November 10, 2010

Mr. Alan F. Colton
Manager – Environmental Services
Sunrise Powerlink Transmission Project
8315 Century Park Court, CP21G
San Diego, CA 92123-1550

RE: SDG&E Sunrise Powerlink Transmission Line Project – Variance Request #1

Dear Mr. Colton,

On November 4, 2010, San Diego Gas and Electric (SDG&E) requested a variance from the California Public Utilities Commission (CPUC) for the Thomas Yard located within Imperial County, approximately seven miles north of the City of El Centro. This is an additional yard to those approved for the Sunrise Powerlink Transmission Line Project.

The CPUC voted on December 18, 2008 to approve the SDG&E Sunrise Powerlink Transmission Line Project (Decision D.08-12-058) and a Notice of Determination was submitted to the State Clearinghouse (SCH#2006091071). The BLM issued a Record of Decision approving the Project on January 20, 2009. The Project also crosses lands under jurisdiction of the U.S. Department of Agriculture; and Forest Service on the Cleveland National Forest; the Forest Service issued its Record of Decision and Supplemental Information Report on July 9, 2010. The area requested under this variance does not fall under Forest Service jurisdiction.

The CPUC also adopted a Mitigation, Monitoring, Compliance and Reporting Program (MMCRP) to ensure compliance with all mitigation measures imposed on the Sunrise Powerlink Project during implementation. The MMCRP also acknowledges that temporary changes to the project, such as the need for additional workspace, are anticipated and common practice for construction efforts of this scale and that a Variance Request would be required for these activities. This letter documents the CPUC’s thorough evaluation of all activities covered in this variance, and that no new impacts or increase in impact severity would result from the requested variance activities.

Variance #1 for the Thomas Yard is granted by CPUC for the proposed activities based on the factors described below.

**SDG&E Variance Request.** Excerpts from the SDG&E Variance Request, received November 4, 2010, are presented below (indented):

SDG&E is requesting a variance from the Final Environmentally Superior Southern Route (FESSR), and related facilities, as identified in the Final Environmental Impact Report/Environmental Impact Statement (FEIR/EIS) issued October 2008 by the California Public Utilities Commission (CPUC) as the lead State agency under the California Environmental Quality Act (CEQA), and the U.S. Department of the Interior Bureau of Land Management (BLM) as the lead Federal agency under the National Environmental Policy Act (NEPA) and the Project Modification Report (PMR) for the FESSR that was submitted to the CPUC and approved through a Determination Memorandum dated September 22, 2010. Construction Yards were identified in the Final EIR/EIS and the PMR to support construction of the project; the total number of construction yards was reduced from 43 in the FESSR to 19 in the PMR (page 3-4, PMR). Since that time, SDG&E’s contractor, PAR Electrical Contractors (PAR), has identified a yard that they believe is essential to the logistics of constructing Link 1. SDG&E is requesting a variance to the Final EIR/EIS and the PMR to include an additional construction yard. The proposed yard (Thomas Yard) is located...
approximately 7 miles north of Interstate 8 at 340 W. Ralph Rd, El Centro, CA. The site is on private land and the landowner has agreed to lease the yard to PAR for approximately 12 months.

The Thomas Yard was previously used as a lumber yard. The Thomas Yard would be used for the storage of equipment and materials associated with Sections 9c, 10a, and 10b on Link 1 of the Project. Activities associated with the use of this construction yard would be the same as the activities described at other approved construction yards on the Project. Since this yard has been used in a similar manner in the past and is fenced with an 8-foot fence, no additional visual screening is proposed.

Steel for the Project has arrived in Los Angeles and is ready for delivery; the Thomas Yard would provide an immediate location for the storage and partial assembly of these materials. The yards identified in the PMR designated for storage of construction materials in the eastern portions of the project ROW would require site upgrades, including removal of vegetation before the yards could be used. The majority of the Thomas Yard site is paved or bare ground with crushed rock fill. Construction activities will be located entirely within an existing 8-foot cyclone fence and only within the portion of the yard designated by the Noise Consultant. A noise buffer will be established within the boundaries of the yard to minimize noise impacts to residences in the area. The traffic consultant did not identify any significant traffic issues, but did recommend a preferred delivery route for construction traffic. No access improvements are proposed for the yard other than the placement of a rumble plate and rock apron at the entrance to control vehicle tracking onto the existing road.

