

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

In the Matter of the Application of SAN DIEGO)
GAS & ELECTRIC COMPANY (U902 E) for a) Application 09-08-003
Permit to Construct Electrical Facilities With) (Filed August 10, 2009)
Voltages Between 50 kV and 200 kV and New)
Substations With High Side Voltages Exceeding)
50 kV: The East County Substation Project)
_____)

**PROTEST OF BACKCOUNTRY AGAINST DUMPS,
THE PROTECT OUR COMMUNITIES FOUNDATION, AND
EAST COUNTY COMMUNITY ACTION COALITION**

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September 14, 2009

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THE PROTECT OUR COMMUNITIES FOUNDATION, AND
EAST COUNTY COMMUNITY ACTION COALITION**

I. INTRODUCTION

Pursuant to Rule 2.6 of the Commission Rules of Practice and Procedure, Backcountry Against Dumps, The Protect Our Communities Foundation, and the East County Community Action Coalition (collectively “Conservation Groups”) protest San Diego Gas & Electric’s (“SDG&E’s”) application to build the East County Substation (“ECO substation” or the “project”).

The three organizations we represent are vitally concerned about proper management of San Diego County’s fragile backcountry environment. The Protect Our Communities Foundation (POC) is dedicated to the promotion of a safe, reliable, economical, renewable, and environmentally responsible energy future for San Diego County. Backcountry Against Dumps is a community organization comprising many individuals and families residing in East San Diego County who are directly affected by planning, management, and use of nearby public lands and resources and are keenly interested in maintaining and enhancing the ecological integrity, scenic beauty, wildlife, recreational amenities, watershed values, and groundwater resources of these lands. The East County Community Action Coalition is a newly formed coalition of community groups, individuals, and organizations in East San Diego County. Its mission is to protect and enhance the quality of life for residents of East County by promoting coordinated community action, including monitoring planning, management, and use of nearby public lands and resources.

II. TIMELINESS

As SDG&E's application first appeared in the Commission's Daily Calendar on August 13, 2009, under CPUC Rule 2.6(a) this protest is timely filed on Monday, September 14, 2009, the first business day following 30 days after SDG&E's filing.

III. PROCEDURAL MATTERS

Conservation Groups agree with the Commission's determination in ALJ-176-3239 that this proceeding should be categorized as a ratesetting and that a hearing is necessary. The environmental issues related to the ECO Substation are complicated and far-reaching and will require a thorough assessment prior to the Commission's decision on the application.

Conservation Groups plan to present evidence of the adverse environmental impacts of the proposed substation and related energy development projects, including the six wind farms that are slated to connect to the new substations.

IV. ANALYSIS

Conservation Groups raise the issues summarized below because they were inadequately addressed in SDG&E's application and accompanying Proponent's Environmental Assessment ("PEA"). Conservation Groups request that the Commission focus on and thoroughly analyze these issues before taking any action on SDG&E's application. Additionally, Conservation Groups identify significant impacts – including, *inter alia*, a significant increase in fire hazards, destruction of highly prized visual, biological and cultural resources, and indirect, growth-inducing, and cumulative impacts – that must be analyzed in an Environmental Impact Statement / Environmental Impact Report ("EIS/EIR") pursuant to the National Environmental Policy Act ("NEPA") and the California Environmental Quality Act ("CEQA").

A. Project Description

The PEA's Project Description chapter is inadequate. First, the PEA fails to include a list or a map of the proposed wind energy projects that will use the ECO and Boulevard substations or to analyze the impacts of those future, foreseeable projects. The PEA admits that the project will expand the interconnect capability of the southeastern transmission system "to accommodate all of the region's planned renewable generation (based on data in the CAISO Generator Interconnection Queue as of June 2009)" PEA, p. 1-3. The projects that will connect to the ECO and Boulevard substations should be discussed as part of this project's impacts and, at a minimum, a map depicting the general location of the proposed wind farms should have been produced as part of the project description.

Second, the PEA fails to include a discussion of the Sunrise Powerlink Transmission Project ("SPTP") as part of the project setting. The description of the existing system does not discuss the approval of the SPTP or the effect that the additional 500 kV line will have on system reliability and capacity. Similarly, Figure 3-2 shows an "existing system" and a "proposed system," but neither diagram includes the SPTP, which will (if constructed) have a major impact on the grid in Eastern San Diego County. The ECO substation project was discussed in the SPTP environmental review as a related project; the absence of any substantive discussion of the SPTP in the PEA here is thus remarkable. The SPTP should be included in the project description as one of the potential components of the SDG&E's expanded capacity.

