CHAPTER 4

ENVIRONMENTAL SETTING, IMPACTS AND MITIGATION

A. APPROACH TO ANALYSIS

PROJECT ASSUMPTIONS

The underlying considerations and assumptions that were used in this EIR to analyze the environmental impacts of the proposed divestiture project include the following:

- The sale of the 36 lots itself, transfer of property ownership of the 36 PDR and MDR lots from SCG to new owners, would not result in any direct significant environmental impacts.

- This EIR analyzes the reasonably foreseeable future development that would result from the sale of the lots, which would be development of urban land uses consistent with existing zoning and adjacent land uses. For this project, the reasonably foreseeable development associated with the proposed sale includes the construction and occupancy of residential housing units and commercial uses.[1] The CPUC, the lead agency for the project, would not have the authority to impose and enforce mitigation measures associated with the construction and occupancy of future buildings on the lots. However, this EIR identifies potential impacts that could result and suggests recommended mitigation measures that could and should be applied by other responsible agencies during subsequent environmental review and approval processes for future development projects as they occur.

- Because the lots would no longer be under the control of a regulated utility after their sale, the CPUC would not have the authority to enforce any mitigation measures related to possible future development of the lots. Nevertheless, the CPUC will consider such reasonably foreseeable future development and any resulting potential environmental impacts when certifying the Final EIR and considering approval of the proposed sale.

- It is unknown when the reasonably foreseeable future development associated with the proposed project would occur.

- Compliance with all applicable environmental laws, permits, and approvals for both the proposed sale and its reasonably foreseeable future development would be required and is thus assumed throughout this document.

- Approval of the proposed sale of the lots as well as reasonably foreseeable future development would not have any relationship to the continued operation of SCG's gas storage facilities or related systems.

[1] Cluster 5 (which is one single lot) is zoned for commercial uses and it is therefore assumed that a commercial use would be constructed and occupied on that lot.

POTENTIAL ENVIRONMENTAL RISKS

While the sale of the lots itself would not present any direct significant environmental impacts, reasonably foreseeable future development of the lots could result in environmental impacts. These potential environmental impacts are the overriding concerns of this environmental analysis and stem from the history of oil and gas exploration and extraction operations at the 36 lots proposed as well as the potential for methane gas migration from any leaking abandoned gas wells. The approach to address these concerns was based on use of previously documented scientific information and data gathered from field investigations of onsite conditions conducted for this EIR.

Between 2000 and 2004, in order to be able to accurately assess the potential environmental impacts of the proposed sale and its reasonably foreseeable future development, a series of studies and field investigations were conducted. **Table 4.A-1** provides a chronological summary of the studies that were conducted; the results of which were used to evaluate potential environmental impacts in this Draft EIR. Discussion of the analyses conducted and results from these field investigations (including testing for methane, soil contamination, and soil gas) of the lots are described in further detail in Sections 4.B, *Air Quality*, 4.F, *Public Health*, and 4.G, *Public Safety*.

HUMAN HEALTH RISK ASSESSMENT

Using the data gathered from field investigations a Human Health Risk Assessment (HHRA) for the 36 lots proposed for sale was completed in March 2004. The HHRA evaluated the potential human health risks associated with chemicals detected in various field data collection studies conducted by consultants for the CPUC Energy Division between 2000 and 2004. An HHRA is a formal process that combines information on how people could come into contact with chemicals (exposure) with information on the health effects of the chemicals (toxicity). This combined information is used to estimate the likelihood of an adverse health effect. Soil and groundwater samples were tested and evaluated for the presence of total petroleum hydrocarbons (TPH), the volatile organic chemicals including benzene, toluene, ethylbenzene, and xylene, and semivolatile organic chemicals, because cancer and noncarcinogenic risks could result from the chemicals if present in the soils at the 36 lots proposed for sale. The HHRA is presented in Appendix E.

METHANE HAZARDS

All of the 36 lots proposed for sale are located within an area designated as a “methane zone” by the City of Los Angeles. To evaluate potential methane hazards at the lots, in 2003, as part of the overall field testing a methane hazards analysis study was conducted on the lots proposed for sale.

A. APPROACH TO ANALYSIS

TABLE 1-1
CHRONOLOGICAL SUMMARY OF STUDIES CONDUCTED

Time Period	Investigator	Area of Environmental Concern	Purpose of Investigation	Findings
2000-2001	Giroux & Associates	Methane Hazards	Initial methane migration investigation conducted at Cluster 3 and Cluster 12	No clear methane risks identified. However, the study concluded that the results could not be considered representative of all lots.
2001	Giroux & Associates	Air Quality; Odors	To characterize the background levels of hydrogen sulfide (as source of odor) in the study area. Daily samples taken over five days.	Minimal indication of odors except near storm drains.
2000-2001	URS	Air Quality at PDR	Characterization of baseline air quality for methane, and THC.	Concentrations were low in general and within expected ranges for Los Angeles
2001	URS	Air Toxics	Monitored BTEX	Monitoring was performed during SCG PDR venting activities and no correlation was observed in the data.
2003	Methane Specialists and Sullivan Consulting	Methane; Odors	Surface sweep of all lots to determine if any methane was observed at ground level.	Concentrations were either non-detects or very low readings. No odors were detected.
2003-2004	Brown and Caldwell	Health hazards	Make detailed measurements of soil contamination and soil gas on all lots as well as groundwater at Cluster 12. Provide data for the health risk assessment. Repeat measurements over eight months to confirm results.	Sampling confirmed generally low levels of contaminates in most cluster soils. A health risk assessment utilizing these data shows no significant human health risk exists at the clusters.
2003-2004	Methane Specialists	Methane hazards	Working in concert with Brown and Caldwell, make subsurface methane measurements on the lots to determine if any existing methane hazards exist. If methane was measured, to determine the source of methane.	Methane was routinely detected at Cluster 11 below ground level. The source of this methane was attributed to be from decomposition of contaminated soils from historical oil exploration; not from SCG storage gas.
2004	Brown and Caldwell	Health hazards	Determine whether the “fifty-foot gravel layer” at Cluster 12 is presence or not.	Layer not found but clay layer identified at 55 feet would minimize vertical migration methane in the area.
2004	Gary Boettcher Consulting	Odors	Determine the levels in PDR of hydrogen sulfide odors over an extended time period.	While some interesting trends were observed in the data, the values are consistent with typical values for Los Angeles and do not appear to be correlated to SCG activities.

