APPENDIX C

NOTICE OF PREPARATION

NOTICE OF PREPARATION (NOP)

Program Environmental Impact Report for a
Certificate of Public Convenience and Necessity for
Sempra Communications to Institute a Telecommunications Development Program
for Future Proposed Actions within the Identified Project Area in Fifteen Counties
Application No. 00-02-020

INTRODUCTION

This Notice of Preparation (NOP) initiates the development of a Program Environmental Impact Report (PEIR) under the direction of the California Public Utilities Commission (CPUC). Sempra Communications has specifically requested a full facilities-based Certificate of Public Convenience and Necessity (CPCN) to implement a Telecommunications Development Program (the "Project") primarily in urbanized areas throughout 15 counties in the State of California. As a Program EIR (*CEQA Guidelines*, Sections 15168 and 15180), the report does not focus on a specific project or projects, but instead presents reasonable assumptions about the overall types and levels of activities that Sempra Communications could undertake under the proposed CPCN within an identified project area. In this PEIR, the CPUC will fully disclose all of the potential significant physical environmental consequences of the Project as it has been proposed by Sempra Communications. Where necessary, the analyses in the PEIR will be based on conservative assumptions that may tend to overstate project impacts. In addition, in the PEIR, the CPUC will present feasible measures that could be undertaken to avoid or lessen the magnitude of impacts of Sempra Communications' proposal. Finally, the CPUC will present an evaluation of a reasonable range of feasible alternatives to Sempra Communications' proposal.

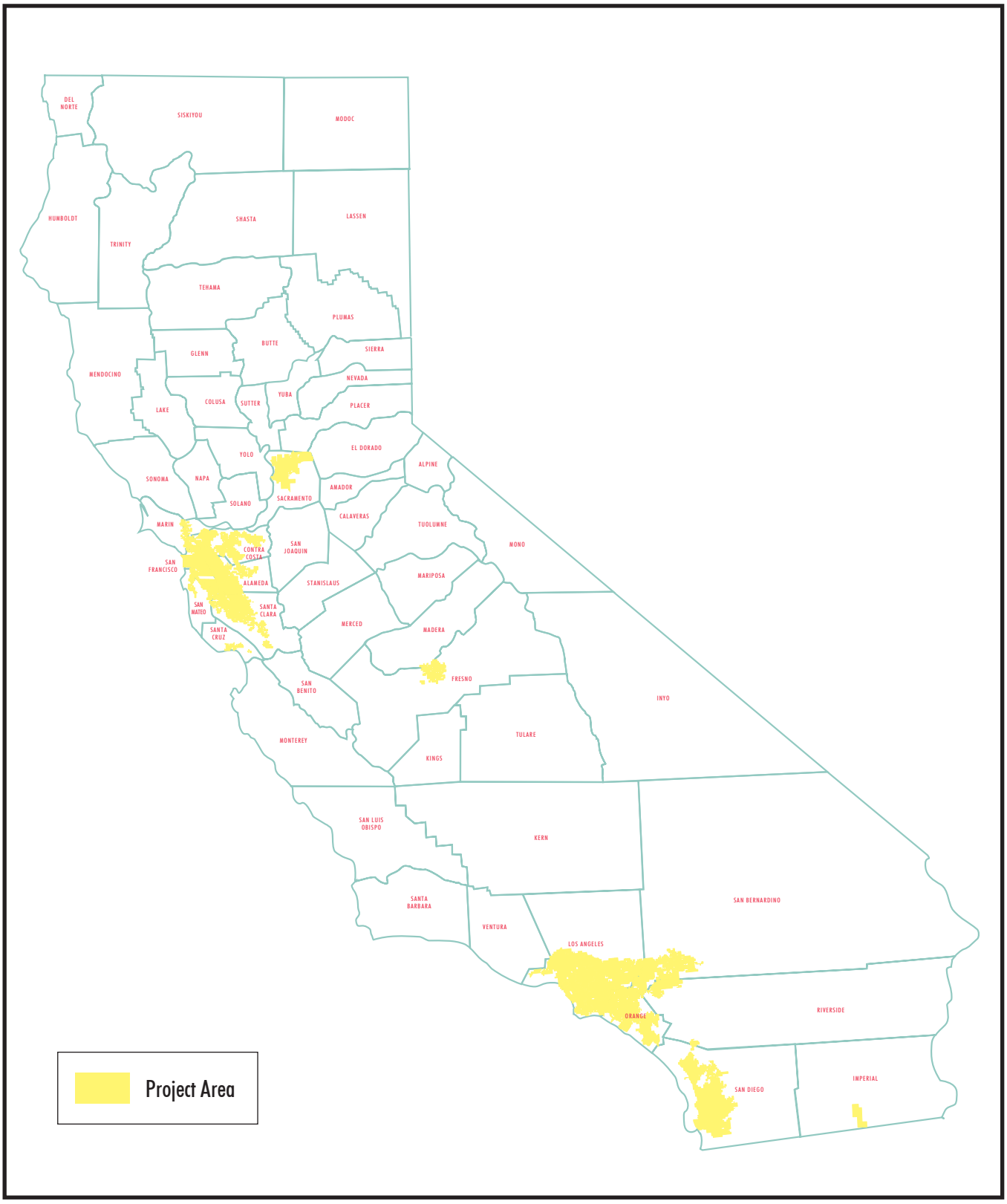
In order to ensure the PEIR addresses all appropriate environmental concerns, this NOP is intended to seek all relevant comments pertaining to the scope of analysis in the PEIR. Comments in response to this NOP are required to be submitted no later than May 22, 2002.

