

Notice of Preparation

To: Responsible and Trustee Agencies*(Agency)*From: California Public Utilities Commission*(Agency)*505 Van Ness Avenue*(Address)**(Address)*San Francisco, CA 94102-3298

Subject: Notice of Preparation of an Environmental Impact Report for the Estrella Substation and Paso Robles Area Reinforcement Project Proposed Jointly by NextEra Energy Transmission West, LLC and Pacific Gas and Electric Company

The California Public Utilities Commission (CPUC) will be the lead agency and will prepare an environmental impact report (EIR) for the project identified below. We are requesting the views of your agency as to the scope and content of the environmental information that is germane to your agency's statutory responsibilities in connection with the proposed project. Your agency may need to use the EIR and/or subsequent related environmental documents prepared by our agency when considering your permit or other approval for the project.

The project description, location, and potential environmental effects are contained in the attached materials.

Because of the time limits mandated by state law, your response must be sent at the earliest possible date but not later than 30 days after receipt of this notice.

Please send your response to estrellaproject@horizonh2o.com or Robert Peterson, CPUC, c/o Tom Engels, Horizon Water and Environment, 400 Capitol Mall, Suite 2500, Sacramento, CA 95814. Please include your name or the name of a contact person in your agency.

Project Title: Estrella Substation and Paso Robles Area Reinforcement Project

Project Applicant, if any: NextEra Energy Transmission West, LLC and Pacific Gas and Electric Company

Date: August 1, 2018

Signature:



Title:

Project Manager, Energy Division,
Infrastructure Permitting and CEQA

Telephone:

(844) 211-7510

Email:

estrellaproject@horizonh2o.com

INTRODUCTION

Purpose of the NOP

The California Public Utilities Commission (CPUC) is the lead agency for preparation and review of an environmental impact report (EIR) for NextEra Energy Transmission West, LLC's (NEET West) and Pacific Gas and Electric Company's (PG&E) (collectively referred to as "co-Applicants") proposed Estrella Substation and Paso Robles Area Reinforcement Project (Proposed Project). The Proposed Project would involve construction of an electric substation, a new 7-mile-long transmission line, and replacement of approximately 3 miles of an existing transmission line. These new and replaced facilities would be located in San Luis Obispo County, including portions within the City of Paso Robles, in Central California.

This Notice of Preparation (NOP) presents general background information on the scoping process, the environmental issues to be addressed in the EIR, and the anticipated uses of the EIR. It also briefly describes the Proposed Project as currently envisioned. The project description is subject to refinement during the process of preparing the EIR, depending on, among other things, input received in comments responding to this NOP and revisions to the Proposed Project. The CPUC has prepared this NOP pursuant to Section 15082 of the State California Environmental Quality Act (CEQA) Guidelines.

Scope of the EIR

This EIR will evaluate potential environmental impacts of the Proposed Project. As the lead agency under CEQA, CPUC has determined that the Project may have a significant impact on the environment and has decided to prepare an EIR. Consistent with the basic purposes of CEQA (State CEQA Guidelines Section 15002[a]), the purposes of the EIR will be to:

1. Inform governmental decision makers and the public about the potential, significant environmental effects of the proposed activities;
2. Identify the ways that environmental damage can be avoided or significantly reduced;
3. Prevent significant, avoidable damage to the environment through the use of feasible alternatives or mitigation measures.

Based on the co-Applicants' Proponent's Environmental Assessment (PEA) for the Proposed Project, and a preliminary environmental review of the Proposed Project by CPUC's consultant, the following resource topics may have potentially significant impacts and will be evaluated in the EIR: aesthetics, agriculture and forestry resources, air quality, biological

resources, cultural resources, geology, soils, and seismicity, greenhouse gas emissions, hazards and hazardous materials, hydrology and water quality, noise, public services, transportation and traffic, tribal cultural resources, and utilities and service systems.

No significance determinations have been made regarding any possible impacts of the Proposed Project. The analysis in the EIR ultimately will determine whether such impacts could occur and their level of significance. The EIR also will propose feasible mitigation measures to reduce any identified significant impacts. Thresholds for determining significant impacts will be based on applicable sections of the State CEQA Guidelines, regulatory agency standards, and the judgment of the CEQA lead agency, CPUC.

