

FINAL SUBSEQUENT
Environmental Impact Report

**South San Joaquin Irrigation District (SSJID)
Plan to Provide
Retail Electric Service,
Sphere Plan, MSR,
and Annexation
(SCH No. 2005102018)**

Prepared for
San Joaquin Local Agency Formation Commission

Prepared by
Aspen Environmental Group



November 2014

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Notice of Availability Final Subsequent Environmental Impact Report

South San Joaquin Irrigation District Plan to Provide Retail Electric Service, Sphere Plan, MSR, and Annexation

State Clearinghouse No. 2005102018
November 18, 2014

The San Joaquin Local Agency Formation Commission (LAFCo) has prepared a Subsequent Environmental Impact Report (Subsequent EIR) under the California Environmental Quality Act (CEQA) to evaluate on four separate actions related to the South San Joaquin Irrigation District (SSJID).

The four separate actions of the proposed project are:

- ¾ Adoption of a Sphere Plan and Municipal Services Review to demonstrate that adequate services can be provided in the Sphere of Influence (SOI), including SSJID's provision of irrigation water supply and associated drainage, drinking water consistent with the District's contractual commitments, and the proposed retail electric service;
- ¾ Adoption of SSJID's expanded Sphere of Influence to include all of the City of Manteca city limits;
- ¾ Approval of SSJID's proposal to annex an approximately 80-acre island within the District's existing boundary; and
- ¾ Approval of SSJID's proposal to expand its existing services to provide retail electric service. SSJID plans to acquire the electric distribution facilities currently owned, operated, and used by Pacific Gas and Electric Company (PG&E) to provide retail electric service to end users within the SSJID territory.

This Final Subsequent EIR includes revisions to the Draft Subsequent EIR made available on November 15, 2011 and responses to comments on the Draft Subsequent EIR and the Partially Recirculated Draft Subsequent EIR made available on July 3, 2012. The Subsequent EIR is this Final Subsequent EIR taken together with the Draft Subsequent EIR and the separate Partially Recirculated Draft Subsequent EIR that addresses the Community Choice Aggregation Alternative.

At a Special Meeting **Wednesday, December 10, 2014** at 9:00 a.m. in the Board of Supervisors Chambers, 44 North San Joaquin Street, 6th Floor, Stockton, California, LAFCo will consider whether to certify the Subsequent EIR as complete and adequate. LAFCo will consider the Subsequent EIR before making a recommendation on each action.

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A. Introduction

The San Joaquin Local Agency Formation Commission (LAFCo) has prepared this Final Subsequent Environmental Impact Report (Final Subsequent EIR) for four separate actions related to the South San Joaquin Irrigation District (SSJID) in compliance with the California Environmental Quality Act (CEQA).

Taken together with the Draft Subsequent EIR and the Partially Recirculated Draft Subsequent EIR, this Final Subsequent EIR evaluates the following four separate actions:

- ¾ Adoption of a Sphere Plan and Municipal Services Review (MSR) to demonstrate that adequate services can be provided in the Sphere of Influence (SOI), including SSJID's provision of irrigation water supply and associated drainage, drinking water consistent with the District's contractual commitments, and the proposed retail electric service;
- ¾ Adoption of SSJID's expanded Sphere of Influence to include all of the City of Manteca city limits;
- ¾ Approval of SSJID's proposal to annex an approximately 80-acre island within the District's existing boundary; and
- ¾ Approval of SSJID's proposal to expand its existing services to provide retail electric service. SSJID plans to acquire the electric distribution facilities currently owned, operated, and used by Pacific Gas and Electric Company (PG&E) to provide retail electric service to end users within the SSJID territory.

The Draft Subsequent EIR for the SSJID Plan to Provide Retail Electric Service, Sphere Plan, MSR, and Annexation was circulated for a 45-day public review period that began on November 15, 2011 and ended on January 17, 2012.

Following the close of the comment period, in accordance with Public Resources Code Section 21092.1 and CEQA Guidelines Section 15088.5[c], LAFCo decided to undertake a partial recirculation of the Draft Subsequent EIR. The Partially Recirculated Draft Subsequent EIR provided new information regarding a potentially feasible project alternative (Community Choice Aggregation), and it was circulated for a public review period that began on July 3, 2012 and ended on August 20, 2012.