PROJECT LOCATION

Sempra Communications seeks authorization from the CPUC to operate as a full facilities-based local exchange and inter-exchange carrier within specifically identified geographical boundaries throughout 15 counties in the State of California that encompass primarily urbanized metropolitan areas. The project area was identified utilizing aerial photography, city, town and county limits and U.S. Census 2000 data. Although implementation within urbanized areas is Sempra Communications' primary focus for its CPCN, portions of San Diego and Imperial Counties outside metropolitan area limits are also included to utilize existing utility service areas in those regions. Table 1 lists each of the counties and the municipalities included in the project area. These areas are further illustrated in Figure 1.

TABLE 1
SEMPRA COMMUNICATIONS' TELECOMMUNICATIONS PROGRAM
PROJECT AREA: COUNTIES AND MUNICIPALITIES

County	Incorporated and Unincorporated Municipalities
Alameda	Albany, Berkeley, Emeryville, Piedmont, Oakland, Alameda, San Leandro, Ashland, San Lorenzo, Castro Valley, Fairview, Hayward, Union City, Fremont, Newark
Contra Costa	Pittsburg, Antioch, Oakley, Brentwood, Concord, Vine Hill, Pacheco, Martinez, Pleasant Hill, Walnut Creek, Alamo, Lafayette, Diablo, Danville, Blackhawk, San Ramon, Moraga
Fresno	Fresno, Clovis
Imperial	Imperial, El Centro, Calexico
Los Angeles	Westlake Village, Agoura Hills, Calabassas, Hidden Hills, San Fernando, Burbank, Los Angeles, West Hollywood, Beverly Hills, Santa Monica, La Crescenta, Montrose, La Canada-Flintridge, Glendale, Altadena, Pasadena, Sierra Madre, Monrovia, Duarte, Bradbury, Arcadia, San Marino, South Pasadena, Alhambra, San Gabriel, Temple City, Irwindale, Vincent, Baldwin Park, Temple City, Monterey Park, Rosemead, El Monte, Valinda, La Puente, City of Industry, Hacienda Heights, Rowland Heights, La Habra Heights, Los Nietos, Whittier, South Whittier, Santa Fe Springs, East La Mirada, La Mirada, Norwalk, Downey, Florence, Graham, Bell, Bell Gardens, South Gate, Lynwood, Paramount, Bellflower, Cerrito, Lakewood, Compton, Willowbrook, Westmont, Inglewood, Ladera Heights, Culver City, Marina del Rey, Lennox, El Segundo, Hawthorne, Manhattan Beach, Gardena, Carson, Signal Hill, Lakewood, Hawaiian Gardens, Long Beach, Torrance, West Carson, Palos Verdes Estates, Rolling Hills Estates, Rolling Hills, Rancho Palos Verdes
Marin	Novato, Marinwood, San Rafael, Fairfax, San Anselmo, Ross, Kentfield, Larkspur, Corte Madera, Mill Valley, Strawberry, Belvedere, Sausalito