Public Involvement

The CPUC is soliciting the views of interested persons and agencies on the scope and content of the environmental information that is germane to the Proposed Project. A scoping meeting for the Proposed Project will be held as follows:

Tuesday, August 7, 2018 6 p.m. to 8 p.m.
Winifred Pifer Elementary School
Multi-Purpose Room
1350 Creston Road, Paso Robles, CA 93446

The scoping meeting will feature a presentation on the Proposed Project and environmental review process and an opportunity for interested members of the public to submit oral or written comments.

Written comments may be submitted at any time during the scoping period. All available documents pertaining to the Proposed Project can be located at the following website: <http://www.cpuc.ca.gov/environment/info/horizonh2o/estrella/index.html>. Because of the time limits mandated by state law, your written comments on the scope and content of the EIR must be **received no later than August 31, 2018 at 5:00 p.m.** Please send written comments to the CPUC, to the attention of Rob Peterson, CPUC, c/o Tom Engels, Horizon Water and Environment, 400 Capitol Mall, Suite 2500, Sacramento, CA 95814. Please include the name and phone number of the contact person for your agency, if applicable. CPUC will consider and incorporate scoping comments on the Proposed Project in preparation of the EIR as appropriate.

PROJECT DESCRIPTION

Background and Need

The California Independent System Operator (CAISO) approved the development of the new 230/70 kV power line to interconnect to the substation to improve reliability in San Luis Obispo County in its *2013-2014 Transmission Plan, Estrella Substation Project Description and Functional Specifications for Competitive Solicitation* (CAISO 2014). Following its selection by CAISO in March 2015 as the approved project sponsors, the co-Applicants submitted to CPUC a Proponent's Environmental Assessment (PEA) in January 2017, as part of its application (A.17-01-023) for Permits to Construct (PTCs), as specified in CPUC General Order (G.O.) 131-D. The PEA and related project documents are available at: website: <http://www.cpuc.ca.gov/environment/info/horizonh2o/estrella/index.html>.

Project Objectives

The objectives of the Proposed Project, as stated by the co-Applicants in their PEA, are as follows:

- Increase reliability and mitigate thermal overloads and voltage concerns in the area by having an additional 230 kV source of power that will increase service reliability in northern San Luis Obispo County, and maintain compliance with North American Electric Reliability Corporation (NERC) reliability standards; and
- Provide a location for future 21 kV distribution facilities with a 230/70 kV source near the anticipated growth areas in northern Paso Robles to efficiently add distribution capacity and improve service reliability when required in the Paso Robles Distribution Planning Area.
- Balance Safety, Cost, and Environmental Impacts

Project Location

The Proposed Project would be located within the northern portion of San Luis Obispo County, California, including portions of the City of Paso Robles (see Figure 1). The nearest other communities are San Miguel, which is approximately nine miles to the northwest, and Templeton, which is about 8.5 miles to the southwest.

Land uses in the Proposed Project area are a mixture of intensive agriculture and urban and rural residential development. North of State Route 46 and within the city limits, land uses

consist of light industrial development, rural residential development, and wineries/vineyards. Topography in the vicinity of the project is generally rolling hills, with existing elevations ranging from approximately 920 feet to 960 feet above mean sea level.

The proposed Estrella Substation site is located on an approximately 15-acre portion of a 98.6-acre parcel of land and would be comprised of NEET West's 230 kV substation and PG&E's 70 kV substation. The entire approximately 15-acre Estrella Substation site is currently planted with grape vines with 10-foot-wide span lengths.

The proposed power line would consist of a new, approximately 7-mile long 70 kV power line between Estrella Substation and the existing San Miguel-Paso Robles 70 kV Power Line and the reconductoring / replacement of approximately 3 miles of the existing line to where it connects to Paso Robles Substation.

