PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298



July 18, 2014

James Strader Project Manager Southern California Gas Company 555 W. 5th Street GT14D6 Los Angeles, CA 90013

RE: Aliso Canyon Turbine Replacement Project – Notice to Proceed (NTP)-03 for construction activities associated with the building of a new Central Compressor Station; grading of the Natural Substation and grading and paving of the Natural Substation access road; and installation of five tubular steel poles and associated stringing of conductor

Dear Mr. Strader:

Southern California Gas Company (SoCalGas) has requested authorization from the California Public Utilities Commission (CPUC) to commence construction on select activities for the Aliso Canyon Turbine Replacement Project (Aliso). Construction for this NTP will be confined to the following activities:

1. Construct Central Compressor Station (CCS) Enclosure; install three variablespeed compressors; and install approximately 550 feet of above ground 24-inch pipeline to connect the new compressor station to the existing blow down header: A total of 2.21 acres will be cleared, graded, and permanently disturbed for the new CCS. The new CCS enclosure will be approximately 26,500 square feet and house three new electric-driven, variable-speed compressors, along with scrubbers, piping, coolers, and electrical equipment. Erection of the steel, pre-fabricated CCS building and installation of the equipment housed within it will require drilling piles and setting foundations as well as electrical and mechanical activities. On June 24, 2014 the CPUC approved geotechnical testing to corroborate the bearing capacity and design for the proposed end bearing piles. New pipeline to connect the new compressors to existing facilities will include: a new 18-inch pipeline to connect the existing discharge header within the CCS site; a new 24-inch pipeline to connect the existing suction header within the CCS site; and a new 550-foot, 24-inch above ground pipeline to connect the existing emergency shutdown system line outside the CCS site. The new CCS site will be fenced, paved and landscaped. A total volume of approximately 12,000 cubic yards will be excavated and graded. Fill will primarily be placed in P-32, but SoCalGas may utilize other previously approved fill sites if needed.

When the construction workforce becomes too large for on-site parking, SCG's contractor will lease parking from the Shepard of the Hills Church, or another approved nearby facility, and use shuttle busses to transport workers between the storage field and offsite parking. Construction is anticipated to last 28 months. Clearing of the site involves the removal of vegetation, including 0.33 acres of Venturan sage scrub (VSS), a sensitive

vegetation community, and 15 oak trees. The CPUC approved removal of the VSS and 14 oak trees on April 21, 2014, prior to issuance of this NTP. Following a supplemental oak tree report submitted on April 28, 2014, the CPUC approved removal of one additional oak tree.

2. Grade and pave the Natural Substation access road and rough grading at the Natural Substation site:

A total of approximately 4.28 acres will be permanently disturbed for the construction of the access road to the future Natural Substation (3.42 acres) and for rough grading for the Natural Substation (0.86 acres). The access road and substation sites will be cleared, grubbed, excavated, and graded and the access road will be paved. A total volume of 55,000 cubic yards will be graded and fill will be placed at approved fill sites, primarily at the PS-42 fill site (approved in MPR-02 on 7/10/14 by CPUC). In accordance with Los Angeles County Low Impact Development Standard requirements, a bio-filtration system will be installed at the substation site to manage storm water run-off. Clearing and grubbing of the access road and Natural Substation disturbance area will require removal of 0.6 acres of VSS. Construction is anticipated to last five months. Construction staging and parking areas will be required for use of these staging and parking areas.

3. Install five (two pairs and one single) tubular steel poles (TSPs) and string conductors:

A total of approximately 0.2 acres will be permanently disturbed for the installation of a 12-kV power line to provide electrical service from the Natural Substation to the CCS. The power line will be approximately 1,800 feet long and five TSPs will be installed to support it: two at the proposed Natural Substation (each no greater than 125 feet above ground), two at the CCS (each 55 feet above ground), and one between the substation and CCS (165 feet above ground). Installation of the power line will require clearing and grubbing of TSP sites; drilling and foundation setting for TSP installation; and stringing of conductor. A volume of 100 cubic yards will be graded. Activities associated with the power line installation are anticipated to last seven months.

These activities, including exact locations, are further described in the Final Environmental Impact Report (Final EIR) for Aliso [as adopted by the CPUC (Decision 13-11-023)], and in SoCalGas's NTPR #3: Central Compressor Station (final revision dated July 15, 2014) (Attachment 1).

NTP-03 is granted by CPUC for the proposed construction activities based on the following factors:

- SoCalGas will comply with all the Applicant Proposed Measures (APM) and Mitigation Measures (MM) included in the Mitigation, Monitoring, Compliance, and Reporting Program (MMCRP) for Aliso (as published in the Final EIR).
- SoCalGas, CPUC, and the South Coast Air Quality Management District (SCAQMD) are currently finalizing an Air Quality Mitigation Agreement to satisfy MM AQ-3.
- The conditions noted below shall be met by SoCalGas and its contractors:

- Copies of all relevant permits, compliance plans (i.e., MMCRP, SWPPP, etc.), and this Notice to Proceed shall be available on-site for the duration of construction activities. Copies of permits shall be provided to the CPUC upon request.
- Preconstruction clearance surveys for biological, cultural, and paleontological resources will be conducted as appropriate prior to construction activities.
- All crew personnel shall be appropriately trained on environmental issues, including requirements of the MMCRP, prior to starting work on the right-ofway. A log shall be maintained on-site with the names of all crew personnel trained and made available to the CPUC upon request.
- O All project mitigation measures, compliance plans, and permit conditions shall be implemented during construction activities. Some measures are on-going/timesensitive requirements and shall be implemented prior to and during construction where applicable.
- No movement or staging of construction vehicles or equipment shall be allowed outside of the approved workspace areas. If additional temporary workspace areas or access routes, or changes to construction technique or mitigation implementation to a lesser level are required, a Minor Project Refinement Request shall be submitted to the CPUC for review and approval.
- If construction debris or spills enter into environmentally sensitive areas, the jurisdictional agency and the CPUC shall be notified immediately.
- SoCalGas will provide evidence of approval for use of the Shepard of Hills Church parking facility, or any other CPUC approved parking facility, prior to use.
- O The results of soil sampling at the CCS site_will be sent to the CPUC for review prior to construction. If soil sampling results indicate that construction activities could pose a hazard to workers through exposure to contaminated materials. SoCalGas will address the potential hazard in accordance with the approved Contaminated Soil Contingency Plan (approved January 8, 2014) and mitigation measure HZ-1.

Sincerely,

Andrew Barnsdale

CPUC Environmental Project Manager

Cc:

Christy Herron, E & E Project Manager

Lara Rachowicz, E & E Compliance Manager

Seth Rosenberg, SoCalGas Environmental Coordinator

Chris May, Southern California Edison Environmental Coordinator

Christine McLeod, Southern California Edison Principal Advisor

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Attachment 1: Aliso Canyon Turbine Replacement Project NTP Request #3: Central Compressor Station, as dated July 15, 2014