The Draft Subsequent EIR, the Partially Recirculated Draft Subsequent EIR, and the initial public review draft of the Sphere Plan and MSR were made available by mail and online to responsible and trustee agencies, interested parties, and the public, for review and comment. Hardcopies were available at LAFCo and local public libraries.

Comments on the November 2011 public review draft of the Sphere Plan and MSR were received by LAFCo in early 2012, and on September 13, 2012, SSJID submitted to LAFCo a Second Supplement to its application to provide retail electric service. Addressing the comments on the Sphere Plan and MSR culminated in the release of a Preliminary Revised Draft Sphere of Influence Plan and MSR on March 5, 2014. Following the close of a public comment period on April 21, 2014, the Second Preliminary Revised Draft Sphere of Influence Plan and MSR was released on September 9, 2014 and was the subject of a LAFCo Special Meeting on September 22, 2014.

This Final Subsequent EIR includes revisions to the Draft Subsequent EIR and responses to comments on the EIR. This Final Subsequent EIR also incorporates revisions in light of public comments submitted by

PG&E in a letter to LAFCo dated May 11, 2012.¹ PG&E's letter focused on two technical reports originally used as references in the Draft Subsequent EIR Project Description and Mitigation Measure 3.9-4a, Border-Area Service Plan (the Siemens reports). (See Section A.3, Areas of Controversy: Comments on Retail Electric Service Project Design.) The revised text of the Draft Subsequent EIR is shown in this document; unchanged text is included by reference as part of the Final Subsequent EIR. The Subsequent EIR for the proposed project is this document taken together with the Draft Subsequent EIR and the Partially Recirculated Draft Subsequent EIR.

A.1 LAFCo Role and Decision Process

In a duly noticed public meeting LAFCo will determine whether to certify the Subsequent EIR as complete and adequate. LAFCo will consider the Subsequent EIR before making a recommendation on each action.

Before the lead agency may approve a project, it must certify that the EIR adequately discloses the environmental effects of the proposed project, that the EIR has been completed in compliance with CEQA, and that the decision-making body of the lead agency independently reviewed and considered the information contained in the EIR. Certification of the EIR would indicate LAFCo's determination that the EIR adequately evaluates the environmental impacts that could be associated with the proposed project.

The State CEQA Guidelines (Section 15088) require evaluation of and response to any significant environmental issues raised in comments received on the Draft EIR by the lead agency. LAFCo has evaluated the comments and prepared written responses to the comments addressing environmental concerns. Responses are provided in this Final Subsequent EIR for significant environmental issues raised in the review and consultation process (as required by CEQA Guidelines Sections 15088 and 15132).

Section B (Revisions to the Draft Subsequent EIR) of this Final Subsequent EIR includes the revised portions of the Draft Subsequent EIR with changes marked as follows: inserted text is underlined and deleted text is shown in ~~strikeout~~. Both types of changes are indicated with a vertical line in the margin.

All comments on the Draft and Partially Recirculated Draft Subsequent EIR and responses to comments are provided in this Final Subsequent EIR Section C (Responses to Comments).

LAFCo received nine comment letters on the Draft Subsequent EIR as well as three letters from agencies and letters on behalf of PG&E and SSJID on the Partially Recirculated Draft Subsequent EIR.

A.2 New Information in the Final Subsequent EIR

In evaluating comments on the Draft Subsequent EIR, LAFCo considered whether changes made in response to comments would warrant recirculation of the Draft Subsequent EIR. LAFCo decided to undertake a partial recirculation of the Draft Subsequent EIR by releasing the July 2012 Partially Recirculated Draft Subsequent EIR to provide new information regarding the Community Choice Aggregation Alternative and to replace the discussion of the environmentally superior alternative. The need for additional recirculation hinges on the extent of new information presented in the Final Subsequent EIR (CEQA Guidelines 15088.5). Because CEQA requires circulation of a Draft EIR for the purpose of providing the opportunity for public and agency comments, CEQA anticipates that this process will elicit

¹ The document titled "PG&E's May 11, 2012 Submission to LAFCo Concerning Two Siemens Reports" is included in this Final Subsequent EIR (Section C, Responses to Comments, Comment Set J).

information that will allow the agency to provide refined analysis and to make adjustments to the project that reduce impacts in the Final EIR. Therefore, the evaluation of the need to recirculate a Draft EIR is based on: whether the new information resulting from comments results a change that deprives the public of a meaningful opportunity to comment upon a substantial adverse environmental effect (a new significant impact not discussed in the Draft EIR) or a feasible way to mitigate or avoid such an effect.