Orange	La Habra, Brea, Fullerton, Placentia, Yorba Linda, Buena Park, La Palma, Anaheim, Villa Park, Orange, Tustin Foothills, Tustin, Santa Ana, Garden Grove, Stanton, Bypress, Los Almitos, Rossmoor, Seal Beach, Westminster, Huntington Beach, Fountain Valley, Costa Mesa, Irvine, Lake Forest, Foothill Ranch, Portola Hills, Rancho Santa Margarita, Colo de Ceza, Los Flores, Mission Viejo, Laguna Hills, Laguna Woods, Aliso Viejo, Laguna Beach, Laguna Nigue, San Juan Capistrano, San Clemente, Newport Beach, Dana Point
Riverside	Glen Avon, Sunnyslope, Mira Loma, Pedley, Rubidoux, Highgrove, Riverside, Norco, Corona, Home Gardens, El Cerrito
Sacramento	Sacramento, Arden-Arcade, La River, Rosemont, Parkway, South Sacramento, Florin, North Highlands, Foothill Farms, Citrus Heights, Orangevale, Folsom, Gold River
San Bernardino	Upland, San Antonio Heights, Rancho Cucamonga, Montclair, Chino, Chino Hills, Ontario, Fontana, Bloomington, Rialto, Muscoy, Colton Grand Terrace, Loyma Linda, Highland
San Diego	Oceanside, Vista, Hidden Meadows, Escondido, San Marcos, Carlsbad, Lake San Marcos, Encinitias, Rancho Santa Fe, Solana Beach, Fairbanks Ranch, Del Mar, Poway, San Diego, Santee, Lakeside, Bostonia, El Cajon, La Mesa, Rancho San Diego, Lemon Grove, Spring Valley, La Presa, National City, Coronado, Chula Vista, Imperial Beach
San Francisco	San Francisco
San Mateo	Broadmoor, Brisbane, Daly City, Colma, South San Francisco, San Bruno, Millbrae, Burlingame, Hillsborough, San Mateo, Foster City, Belmont, San Carlos, Redwood City, Emerald Lake Hills, North Fair Oaks, Menlo Park, Atherton, East Palo Alto, West Menlo Park, Woodside, Portola Valley
Santa Clara	Stanford, Palo Alto, Mountain View, Sunnyvale, Santa Clara, Los Alto, Cupertino, Saratoga, Burbank, Campbell, Los Gatos, San Jose, Seven Trees, Morgan Hill, San Martin, Gilroy
Santa Cruz	Santa Cruz, Live Oak, Twin Lakes, Opal Cliff, Capitola, Soquel, Aptos, Rio del Mar, Watsonville, Freedom



SOURCE: Environmental Science Associates, 2002.

Sempra Communications ■
Telecommunications Development
Program NOP / A.00-02-020

Figure 1
Project Area Overview

PROJECT DESCRIPTION

On June 8, 2000, Sempra Communications filed an application for a CPCN to provide, on a statewide basis, facilities-based and resale competitive local exchange, access and interexchange services. In D.00-06-019, the Commission granted the joint motion of Sempra and the Commission's Office of Ratepayers Advocates ("ORA") requesting that Sempra be granted limited facilities-based local exchange authority. The decision further stated that authorization for expanded facilities-based authority involving construction work would require conformance with California Environmental Quality Act of 1970 ("CEQA"). Sempra further modified its application to limit the scope of the Project from a statewide program to urbanized areas within 15 counties as previously described.