Third, the PEA does not adequately describe or analyze the approximately 600% increase in the size of the Boulevard Substation. See, e.g., Figure 3-17. This increase in size is even more significant given that the property is located in a residentially zoned area.

Conservation Groups ask the Commission to conduct a more complete study of the impacts of the much larger substation on the community of Boulevard.

Fourth, the PEA does not discuss the project's location in and near two rural, low-income communities, Boulevard and Jacumba. Not only should the project description include a discussion of these towns, but the PEA should analyze the impacts of the project on the towns and the surrounding community.

Fifth, Figure 3-3 is omitted "due to its confidential nature." Conservation Groups see no reason why a map of the existing and proposed systems should be excluded from this analysis.

B. Project Purpose and Need

The Project Purpose and Need chapter is also deficient. First, the PEA fails to include a detailed analysis of demand versus supply estimates that could establish a need for the project. Demand in SDG&E's service area has not increased in two years, yet SDG&E is proposing many new energy production and transmission projects. A discussion of supply and demand should include the growing consensus that energy production facilities must be located near urban centers – not in remote, sparsely populated, and ecologically valuable areas like Eastern San Diego County. Large-scale, urban, photovoltaic projects are being proposed and approved in SDG&E's and Southern California Edison's territories. The increasing importance of these locally distributed generation projects should be discussed in the PEA's discussion of the ECO substation's purpose and need.

Second, the PEA does not adequately discuss transmission capacity. The Commission should address the effect of the proposed construction of the SPTP on the project's capacity and reliability goals. The PEA states that the project is designed to reduce the distance

new, renewable energy will have to flow to connect with the existing Southwest Power Link (“SWPL”). The Commission should address whether the SPTP will change that specific basis for construction of the ECO substation. And in conjunction with the first point above, the Commission should discuss whether distributed generation projects would more readily meet the project’s goal of reducing distance from generating facilities to load centers.

C. Agency Coordination

Further explication of the anticipated interagency review of this project is needed, for several reasons. First, the PEA briefly discusses the project’s need for rights-of-way through Bureau of Land Management (“BLM”) lands, but does not detail the coordination that will take place between the Commission and BLM. The Commission should clarify as soon as possible what steps will be taken to coordinate review with BLM.

Second, formal consultation under ESA will be required. The proposed transmission line will cut directly through Quino Checkerspot Butterfly Critical Habitat. Also, the project location abuts critical habitat for Peninsular Bighorn Sheep. As noted in the PEA, the effects of the substation on the continued survival of these endangered species must be fully analyzed and coordination with the California Department of Fish and Game (“DFG”), BLM and the U.S. Fish and Wildlife Service (“FWS”) must be undertaken. Conservation Groups request that such consultation take place at the earliest point possible in the process so that the views of DFG and FWS on the project’s effects on endangered species can be fully integrated into the CEQA and NEPA review for this project.

Third, the PEA does not adequately discuss consultation with local Native American tribes. This consultation should be robust and thorough given the importance of the cultural

resources in the area.

Fourth, the construction of the new Boulevard and ECO substations will require Major Use Impact Permits (“MUPs”) from the County of San Diego. These permits and their review by the County and other local agencies should be described and coordinated. Also, SDG&E’s proposed changes at the White Star Communications facility will likely require a MUP. The PEA does not adequately discuss the need for, requirements of and constraints on these County permits.

D. Alternatives

The PEA’s discussion of alternatives is inadequate. The analysis does not contain adequate detail and therefore fails to highlight the relative benefits and drawbacks of each of the alternatives. PEA, pp. 5-22 to 5-40. Further the alternatives section does not include any discussion of non-wire alternatives, including construction of distributed generation within San Diego and its environs. Nor does the PEA discuss underground options that could reduce the fire threat of the transmission component of the project. The Commission should prepare a much more thorough discussion of feasible alternatives that could likely decrease or eliminate the significant impacts of this project.

E. Indirect Impacts

The PEA fails to fully and adequately describe and analyze the indirect impacts of the ECO substation. The substation is specifically designed to connect six proposed projects in the area to the SWPL. It also will be designed to “accommodate additional renewable generation in the future, beyond what is currently in the CAISO Queue.” PEA, p. 2-7. To the extent that the impacts from these projects and their generation tie-lines are “reasonably foreseeable,” they must

be addressed in the PEA as indirect impacts. CEQA Guidelines §§ 15064, 15126.2, 15130. Conservation Groups assert that the many, large-scale projects that are dependent on the construction of the ECO substation will have significant impacts on the region's environment. Massive wind farms have the proven capacity to kill thousands of birds each year. Similarly, large scale solar-thermal projects can create superheated zones around the collector towers that can reach ambient temperatures of 800 degrees, hot enough to literally cook birds in mid-flight. Endangered species, such as the Peninsular Bighorn Sheep and the Quino Checkerspot Butterfly, also inhabit the area and will be adversely affected by the construction and operation of the renewable energy projects. An EIS/EIR will therefore be required to address these and many other significant indirect impacts.