Extent of New Information

The new information that appears in this Final Subsequent EIR falls into the following categories:

- ¾ Information appears in this Final Subsequent EIR to reflect SSJID's Second Supplement to its application to provide retail electric service as received by LAFCo on September 13, 2012. The Second Supplement to the application provides additional information on SSJID's objectives for the proposed retail electric service and on the financing and public benefit program requirements for electric service. The Second Supplement to the application also clarifies how SSJID would make payments in lieu of taxes to reimburse the cities and San Joaquin County. The information related to financing or public benefits does not change the EIR Project Description or the analysis of any environmental topic. Similarly, while SSJID's objectives are clarified, the project objectives as stated in the EIR are not changed by this information.
- ¾ SSJID's Second Supplement to its application also identifies a minor change in the Retail Electric Service Project Design along South Victory Road, which is reflected in this Final Subsequent EIR as a revision to the Draft Subsequent EIR with no change in environmental impacts.
- ¾ Information appears in this Final Subsequent EIR to reflect the Second Preliminary Revised Draft Sphere of Influence Plan and MSR that was released on September 9, 2014, where needed. The Sphere Plan and MSR provides expanded financial information, along with updated information on existing energy efficiency and existing conservation programs. Information on how SSJID proposes to provide the proposed retail electric service and implement the necessary physical changes has not changed, and, by extension, new information in the Sphere Plan and MSR does not change the EIR Project Description or the analysis of any environmental topic.
- ¾ A new summary of the areas of controversy appears in this Final Subsequent EIR Section A.3, which notes differences in opinion on the adequacy of the proposed retail electric service project design.
- ¾ The revised portions of the Draft Subsequent EIR appear with changes marked in this Final Subsequent EIR Section B.
- ¾ The comments on the Draft and Partially Recirculated Draft Subsequent EIR and responses to comments appear in this Final Subsequent EIR Section C.
- ¾ The mitigation monitoring program appears in this Final Subsequent EIR Section D as drawn from the environmental issue area analyses in Section 3 of the Draft Subsequent EIR with changes marked.

Specifically, as required under CEQA Guidelines Section 15088.5, the new information, corrections or clarifications presented in this document do not disclose that:

- ¾ A new significant environmental impact would result from the project or from a new mitigation measure proposed to be implemented.
- ¾ A substantial increase in the severity of an environmental impact would result unless mitigation measures are adopted that reduce the impact to a level of insignificance.

- ¾ A feasible project alternative or mitigation measure considerably different from others previously analyzed would clearly lessen the significant environmental impacts of the project, but the project's proponents decline to adopt it.
- ¾ The Draft EIR was so fundamentally and basically inadequate and conclusory in nature that meaningful public review and comment were precluded.

The information and analysis presented in this Final Subsequent EIR has not changed such that those situations exist. The Final Subsequent EIR does not disclose any new significant environmental impacts or increased severity of impacts. The new information and analysis presented in the Final Subsequent EIR simply clarifies and amplifies the information and analysis presented in the Draft Subsequent EIR and the Partially Recirculated Draft Subsequent EIR. Under these circumstances, CEQA does not support additional recirculation.

A.3 Areas of Controversy

A total of four comment letters were received from agencies and utilities during the scoping period following the release of the Notice of Preparation (NOP) for the Draft Subsequent EIR on March 15, 2010. No comments were received from private citizens. The scoping comments are disclosed in Draft Subsequent EIR Section 1.8 (Areas of Controversy). The issues that were raised during the 2010 public scoping process included:

- ¾ the protection of the Stanislaus River and special status species;
- ¾ project consistency with applicable land use plans and agency requirements;
- ¾ cost of power under the proposed plan;
- ¾ greenhouse gas (GHG) emissions;
- ¾ proposed generation portfolio for the project;
- ¾ the need for clearly delineated mitigation measures;
- ¾ potential impacts to electric service reliability;
- ¾ detailed description of construction work associated with the project;
- ¾ potential service agreements with MID;
- ¾ impacts to and protection for biological resources;
- ¾ reasonably foreseeable impacts should be described; and
- ¾ need for a unified EIR describing the complete set of SSJID-related actions.