Proposed Project

The Proposed Project is comprised of two components: Estrella Substation and the 70 kV Power Line. Each of these main components has several subcomponents, which are described below:

1. Estrella Substation Components

- a. Constructing a new 230 kV substation to be owned and operated by NEET West;
- b. Constructing a new 70 kV substation to be owned and operated by PG&E, with a location for future 70/21 kV distribution facilities; and
- c. Constructing a 230 kV transmission line interconnection to be owned and operated by PG&E.

2. Power Line Components

- a. Constructing a new approximately 7-mile-long 70 kV double-circuit power line between the new 70 kV substation and the existing San Miguel-Paso Robles 70 kV Power Line (new 70 kV power line segment), to be owned and operated by PG&E.
- b. Reconductoring (and pole replacement) of approximately 3 miles of the existing San Miguel-Paso Robles 70 kV Power Line from the interconnection with the new 70 kV double-circuit power line (described under "a" above) to the Paso Robles Substation.

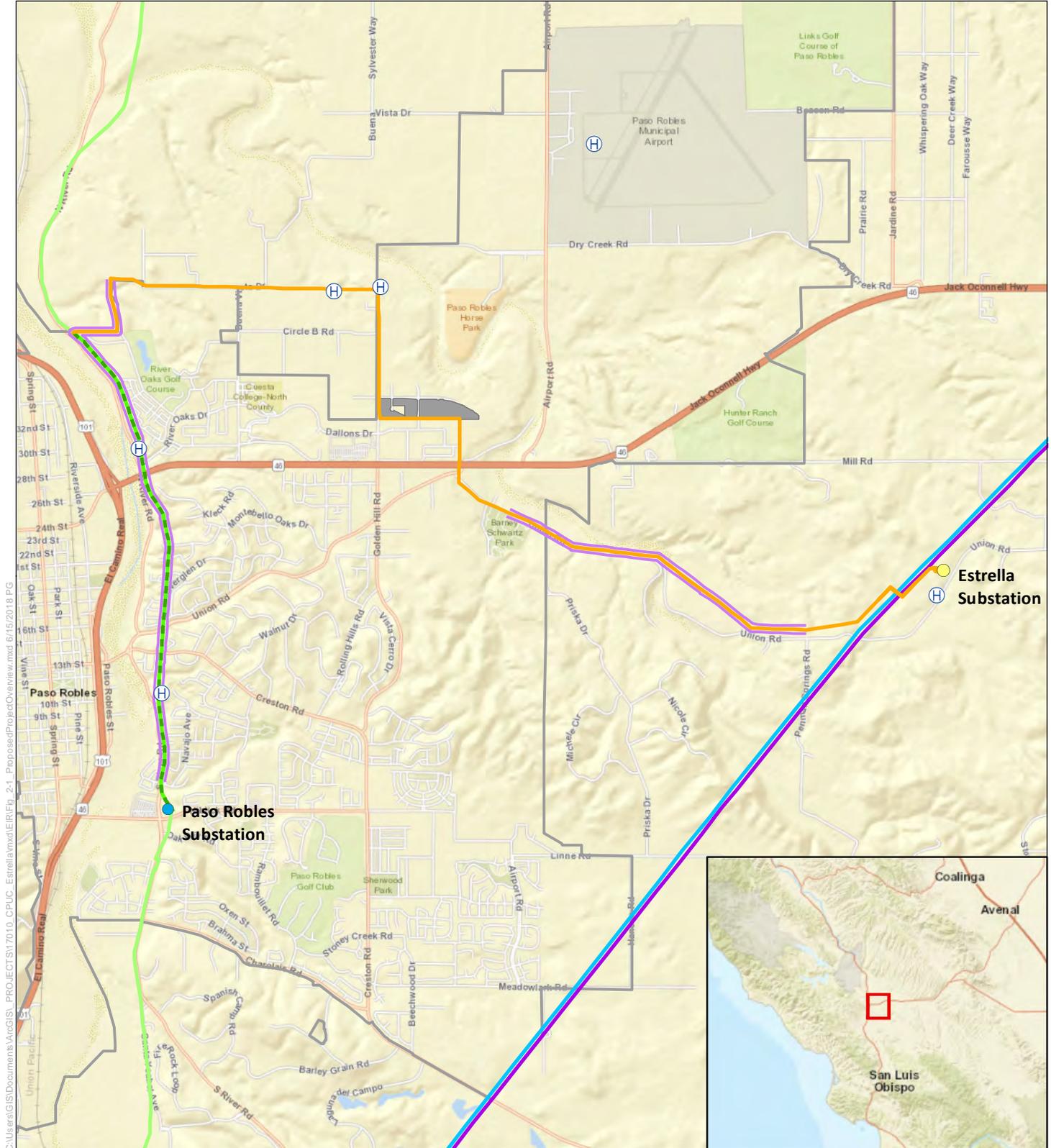
A common neutral would be collocated along the entire length from Estrella Substation to Paso Robles Substation. A fiber optic line for communication services would be installed on