The PEA also fails to address the likelihood that the new substation will cause more fossil-fuel-based generating facilities to be built in Mexico or near the substation in the United States. By only discussing the “new wind projects” (*see, e.g.* Figure 3-2) that might interconnect with the substation, the PEA paints an overly “green” picture of the ECO substation project. Notably, Sempra's existing Bajanorte Gasducto LNG line and a new water line run through Sempra's leased land directly south of the new ECO substation. With the construction of a new cross-border transmission line, as has been proposed for the Energia Sierra Juarez project, Sempra will have all the necessary ingredients for a new gas-fired power plant at the border on the Baja side: gas, water, and transmission. Sempra has previously indicated that liquid natural gas (LNG) will serve as its primary fuel for decades to come and has invested billions in its LNG infrastructure in Baja, including the construction of the Energia Costa Azul LNG terminal near Ensenada, Mexico. The Commission should fully investigate the potential for the ECO

substation to increase fossil fuel consumption and analyze the consequent effects on greenhouse gas emissions, global warming, and air quality in the project area.

F. Environmental Justice

The PEA fails to adequately address the environmental justice issues raised by the construction of massive, industrial facilities and infrastructure for the provision of power to urban consumers within and surrounding low-income, rural communities. The Commission should address these important and often-overlooked issues.

G. Fire Impacts

Ironically, SDG&E recently sought permission from the Commission to turn off electrical power in the area of the ECO and Boulevard substations when fire dangers are high – a drastic measure from any perspective – yet it claims here that construction of extensive, additional electricity infrastructure in the exact same area will not present a significant fire hazard. If existing lines are dangerous enough that SDG&E wants to shut off the power to thousands of people on windy days, how can the construction of even *more* substations and transmission lines be properly categorized as an *insignificant* impact? Clearly, the fire dangers presented by this project are significant and must be subjected to a full and accurate analysis in an EIS/EIR.

The PEA also fails to incorporate all relevant wildfire occurrence information, including historic fire frequency, duration and magnitude data. The Commission should ensure that a complete understanding of the fire hazards in light of the region's fire history is produced in an EIS/EIR.

In addition to the direct impacts of the described components of the project, the

Commission will also have to address the indirect fire hazard impacts of the multiple wind farm projects that the project will accommodate. As discussed above, the PEA completely failed to address these types of indirect impacts. The indirect fire hazard impacts could potentially devastate the area and therefore must be analyzed as a significant impact.

H. Water

The PEA contains an inadequate analysis of the impacts of the project on ground and surface water resources. As for groundwater, the PEA fails to adequately describe the project's short- and long-term demands on the region's groundwater resources. If the project draws down groundwater levels to a significant degree, neighbors' wells will be negatively affected. Such a drop in groundwater could also adversely impact any local springs or seeps connected to the aquifer, which could, in turn, affect desert animals reliant on those springs and seeps.

Further, SDG&E has failed to adequately analyze the potential for contamination of the underlying aquifers from the 569,800 gallons of oil that will be used at the ECO substation and the 25,660 gallons at the Boulevard substation due to operator error, equipment malfunction, fire, earthquake, windstorm, landslide, vandalism, sabotage, or other causes. PEA, p. 3-21. Contamination of the fractured rock aquifers in Eastern San Diego County is notoriously difficult, if not impossible, to remediate. Contamination can be transported off-site via high-flow fractures at unknown rates and in unknown directions. The Commission should analyze these potentially significant impacts in an EIS/EIR prior to making a decision on SDG&E's proposed substation project.

The PEA also does not fully address the project's impacts on surface water resources. Construction will require 30 million gallons of water to be pumped out of the aquifer, purchased

from nearby water districts, or trucked in from the City of El Centro. The PEA does not analyze the availability of water for construction or the impacts of any of these plans. Further it is not clear to what extent long-term operation of the facility will require surface water supplies. In an area as dry as the proposed project site, water supply and demand must be very carefully evaluated prior to approval of any new project.

I. Greenhouse Gas Emissions

The PEA utterly fails to discuss its potential to increase greenhouse gas emissions from increased fossil-fuel energy generation. As discussed above, the proximity of the proposed substation to a natural gas pipeline and water line in Mexico presents the possibility that a new gas-fired plant will be built in the region and serviced by the ECO substation. This potentiality should be discussed in the Commission's analysis of this project.