The public comment period on the Draft Subsequent EIR began on November 15, 2011 and ended January 17, 2012. Nine comment letters were received. In addition to the issues raised during the public scoping process, comments on the Draft Subsequent EIR addressed:

- ¾ process for participating in or opting out of the San Joaquin County Multi-Species Habitat Conservation & Open Space Plan;
- ¾ standards for flood control subject to the Central Valley Flood Protection Board;
- ¾ CEQA requirement for cumulative impact analysis;

- ¾ hydraulic impacts for channel and levee improvements;
- ¾ the Central Valley Regional Water Quality Control Board responsibility;
- ¾ requirements of the Construction Storm Water General Permit; regulations contained in Phase I and II Municipal Separate Storm Sewer System (MS4) Permits and Industrial Storm Water General Permit Order No. 97-03-DWQ;
- ¾ requirements of Section 404 and Section 401 of the federal Clean Water Act;
- ¾ requirements of a full Traffic Impact Study if a future headquarters goes forward;
- ¾ effluent disposal guidelines;
- ¾ need for additional visual resource analysis;
- ¾ additional disclosure of the impacts of Border-Area Service Plan;
- ¾ need for a revised, detailed project description;
- ¾ need for additional analyses of electric service in Area D and Area E;
- ¾ analyses of the potential future headquarters;
- ¾ additional alternatives including a Bill Pay/Bill Credit alternative and a “reduced size alternative”;
- ¾ comments on the paleontological and cultural resources mitigation measures; and
- ¾ a request for recirculation.

The public comment period on the Partially Recirculated Draft Subsequent EIR began on July 3, 2012, and ended August 20, 2012. Three agency letters were received along with comments from PG&E and SSJID. Comments on the Partially Recirculated Draft Subsequent EIR included:

- ¾ assessments from SSJID and PG&E of whether project objectives would be better accomplished through a potentially feasible project alternative (Community Choice Aggregation) when compared with the proposed plan to provide retail electric service;
- ¾ an opinion from PG&E that LAFCo should ignore SSJID’s assertion that Community Choice Aggregation is not an alternative to the project;
- ¾ an opinion from PG&E that LAFCo should reject SSJID’s application because an environmentally-superior alternative exists; and
- ¾ an opinion from SSJID that legal uncertainties and restrictions preclude Community Choice Aggregation from serving as an alternative.

This Final Subsequent EIR (Section C, Responses to Comments) includes copies of the EIR comment letters and the responses to comments.

Comments on Retail Electric Service Project Design

In early 2012, after the close of the public comment period on the Draft Subsequent EIR, LAFCo responded to a request made by PG&E to review technical reports of engineering analyses prepared by Siemens Power Technologies International (Siemens PTI) for SSJID. The Siemens reports from February 2010 and July 2011 were used as references in the Draft Subsequent EIR Project Description and Mitigation Measure 3.9-4a Border-Area Service Plan. LAFCo provided PG&E an additional 45 days to comment on the information found in the documents and subsequently extended the comment period three

working weeks. PG&E provided comments on these two Siemens reports within the extended time allotted in a memo to LAFCo on May 11, 2012 (Section C of this Final Subsequent EIR, Responses to Comments, Comment Set J).

PG&E's comments on the project design assert that Siemens' reports are flawed, and PG&E may disagree with the engineering analyses of the Siemens work. LAFCo requested that Siemens review its earlier design work in light of PG&E's comments. The result of the request was a third Siemens report from June 2012 that details additional optional construction that is considered in this Final Subsequent EIR Section B.3, Revisions to the Draft Subsequent EIR.² As described in this Final Subsequent EIR, Section C, Responses I-14 and I-16 and in Response J-1, Siemens disagrees that two new PG&E substations would be needed. Detailed responses to environmental issues, where raised by PG&E in reviewing the Siemens reports, are provided in this Final Subsequent EIR Section C (Responses to Comment Set J).

It would be beyond the scope of this EIR to attempt to resolve the differences in opinion between PG&E and Siemens or SSJID on the adequacy of the proposed retail electric service project design, or to conclude whether SSJID's severance plan would negatively or positively affect the reliability of PG&E's service to customers remaining with PG&E. Similarly, it would be beyond the scope of this EIR to attempt to resolve PG&E's and SSJID's differences on project costs or the economic viability of the plan to provide retail electric service. The State CEQA Guidelines provide that an EIR's focus is on environmental impacts (Sections 15088, 15122, and 15131), rather than the details of a project's engineering or economic feasibility.