The project includes the type of facilities, construction projects, construction methods, locations, and operations likely to be assumed under the CPCN. Under the CPCN, Sempra Communications proposes to install fiber optic cable and associated facilities required to provide customers with access to the telecommunications market.

Project Design and Installation Methods

The proponent proposes to use three different types of fiber-optic cable: optical ground wire (OPGW) is used for installation on transmission line tower structures; all dielectric self-supporting (ADSS) cable is used for installation on overhead wood utility pole structures; loose tube cable (LT) is used for installation in underground ducts. These three types of composite fiber-optic cables are used depending on where and how the cable is located and/or supported.

Actions proposed by Sempra Communications under this PEIR would consist of both underground and aboveground facilities. In some cases, a combination of these methods would be used because of geographical or topographical constraints, resource avoidance considerations, or availability of rights-of-way.

For underground construction, the cable is protected by conduit/innerduct. The conduit/innerduct provides protection from both physical and environmental damage. The conduit is typically 1.25 inches in diameter and made of polyvinyl chloride (PVC), high-density polyethylene (HDPE), or steel.

Aboveground installation refers primarily to aerial facilities. Aerial facilities may include cables placed directly on supporting utility structures or in the form of a bridge attachment. An additional aboveground method of installation includes installing cable on transmission towers by replacing existing ground wires with OPGW cable. OPGW cable is typically installed by the electrical utility by replacing existing ground wires on top of the tower.

Project Facilities

Facilities associated with fiber optic cable installation and operation include manholes, handholes, and assist points that function as points of access to fiber optic cable. Sempra Communications has proposed to install these facilities under its CPCN without further authorization from the CPUC when conditions do not require installation within biologically or culturally sensitive areas or areas of known contamination.

Furthermore, the signal transmitted on a fiber-optic strand must be amplified (i.e., boosted) approximately every 40 to 80 kilometers and reconstructed, or "cleaned up," every 80 to 200

kilometers, therefore, Sempra Communications proposes to construct regenerator and OP-AMP stations to house the electrical equipment that reconstructs and boosts the optical signal when required. Typical regenerator/OP-AMP stations consist of one to eight, 12- by 30-foot prefabricated buildings lined up side by side on a concrete pad. The buildings would be fenced for security and safety reasons, and each station would have an overhead security light and small light over the door. When necessary, a diesel generator and/or battery banks would be used for emergency backup power and an aboveground storage tank for fuel may be required.

Project Components

Staging Areas

Staging areas for construction equipment, materials, fuels, lubricants, and solvents would be established along the project routes during construction to allow more efficient use and distribution of materials and equipment. Whenever feasible, no new staging areas would be established in undisturbed areas or on public lands. All staging areas would be located on private lands in existing contractor yards; existing commercial or industrial areas used for storing and maintaining equipment; previously cleared, graded, or paved areas; or level areas where grading and vegetation clearing are not required, whenever feasible.

Access Roads

Whenever feasible, access to project sites would be by existing access roads to the utility, pipeline, road, or railroad rights-of-way. Some of the existing roads in isolated areas may require minimal repairs to make them usable for construction. After completion of cable installation, access roads would be repaired, if necessary, to prevent future erosion.

Equipment Access Through Streams

Because not all rights-of-way follow improved roads and some areas lack bridges, construction equipment may occasionally need to be transported through streams. In most cases, small or ephemeral streams along the existing utility rights-of-way are currently crossed by existing maintenance or access roads. In most of these instances, the stream banks would be gradually sloped and water flows would be nonexistent or low enough to allow vehicles to drive through the channel without any change in the channel. In some cases, these access points may need to be modified to accommodate construction equipment by placing clean erosion control rock or installing temporary culverts in the streambed. Such modifications will be permitted through the appropriate agencies (e.g., California Department of Fish and Game, U.S. Army Corps of Engineers) and will normally not occur in streams supporting sensitive resources.