IMPACTS AND MITIGATION MEASURES

IMPACTS AND IMPACT SIGNIFICANCE

Impacts in this EIR are analyzed using the significance criteria that are defined at the beginning of each impact analysis section. Consistent with CEQA Statute 21083 and CEQA Guidelines 15065, significance levels as provided in the checklist are generally defined as follows:

- **Significant and unavoidable:** CEQA Guidelines 15382 defines a significant effect as "…a substantial, or potentially substantial, adverse change in any of the physical conditions within the area affected by the project…" An economic or social change by itself is not considered to be a significant effect on the environment. An economic or social change related to a physical change may be considered in determining whether physical change is significant. An impact is considered to be unavoidable if no practical mitigation measure can be applied to reduce the impact to a less-than-significant level.

- **Less than significant with mitigation:** An impact is considered to be less than significant with mitigation when a significant project impact can be reduced to a less than significant level if identified mitigation measures are implemented.

- **Less than significant:** A less than significant impact is a project impact that would not result in a significant change to the environment.

MITIGATION MEASURES

Where it is determined that no impact would occur as a result of both the sale and future development of the lots, it is categorized as a less than significant impact. Mitigation measures "Identified in this EIR" are measures to be imposed by the CPUC or other responsible agencies as conditions of approval of the proposed sale. Mitigation measures "Recommended for Future Development" are identified to demonstrate how significant impacts that would result from reasonably foreseeable future development are typically mitigated. The mitigation measures for future development could be imposed by responsible agencies during environmental review of future development projects. However, the CPUC would not have any authority to impose and enforce such measures.

LEGAL BASIS FOR APPROACH TO THIS ANALYSIS

This EIR was developed in accordance with the CEQA rationale and basis for consideration of the reasonably foreseeable consequences associated with the proposed sale. CEQA Guidelines Section 15378(a) defines a "project" which is subject to CEQA as:

> "the whole of an action, which has the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment ..."

In addition, CEQA Guidelines Section 15126.2(a) states:

> "[d]irect and indirect significant effects of the project on the environment shall be clearly identified and described, giving due consideration to both the short-term and long-term effects."

CEQA Guidelines Section 15378 further explains that the above definition of "project" ensures that the action reviewed under CEQA is not the approval itself, but the development or other activities that would result from the approval. An EIR must analyze all aspects of a project that are a reasonably foreseeable consequence of the project in addition to the whole of an action that may result in a physical change to the environment.[2] Thus, a lead agency may not limit environmental disclosure by ignoring the development or other activity that would ultimately result from an initial approval.

The court decision of *Laurel Heights Improvement Association v. Regents of the University of California*, 47 Cal.3d 376, 396 (1988), provides further support to the analysis of future connected actions where the California Supreme Court held that:

> "an EIR must include an analysis of the environmental effects of future expansion or other action if: (1) it is a reasonably foreseeable consequence of the initial project; and (2) the future expansion or action will be significant in that it will likely change the scope or nature of the initial project or its environmental effects."

The EIR had only examined the impacts of the University's plan to use part of an office building located in a residential neighborhood with laboratory facilities even though there was "credible and substantial evidence" in the record of the University's intent to occupy the entire building. The court held that the EIR was inadequate because it failed to discuss the anticipated future uses of the building and the environmental effects of those uses.[3]

The reasonably foreseeable future development connected to the sale of the 36 PDR and MDR lots is a reasonably foreseeable consequence of the sale of the land. Because it would change the scope and nature of the project and its environmental effects, this reasonably foreseeable consequence

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[2] See, City of Antioch v. City Council, 187 Cal.App.3d 1325, 1337 (1986) (where piecemeal review of development of infrastructure for undeveloped site resulting in negative declaration was considered improper, even though future developments of the site would be examined in later EIRs, because infrastructure extension was approved to allow site to be developed; the court noted "the sole reason to construct the road and sewer project is to provide a catalyst for further development in the immediate area. Because construction of the project could not easily be undone, and because achievement of its purpose would almost certainly have significant environmental impacts, construction should not be permitted to commence until such impacts are evaluated in the manner prescribed by CEQA."); see, also, Bozung v. LAFCO, 13 Cal.3d 263, 279, 281-282 (1975) (where the City proposal to annex agricultural land required preparation of an EIR because its ultimate effect would be to permit subdivision and development of land that had been in agricultural use); accord, Heninger v. Board of Supervisors, 186 Cal.App.3d 601 (1986) (where the County's amendment of septic tank ordinance to allow alternative private disposal system for single-family residences required preparation of an EIR; although only one lot owner sought amendment, ordinance could have significant environmental impacts because it could open way for development of other sites).

[3] See, also, City of Santee v. County of San Diego, 214 Cal.App.3d 1438 (1989) (where an EIR for a temporary jail facility was inadequate because it did not evaluate the impacts of long-term use; those impacts were a reasonably foreseeable consequence of the initial project because the probable need for jail facilities was projected to last longer than the temporary period set forth in the project description).

would be significant. As such, the impacts of the development of the 36 lots (and not simply their sale) are analyzed in this EIR.