Additionally, the PEA admits that “fugitive emissions of SF₆ — a potent GHG with a GWP of 23,900—will result from the operation of transmission-line equipment that will be installed at the ECO and Boulevard substations.” PEA, p. 4.3-24. SDG&E plans to implement a SF₆ monitoring and reduction plan, but the plan will only “reduce emissions of SF₆ by approximately 5 percent.” *Id.* The PEA concludes that the plan will mitigate the impact of SF₆ emissions to less-than-significant levels, but a reduction by 5 percent does not mitigate this significant impact to a less-than-significant level.

Further, studies have begun to show that undisturbed alkaline desert areas, such as the Mojave Desert, sequester carbon-dioxide in surprising quantities.¹ The new understanding of deserts as important carbon sinks should be discussed in the Commission's analysis of this

¹ http://www.ecostudies.org/press/Schlesinger_Science_13_June_2008.pdf

project's impacts on greenhouse gas emissions. The project will open up vast stretches of currently untrammeled desert lands to large-scale industrial development. These huge desert areas may do more good in reversing global warming if left alone than if they are fully developed into renewable energy generation facilities. This is particularly true where, as here, distributed photovoltaic energy production near the energy demand centers could eliminate or substantially reduce the need for the project. More analysis of this indirect adverse impact of the project should be conducted prior to the Commission's decision on SDG&E's application.

J. Soil and Invasive Species

An estimated 140,000 cubic yards of soil may be imported to fill the project site. The PEA should, but does not, analyze the project's likely importation of invasive plant species within the fill soil. The Commission must identify, analyze, and, if necessary, mitigate these impacts in its environmental study of the project.

K. Noise

The PEA's conclusion that noise impacts can be reduced to less-than-significant levels is incorrect. PEA, p. 4.10-2. The introduction of industrial noise levels during construction, operation, and maintenance of the project will be significant. These significant noise impacts will disturb adjacent property owners and endangered and sensitive species who occupy and pass through the area, including bighorn sheep, golden eagles, and reintroduced condors. These noise impacts are even more significant given Eastern San Diego County's quiet, rural setting.

In addition to the immediate noise impacts of the project itself, the PEA should have, but failed to, address the noise impacts of the construction of the multiple energy generation

facilities that will connect to the ECO and Boulevard substations. The cumulative construction impacts of the project with the SPTP will be significant as well. These noise impacts may be individually and cumulatively significant and should be fully analyzed in an EIS/EIR.

L. Visual & Night Sky Resources

The PEA does not adequately address the significant impacts of the project on visual and night sky resources. First, the project will significantly affect the area's visual resources by introducing massive, new industrial projects, with industrial-scale lighting, new roads, graded pads, water tanks, and 10-foot-high barbed wire fencing into a scenic, rural area. The scarring of the landscape will be visible from many locations as graded portions of the desert never resume their natural appearance once cleared. The project will affect scenic and historic roadways and will detract from local, small businesses that rely on a tourist- and recreation-based economy – including the nearby Desert View Tower and the Jacumba Hot Springs Spa.

Additionally, the PEA's visual resources section ignores the SPTP and the various proposed energy production facilities in the area. The maps and photo simulations do not consider the intensive visual impacts of the proposed SPTP infrastructure and wind farms, including the industrial-scale wind turbines that will be located directly behind the ECO Substation. When added all together, the SPTP, the new wind and solar facilities, the existing SWPL, and the proposed ECO and Boulevard substations will drastically affect the visual context of the area's rural communities, public lands, and private properties. These cumulative visual impacts must be thoroughly evaluated by the Commission.

Further, the PEA does not adequately account for the significant impacts of the project on night skies. The fifty, 300-watt tungsten-quartz lamps proposed for the ECO

substation will significantly degrade the night skies in one of the last dark sky areas left in Southern California. As with visual resources, the PEA also fails to address all of the other indirect night sky impacts from the energy production facilities that will connect to the SWPL through the ECO and Boulevard substations. These light pollution impacts will be individually and cumulatively significant.