Avoidance of Sensitive Resources

Qualified biologists, archaeologists, and paleontologists would coordinate with appropriate Sempra Communication personnel in the field to design the cable routes around sensitive resources and to site regenerator stations, staging areas, and assist points in areas that do not support sensitive resources, to the extent feasible.

Surface Reclamation

The short-term objectives of reclamation are to control accelerated erosion and sedimentation and minimize impacts on adjacent waters, land uses, and other sensitive resources. Properly executed construction practices and timely progress will mitigate temporary and short-term construction impacts to less-than-significant levels. Long-term objectives include erosion and sedimentation control, as well as reclamation of topography to preinstallation conditions (i.e., conditions prevailing before installation of the conduit and cable.).

Facility Operation and Maintenance

Ground-disturbing activities associated with ongoing operation and maintenance of telecommunications projects are typically minor to nonexistent. Best management practices such as erosion and sediment control measures would be implemented. In most emergency situations requiring immediate attention, such as a fiber cut, access to inspect damaged areas would be accomplished via helicopter or public roads or existing access roads.

CEQA PROCESS

Pursuant to CEQA Guidelines Section 15060, the CPUC staff conducted a preliminary review of the proposed project. Based on the potential for signficant impacts resulting from the proposed project, an EIR was deemed necessary. (A separate initial study was not prepared as provided in CEQA Guidelines Section 15060 (d).) A preliminary listing of issues to be discussed in the EIR is provided below. Additional issues may be identified in written comments. The EIR will also consider project alternatives, including the No Project alternative, as required by CEQA.

The "project" for purposes of CEQA is the Telecommunications Development Program as proposed by Sempra Communications to implement subsequent actions tiered from the PEIR that would be constructed consistent with the CPCN and subject to the conditions outlined in the PEIR. Sempra Communications shall not begin construction on any subsequent actions without the CPUC first authorizing the construction of such actions by issuance of a Notice-to-Proceed (NTP) or a finding that the project is exempt pursuant to the PEIR. Sempra would be required to apply the mitigation measures and the Mitigation Monitoring and Reporting Program (MMRP) included in the PEIR to those future actions, if and when they are constructed.

POTENTIAL ENVIRONMENTAL EFFECTS

The environmental analysis must consider the type of facilities, construction projects, construction methods, locations, and operations likely to be assumed under the CPCN, their potential to affect the environment where they are located, and appropriate standards for avoiding, minimizing, and mitigating any such effects to a less-than-significant level. The environmental analysis will include, among other things, appropriate protocols for the construction and maintenance of Sempra Communications' subsequent actions in environmentally sensitive areas. For example, the measures described in the EIR for the protection of cultural (e.g., archaeological, paleontological, historic significance) and biological resources are detailed and programmatic in their approach and are intended to fully describe the protective or mitigative measures required for subsequent actions when such actions may have an effect upon such resources.

The PEIR will focus on the topical areas that could be affected by the project, including: land use and planning, energy, hydrology and water quality, air quality, transportation and traffic, biological resources, agricultural resources, hazards and hazardous materials, noise, utilities and service systems, aesthetics, cultural resources, geology and soils, and recreation.

Land Use/Agricultural Resources

The proposed project may allow impacts that may affect agricultural resources during the construction, operation and maintenance of subsequent actions that cross agricultural lands. The environmental document will analyze the potential for subsequent actions that could result in land uses that are incompatible with existing and planned land uses within the project area, or if it would otherwise conflict with adopted environmental plans and goals of the communities. For

agricultural uses, the proposed project will be analyzed to determine if subsequent actions could convert productive agricultural land to non-agricultural use or impair farming operations or the agricultural productivity of agricultural land. For open space, the proposed project will be analyzed to determine if subsequent actions could adversely impact recreational, watershed, wildlife habitat and agricultural use values. The proposed environmental document will discuss and evaluate all potential impacts to land use and agricultural resources, which may result from the proposed project and its alternatives and include appropriate mitigation measures.