No impacts will occur to biological or cultural resources. Biological reconnaissance and cultural surveys were conducted on September 10, 2010. The entire Thomas Yard was surveyed for biological and cultural resources. No sensitive species or habitats occur on the proposed site. Mannmade drainages occur across the site, but no sensitive water features occur in the proposed yard. These manmade drainages will be marked as Environmentally Sensitive Areas (ESAs) to avoid any impact. Best Management Practices (BMPs) will be installed in accordance with the Link 1 Storm Water Pollution Prevention Plan. The cultural survey determined that there is a small historic scatter site in the west central area of the existing yard. This area will be designated as an Environmentally Sensitive Area (ESA) and an exclusion zone with 20-meter buffer will be established prior to mobilizing any materials or equipment; the cultural resources specialists may modify this buffer as appropriate based on site conditions (e.g. existing building locations).

A Traffic Impact Study reveals no significant impacts with the use of the yard. The study indicated that the access from Ralph Road would be the preferred access to the site.

The Noise Study did not identify any significant noise issues with the use of the yard, if the following conditions are met:

1. All work must be performed within usage zone identified in red (ISE report graphic).
2. No more than four (4) pieces of equipment can be operated in close proximity to each other.
3. All equipment must be equipped with all manufacturers’ noise control equipment and must be maintained in good working order.
4. Equipment left unattended for periods longer than 15 minutes must be turned off. No idling of trucks while being loaded or unloaded.

The site map in the Noise Study Memorandum shows this restricted area. This area will be marked in the field with signs and/or flagging to designate the approved work areas.

The Phase I report did not identify any potential or existing environmental contamination liabilities at the proposed site. Since the site will be used in a similar manner as previous uses and is currently fenced, no additional visual screening is proposed for the site.

120 residents require notification prior to mobilizing to the yard. In accordance with measure L-1a, notifications will go out at least 15 days prior to use of the yard. A map of all landowners requiring notification will be provided to CPUC.

**CPUC Evaluation of Variance Request**

In accordance with the MMCRP, the subject variance request was reviewed by CPUC to confirm that no new impacts or increase in impact severity would result from the requested variance activities. This review also included a visit of the subject site on October 19th by the CPUC Lead Environmental Monitor (EM).
The following discussion summarizes this analysis for biological, cultural, paleontological, and hydrological resources, sensitive land uses/noise, and other issue areas. A list of bulleted conditions is presented to define additional information and clarifications regarding mitigation requirements. In some cases, these items exceed the requirements of the Mitigation Measures and Applicant Proposed Measures, and are based on specific site conditions and/or are proposed conditions by SDG&E.

**Biological Resources.** The majority of the subject site is paved or covered with gravel. No sensitive species or habitats were identified within the Thomas Yard during the biological resource survey conducted on September 10, 2010. Manmade drainages occur across the site, but no sensitive water features occur in the yard. These manmade drainages will be marked as Environmentally Sensitive Areas (ESAs) to avoid any impact. No impacts to biological resources are anticipated with the implementation of the conditions noted below.

**Hydrological Resources.** Manmade drainages occur across the site, but no sensitive water features occur in the yard. As proposed by SDG&E, these manmade drainages will be marked as ESAs to avoid any impact and Best Management Practices (BMPs) will be installed in accordance with the Link 1 Storm Water Pollution Prevention Plan (SWPPP). No impacts to hydrological resources are anticipated with the implementation of the conditions noted below.

**Cultural & Paleontological Resources.** The cultural survey conducted on September 10, 2010, determined that there is a small historic scatter site in the west central area of the existing yard. This area will be designated as an ESA and an exclusion zone with 20-meter buffer will be established prior to mobilizing any materials or equipment; the cultural resources specialists may modify this buffer as appropriate based on site conditions (e.g. existing building locations), subject to the review and approval of the CPUC EM as conditioned below.

There are no paleontological concerns for the Thomas Yard as there will be no ground disturbance.

No impacts to cultural or paleontological resources are anticipated with the implementation of the conditions noted below.

**Sensitive Land Uses/Noise.** Residences are located to the south of the subject yard, across Ralph Road. Other surrounding land uses include agricultural and Imperial Avenue, a four-lane roadway with a median which borders the western boundary of the subject site. A Noise Study was conducted for the subject yard and its proposed use. As identified above and in the conditions below, mitigation has been proposed by SDG&E to minimize the noise generation from use of the site to less than significant levels. With the implementation of the conditions noted below, no significant impacts to sensitive land uses are anticipated.

**Other Issue Areas.** The majority of the subject site is paved or covered with gravel, and no ground disturbance is proposed. The site is surrounded by 8-foot fencing and has been used for industrial purposes previously. No nighttime work or lighting is proposed. The Phase I report did not identify any potential or existing environmental contamination liabilities at the proposed site. SDG&E has committed to a preferred delivery route for construction traffic as recommended by their traffic consultant. No new impacts or increase in impact severity are anticipated by the temporary use of the subject yard during the duration of construction.
Conditions of Variance Approval.