M. Conservation Initiatives

The PEA fails to adequately discuss the project's negative impacts on the region's conservation initiatives. The construction of the project and all of the energy production facilities with which it will interconnect will degrade the ecological value of the project sites themselves as well as miles of surrounding desert. This diminution of the desert ecosystem in the region will likely affect conservation decisionmaking, turning money and protection away from the area as conservationists look for less-developed lands to preserve. Some of the conservation initiatives that could be affected by the project include The Nature Conservancy's purchase of the the Jacumba-Eade property in January 2008 for inclusion into the Anza Borrego State Park, preservation programs in the County of San Diego's East County Multiple Species Conservation Plan, the Las Californias Binational Conservation Initiative, and the Parque to Park proposal, which seeks to connect Anza Borrego State Park (and the Jacumba property purchased for the Park mentioned above) with Baja Mexico's Parque Nacional Constitucion de 1857 and the Parque Nacional San Pedro Martir.

N. Economic Consequences and Rural Blight

Local tourism and recreation are a major source of income for the region's local businesses. The transformation of the area from an open-space, recreational mecca to an

industrial landscape will cause the closure of many small businesses that provide recreation-based services. These empty storefronts and deserted commercial areas present significant impacts in the form of rural blight. Furthermore, the fall in property values in the area due to the degraded rural landscape may cause homes and neighborhoods to become abandoned, exacerbating rural blight. These impacts should be discussed in the Commission's EIS/EIR.

O. Cumulative Impacts

As discussed throughout this protest, the cumulative impacts of this project, along with the SPTP and the multiple planned energy production facilities that will rely on these new infrastructure projects, will be significant. The PEA fails to adequately address these cumulative impacts; nor has any other environmental review, including that conducted for the SPTP, discussed and analyzed the dramatic changes that the proposed development of the Mojave Desert will cause. Perhaps among the most important issues to address is the increased cumulative fire danger. Southern California is already struggling to develop solutions to its rapidly growing fire vulnerability. Each year, massive wildfires devastate large sections of the southern part of the state. Many of these fires have been caused by electricity generation and transmission facilities. SDG&E's recent proposal to turn off the power to Eastern San Diego residents during high fire danger periods is further proof of the depth of the fire hazard problem. An explosion of new energy facilities in this fire-prone area presents an extreme danger to the health and welfare of the area's citizens and threatens the very existence of small, rural communities such as Boulevard and Jacumba. These impacts are significant and should be addressed appropriately.

Also important, the cumulative construction impacts of the project together with all of

the other related infrastructure and energy development are likely to disturb sensitive desert animals, including the Peninsular Bighorn Sheep, which require the areas contemplated for development for their continued survival. Similarly, the Quino Checkerspot Butterfly's critical habitat will be directly impacted by the construction of both the new transmission line for this project and the SPTP as well as potential new energy development facilities.

In addition to these impacts, the cumulative impacts to visual, water, soil, biological, air quality, noise, and cultural resources will be significant. The PEA wrongly ignores these cumulative impacts, minimizing the potential effects of the proposed transformation of the Eastern San Diego County into a scarred, ecologically degraded, industrial zone.

P. Growth Inducing Impacts

The PEA's growth inducing impacts section focuses myopically on increased population and fails to address the industrial growth that the project will spur. If the Commission determines that the impacts of the wind projects that will connect to the SWPL via the new substations are not indirect impacts, then it must consider these impacts in a comprehensive growth-inducing chapter. The effects of the new energy development projects will be significant and pervasive and must be addressed in an EIS/EIR prior to the Commission's consideration of SDG&E's proposal.

V. CONCLUSION

For the following reasons, Conservation Groups protest SDG&E's inadequate application/PEA and request that the Commission produce an EIS/EIR, coordinated with DFG, FWS, BLM, and other concerned state and federal agencies such that the significant impacts of

SDG&E's ECO substation proposal can be properly identified, studied, and appropriately mitigated and/or avoided through the choice of a less-destructive alternative.

Dated: September 14, 2009

Respectfully submitted,

/s/ Stephan C. Volker

STEPHAN C. VOLKER

Attorney for Protestants BACKCOUNTRY
AGAINST DUMPS, THE PROTECT OUR
COMMUNITIES FOUNDATION, AND EAST
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CERTIFICATE OF SERVICE

I hereby certify that I have on this 14th day of September, 2009, served a copy of the

**PROTEST OF BACKCOUNTRY AGAINST DUMPS, THE PROTECT OUR
COMMUNITIES FOUNDATION, EAST COUNTY COMMUNITY ACTION
COALITION, AND DONNA TISDALE**

on each party named in the official service list for Application 09-08-003 by electronic service, and by U.S. mail for those parties who have not provided an electronic mail address.

Copies were also sent via United States Postal Service to Commissioner Rachelle B. Chong and Administrative Law Judge Melanie Darling.

Executed this 14th day of September, 2009 at Oakland, California.

/s/ Teddy Ann Fuss
Teddy Ann Fuss

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