Air Quality

Installation of fiber optic cable and related facilities will involve the use of various types of heavy equipment such as backhoes, ditching machines, track hoes, bucket trucks, drill rigs, tool vans, cable reel trucks, cable trailers, fuel trucks, and helicopters. The proposed environmental analysis will discuss the temporary but potentially significant impacts to air quality, which may result from the operation of machinery fueled by gasoline and diesel fuel, in the air sheds of 15 counties in the state of California. The proposed environmental document will identify the types of emissions sources that could be associated with subsequent actions tiered from the project and evaluate their significance taking into account such factors as the types and amounts of the different pollutants that could be emitted, the duration of the impact, and the applicable significance criteria. Emissions increase from subsequent actions are evaluated against applicable significance criteria recommended by the air quality management districts through which the project would be constructed. The proposed environmental document will discuss and evaluate all potential impacts to air and quality resources, which may result from the proposed project and its alternatives and include appropriate mitigation measures.

Biological Resources

The proposed project may affect vegetation and wildlife within 15 counties in the state of California. Portions of the project areas are proposed to cross sensitive biological communities. The entire project and all alternatives to be considered will be reviewed for characteristic habitats in the project areas and their existence of state and federally listed plant and wildlife species and their potential habitats. The potential exists for plants and animals to be directly impacted during construction operations. In addition, construction methods to cross waterways have the potential to discharge drilling fluids in and around the water-crossing environment. The proposed environmental document will discuss and evaluate all potential impacts to biological resources, which may result from the proposed project and its alternatives and include appropriate mitigation measures.

Cultural Resources

The potential exists for impacts to cultural resources during installation of fiber optic cable and associated facilities. Protocols will be developed to avoid or lessen potential significant impacts during implementation of subsequent actions tiered off of the project. The proposed environmental document will discuss and provide an analysis of the potentially significant impacts to cultural resources and appropriate mitigation measures.

Geology and Soils

The potential exists for the proposed project to be constructed within a region of known earthquake fault zone, and as such may be affected by ground shaking, ground failure, and

liquefaction. Trenching/plowing within each project area may create soil erosion and/or loss of topsoil. Protocols will be developed installation methods, particularly directional boring methods proposed for subsequent actions to lessen or avoid potential significant impacts. The environmental document will describe and analyze significant impacts and include appropriate mitigation measures.

Hazards and Hazardous Materials

The potential exists during fiber optic cable installation to expose people, wildlife, and natural resources to ground contamination due to hazardous waste generators, leaking tank sites, and toxic spills. Hazardous materials to be used and disposed during construction include fuels, lubricants, and drilling fluids. The environmental document will identify events, which might lead to off-site impacts and estimate the frequency of occurrence, calculate possible release quantities, and consider spill contingency plans to limit environmental damage if an accident were to occur. Additionally, the environmental document will describe and analyze significant impacts and include appropriate mitigation measures.

Hydrology and Water Quality

The proposed project may potentially allow for temporary affects to several major watersheds in the project area, which support significant and substantial beneficial uses for both wildlife and people. The potential exists for discharge of contaminants either directly or indirectly into waterways, wetlands, or untreated drainage systems during the construction operations of subsequent actions. In addition, the potential exists during construction of fiber optic cable installation for petroleum products to enter waterways and groundwater through ground contamination. The proposed environmental document will discuss surface water, flooding, groundwater, water quality, beneficial uses and permitting requirements for the major water basins within the project areas. The environmental document will describe and analyze significant impacts and include appropriate mitigation measures.