The conditions presented below shall be met by SDG&E and its contractors:

1. All applicable project mitigation measures, APMs, compliance plans, and permit conditions shall be implemented. Some measures have on-going/time-sensitive requirements and shall be implemented prior to and during construction where applicable.

2. Copies of all relevant permits, compliance plans, and this Variance approval shall be available on site for the duration of construction activities.

3. All sensitive receptors and residences within 300 feet of the Thomas Yard shall be notified at least 15 days prior to initiating use of the yard and verification shall be submitted to the CPUC as per the Construction Notification Plan approved on March 1, 2010.

4. As proposed, the historic scatter and all drainage features shall be marked as “Environmentally Sensitive Areas” and avoided throughout use of the yard.

5. A 20-meter buffer shall be established around the historic scatter prior to mobilizing any materials or equipment; the cultural resources specialists may modify this buffer as appropriate based on site conditions (e.g. existing building locations), subject to the review and approval of the CPUC EM.

6. Between January 15 and August 15, “nesting survey sweeps” shall occur on a regular basis, as deemed appropriate by the level of nesting activity. If active nests are found, a biological monitor shall establish an appropriate buffer around the nest and no activities will be allowed within the buffer until the young have fledged from the nest or the nest fails. The biological monitor shall conduct regular monitoring of the nest to determine success/failure and to ensure that project activities are not conducted within the buffer until the nesting cycle is complete or the nest fails. The biological monitor shall be responsible for documenting the results of the surveys and the ongoing monitoring. The buffer may be adjusted with the approval of CDFG and USFWS, and with prior knowledge of the CPUC.

7. Wildlife found to be trapped will be removed by a qualified biological monitor. If the biological resource monitor is not qualified to remove the entrapped wildlife, a recognized wildlife rescue agency (such as Project Wildlife) will be contacted to remove the wildlife and transport it safely to other suitable habitats.

8. All crew members shall be Safe Worker and Environmental Awareness Program (SWEAP) trained prior to working on the project. A log shall be maintained on-site with the names of all crew personnel trained. For any crew members with limited English, a translator shall be on-site to ensure understanding of the training program. In place of a translator, the SWEAP training brochure can be provided in Spanish or other languages as appropriate. All participants will receive a hard-hat sticker for ease of compliance verification.

9. As provided in the request, use of the yard will occur between the hours of 7:00 a.m. to 7:00 p.m. In the event that work needs to take place outside of these hours, a variance will be obtained and submitted to the CPUC.

10. SDG&E shall employ the following noise suppression techniques as proposed:
  
  - All work must be performed within usage zone identified in red (ISE report graphic).
• No more than four (4) pieces of equipment can be operated in close proximity to each other.

• All equipment must be equipped with all manufacturers’ noise control equipment and must be maintained in good working order.

• Equipment left unattended for periods longer than 15 minutes must be turned off. No idling of trucks while being loaded or unloaded.

11. If any unanticipated lane restrictions or closures are found to be necessary, prior proof of coordination with emergency service providers and all necessary permits shall be submitted to the CPUC.

12. As proposed, the SDG&E Environmental Monitoring Program will be implemented during construction which will include implementation of the applicable environmental plans (as defined in HS-APM-1, HS-APM-2, HS-APM-3, HS-APM-8 and HS-APM-10. An Environmental Field Representative for the Thomas Yard will be on site to observe and document adherence to the applicable environmental plans.

13. No clearing or disturbance to vegetation shall occur inside or outside of approved work areas.

14. If the application of water is needed to abate dust in the yard, SDG&E shall use the least amount needed to meet safety and air quality standards and prevent the formation of puddles, which could attract wildlife to construction sites (as requested by USFWS). Conditions of the Dust Control Plan will be implemented and enforced throughout the occupancy of the Thomas Yard.

15. As proposed, the Link 1 SWPPP shall be implemented where appropriate for the duration of the Thomas Yard occupancy.

16. All temporary facilities (i.e., trailers, fencing, etc.) shall be removed from the Thomas Yard at the completion of occupancy.

17. All complaints received by SDG&E in regard to the yard shall be logged and reported immediately to the CPUC. This includes complaints relevant to noise, dust, etc. Complaints shall also be forwarded immediately to Imperial County. If complaints cannot be resolved, activities at the site may need to be modified and/or sound attenuation devices may need to be installed etc., depending on the nature of the complaint.

Please contact me if you have any questions or concerns.

Sincerely,

Billie C. Blanchard

Billie Blanchard
CPUC Environmental Project Manager
Sunrise Powerlink Transmission Project

cc: Daniel Steward, BLM El Centro Field Office
    Tom Zale, BLM El Centro Field Office
    Susan Lee, Aspen Environmental Group
    Vida Strong, Aspen Environmental Group
    Anne Coronado, Aspen Environmental Group