsible Agency." The California Department of Transportation also may participate as a CEQA "Responsible Agency." Responsible agencies are state agencies, other than the CEQA Lead Agency (i.e., the CPUC), that are responsible for carrying out or approving the proposed project. The California Department of Fish and Wildlife is also a CEQA "Trustee Agency" for the proposed project. Trustee agencies are state agencies that have jurisdiction over resources that are held in trust for the people of the state of California and that would potentially be affected by the proposed project.

In addition to obtaining a CPCN from the CPUC, the applicants will be required to complete consultations and receive authorizations, approvals, and permits from other federal and state agencies prior to constructing the proposed project.

Environmental Topics To Be Analyzed in the EIR

The EIR will analyze potential environmental impacts on natural resources and the human environment resulting from the

construction, operation, and maintenance of the proposed project. This analysis will include the impacts of the proposed project, individually, as well as the cumulative impacts, which are defined as effects on the environment that are caused by combining the effects of the proposed project with the effects of past, current, and reasonably foreseeable future activities. In addition to the topics listed below, the EIR will evaluate a reasonable range of alternatives to the proposed project that could potentially reduce, eliminate, or avoid impacts of the proposed project. The alternatives the CPUC anticipates evaluating in the EIR are described in the CPUC's PSRP Fact Sheet No. 1 of 3 (dated May 2017).

Natural Resources

- Agriculture and Forestry Resources
- Air Quality
- Biological Resources (including federally and state-protected plants and animals)
- Geology, Soils, and Mineral Resources
- Greenhouse Gas Emissions
- Hydrology and Water Quality

Human Environment

- Aesthetics
- Cultural, Paleontological, and Tribal Resources
- Hazards and Hazardous Materials
- Land Use and Planning
- Noise
- Population and Housing
- Public Services and Utilities
- Recreation
- Traffic and Transportation

Application Review Process