Noise

The proposed environmental analysis will determine whether the construction and operation of subsequent actions could significantly increase the ambient noise levels for adjoining areas. The potential exists for the proposed project to allow exposure to people and wildlife to increased ambient noise levels from the use of heavy construction equipment and generators during the construction period of proposed actions. The environmental document will describe and analyze these significant impacts and include appropriate mitigation measures.

Transportation/Traffic

The environmental analysis will determine if subsequent actions could cause a significant increase in traffic in relation to the existing traffic load and capacity of the street system, as well as, an impact to access of facilities' rights-of-way (ROW). The potential exists for significant traffic disruption during the construction of proposed actions as it may significantly reduce the number of lanes available for local travel, and in some cases, temporarily close streets and impact public transportation stops. The environmental document will describe and analyze significant impacts and include appropriate mitigation measures.

Utilities and Service Systems

The potential exists for subsequent actions tiered off of the proposed project to coincide with public roadway rights-of-way that contain some or all of the following underground utilities: water, sewer, storm drain, gas, electric, and other fiber optic lines. Additionally, installation methods proposed by the project may cause potential disruption in utility services. The environmental document will describe and analyze significant impacts and include appropriate mitigation measures.

Recreation

The potential exists for the fiber optic cable installation to affect recreational facilities during construction. The project areas include networks of regional, county and local parks and trails. These parks, areas, and trails could be impacted during implementation of subsequent actions tiered off of the project. The environmental document will describe and analyze significant impacts and include appropriate mitigation measures.

Aesthetics

The potential exists for subsequent actions of the proposed project to cause impacts on visual quality by removing vegetation or by building structures that conflict with the existing setting. The environmental document will discuss impacts due to the location of manholes, handholes, assist points, and regenerator or OP-AMP stations and exterior lighting associated with those stations. The environmental document will also describe and analyze significant impacts and include appropriate mitigation measures.

NO IMPACT/LESS THAN SIGNIFICANT IMPACTS

Based on its preliminary review, the CPUC has determined that the proposed project would have a less than signficant impact or no impact on the CEQA issue areas identified below. The primary reasons for this preliminary determination are as follows:

Mineral Resources – The proposed project does not preclude or involve signficant extraction and removal of material, which may be deemed to be a locally important mineral resource of value to the region and residents of the State.

Population and Housing – The proposed project is not anticipated to affect the long-term quality or rate of growth of population and housing in the region or short-term demand for new, temporary housing for construction workers. The project is located within or adjacent to existing urban areas that contain existing residential infrastructure for proposed construction workers.

Public Services – The proposed project is a program for installation of fiber optic cable facilities. No additional public services are anticipated to be needed as a result of the proposed project.

Energy - The proposed project would use electrical energy to boost and reconstitute the signals being transmitted on the fiber optic lines and to cool the equipment that performs this work. The potential exists for the proposed project to impact the consumption of energy and dependence on petroleum resources. However, the project would provide data, voice, and video communications capabilities for business and home use, and would therefore facilitate telecommuting and

videoconferencing resulting in a decrease in transportation use. The proposed environmental document will discuss and analyze these issues, however, no impacts are anticipated.

NOP COMMENTS

This Notice of Preparation has been sent to interested State, local and federal agencies, to the State Clearinghouse, and to parties that have informed the CPUC of their interest in this project. Affected agencies should identify the issues within their statutory responsibilities that should be considered in the Draft PEIR. Similarly, other interested agencies, organizations and persons should comment on the scope of the Draft PEIR.

In order to ensure the PEIR addresses all appropriate environmental concerns, this NOP is intended to seek all relevant comments pertaining to the scope of analysis in the EIR. Comments in response to this NOP are required to be submitted no later than May 22, 2002. All written responses must be sent to:

Mr. John Boccio
CPUC Environmental Project Manager
c/o Environmental Science Associates
436 14th Street, Suite 600
Oakland, CA 94612

Comments can also be submitted by the same deadline by electronic mail at: jevans@esassoc.com, or by facsimile to: (510) 839-5825.