the 70 kV power line to provide a fiber optic link between the Estrella Substation and Paso Robles Substation.

Alternatives to the Proposed Project will be evaluated in the Draft EIR. These alternatives are anticipated to include alternative sites for the proposed substation, battery storage, and alternative alignments for the power line (see Figure 2 for examples). One of the primary purposes of the scoping period is to gather information about potential project alternatives.

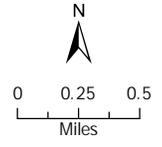
Project Construction Schedule

The co-Applicants estimate that construction of all project components would take about seven months to complete. Construction would typically occur six days per week (Monday through Saturday) throughout the duration of construction. Daily work hours would generally be 10 hours per day with construction typically occurring between 7:00 am and 5:30 pm. Occasionally, work may occur during the evening hours for activities such as monitoring the substation foundation curing process, and testing and commissioning the new substation components. Nighttime work may also be required when electrical clearances are available for safe completion of a construction procedure.



C:\Users\GIS\Documents\ArcGIS\PROJECT\S17010_CPUC_Estrella\mxd\ER\Fig_2-1_ProposedProjectOverview.mxd 6/15/2018 PG

BaseMap Sources: Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P,



- Paso Robles city limits
- Project Area**
- New 70kV Power Line Segment
- Reconductoring Segment
- Distribution Underbuild
- Power Line Staging Areas

- Helicopter Landing Zones
- Estrella Substation Location
- Paso Robles Substation location
- Existing Infrastructure**
- Existing 500 kV Transmission Line
- Existing 230 kV Transmission Line
- Existing 70 kV Power Line

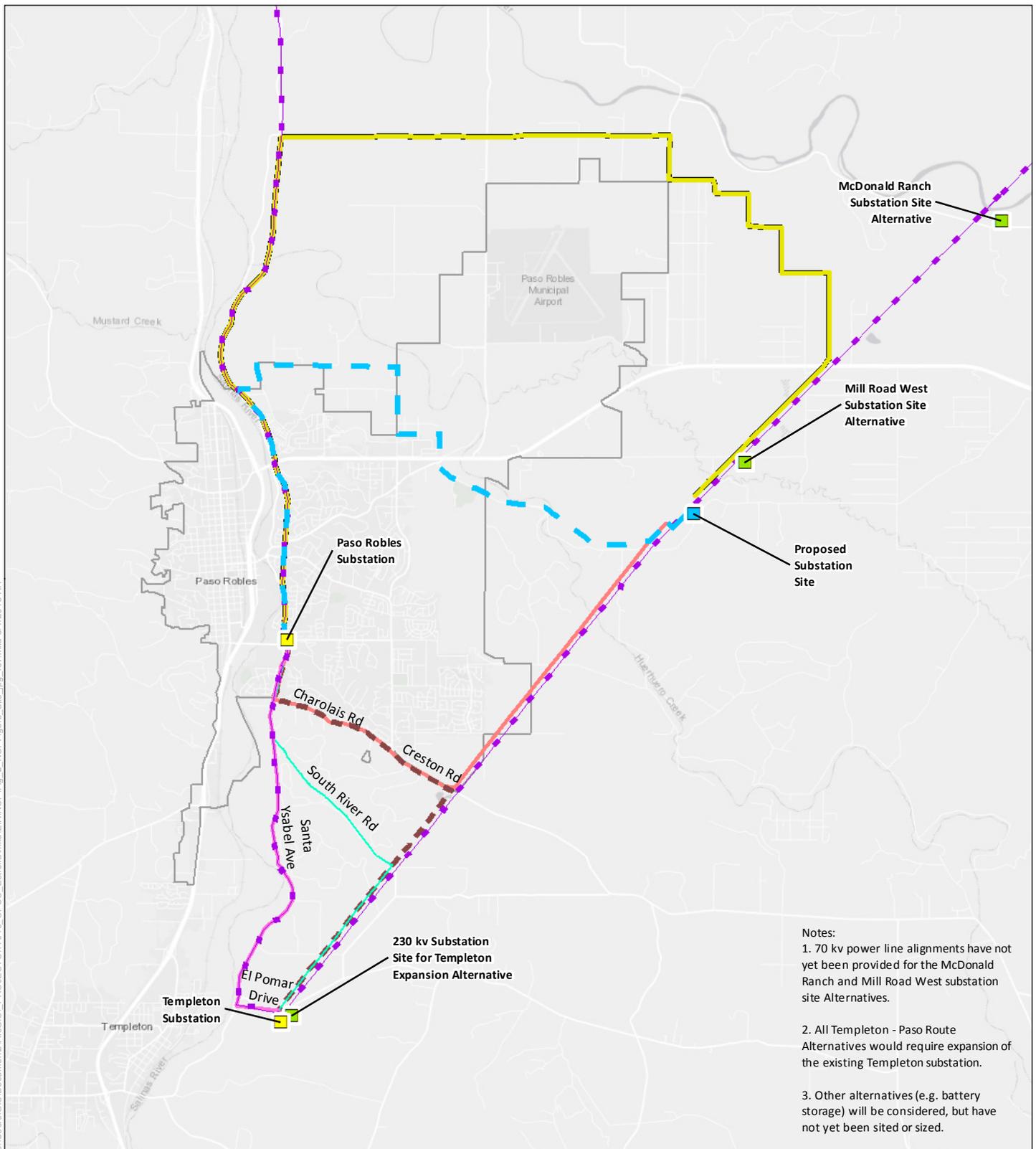
Figure 1
Proposed Project Overview Map

Proposed Estrella Substation and Paso Robles Area Reinforcement Project



Source: Source: NEET West and PG&E 2017

C:\Users\GIS\Documents\ArcGIS\PROJECT\S17010_CPUC_Estrella\mxd\EIR\NOP\Fig_2_NOP\Figure_atls_jpg_rev.mxd 8/17/2018 RH



- Notes:
1. 70 kv power line alignments have not yet been provided for the McDonald Ranch and Mill Road West substation site Alternatives.
 2. All Templeton - Paso Route Alternatives would require expansion of the existing Templeton substation.
 3. Other alternatives (e.g. battery storage) will be considered, but have not yet been sited or sized.

Basebap Sources: Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, Source: NEET West and PG&E 2017

- | | |
|---------------------------------------------------------------|----------------------------------------------------------------------------------------|
| ■ Existing Substation | Alternatives |
| — Existing Infrastructure | — Estrella Route Alternative |
| — Proposed Project | — Creston Route Alternative |
| | — Templeton-Paso Creston Route Alternative |
| | — Templeton-Paso South River Route Alternative |
| | — Templeton-Paso Existing 70 kV Route Alternative |
| | ■ Substation Site Alternatives |

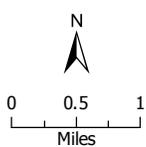


Figure 2
Proposed Project and Potential Alternatives

Proposed Estrella Substation and Paso Robles Area Reinforcement Project

References

CAISO. *See* California Independent System Operator.

California Independent System Operator. 2014. 2013-2014 Transmission Plan. Retrieved from: https://www.caiso.com/Documents/Board-Approved2013-2014TransmissionPlan_July162014.pdf. Accessed July 27, 2018.