Moreover, the EIR need not settle disagreements in areas of controversy. The State CEQA Guidelines (Section 15151) require the EIR to include a sufficient degree of analysis to provide decision makers with information which enables them to make a decision that takes account of environmental consequences. Disagreement among experts does not make an EIR inadequate, but the EIR must disclose for the decision makers the main points of disagreement among the experts. Such disclosure often comes, as it does here, in a Final EIR, as lead agencies often learn for the first time in comments on the Draft EIR that an expert may disagree with some of the conclusions set forth in the Draft EIR.

A.4 Organization of the Final Subsequent EIR

This Final Subsequent EIR contains clarifying information about the proposed project, supplemental environmental information, and responses to comments raised during the public review and comment periods on the Draft Subsequent EIR and the Partially Recirculated Draft Subsequent EIR.

Following this introductory section, the document is organized as described below.

- ¾ Section B, Revisions to the Draft Subsequent EIR, contains text changes and corrections to the Draft Subsequent EIR initiated by the lead agency or resulting from comments received on the Draft or Partially Recirculated Draft Subsequent EIR.
- ¾ Section C, Responses to Comments, contains each of the comment letters received on the Draft and Partially Recirculated Draft Subsequent EIR and presents individual responses to the specific comments raised in each letter.

² Siemens PTI. 2012. Options for providing backup service to PG&E Feeders once SSJID acquires Manteca substation. Prepared for SSJID by Siemens Power Technologies International, Nelson J. Bacalao. June 2012. (Included as Attachment 1 of this Final Subsequent EIR.)

^{3/4} Section D, Mitigation Monitoring Program, compiles the draft mitigation monitoring program for the proposed project provided in a series of tables, each at the end of the environmental issue area analyses in Section 3 of the Draft Subsequent EIR. The entire mitigation monitoring program would be adopted concurrent with the adoption of the findings and prior to approval action on the separate components of the proposed project.

B. Revisions to the Draft Subsequent EIR

The Draft Subsequent EIR was revised in response to comments received from local and state agencies and from PG&E. As anticipated by CEQA Guidelines, some comments on the Draft Subsequent EIR resulted in changes to the text of the EIR itself. These changes are indicated in the EIR text by underlining new text and ~~striking out~~ removed text.

B.1 Introduction

This part of the Final Subsequent EIR consists of revisions of the Draft Subsequent EIR as shown in this Final Subsequent EIR Section B.2 through Section B.4. Public comments on the Partially Recirculated Draft Subsequent EIR did not trigger any revisions to that document. Section B is organized as follows:

- ¾ Revisions to the Executive Summary, including a revised summary of impacts and mitigation measures;
- ¾ Revisions to the Draft Subsequent EIR triggered by comment letters;
- ¾ Expanded impact analysis for the Border-Area Service Plan (EIR Mitigation Measure 3.9-4a).

B.2 Revisions to the Executive Summary

Table ES-2 of the Draft Subsequent EIR contains a summary of the impacts and mitigation measures presented by the EIR, including the revisions reflected in this Final Subsequent EIR.

This summary table is based on the analyses in Draft Subsequent EIR Section 3, Environmental Impacts and Mitigation Measures. This section provides descriptions of the potential environmental impacts of the proposed project and programmatic impacts of potential future expansion of retail electric service to other parts of the current and expanded SOI, dependent on possible future annexations. Section 3 also recommends mitigation measures to reduce impacts to a less than significant level.

Revised Table ES-2, presented as follows (pp. B-2 to B-12), includes a column that integrates the results of the impact analysis for all project components, including the Border-Area Service Plan that was identified as EIR Mitigation Measure 3.9-4a. Impacts related to implementation of the Border-Area Service Plan were reflected as part of the Updated Plan to Provide Retail Electric Service column in Table ES-2 in the Draft Subsequent EIR. The conclusions presented in the Draft Subsequent EIR have not changed. After implementation of the recommended mitigation measures previously identified in the Draft Subsequent EIR, all impacts related to the proposed project with the Border-Area Service Plan would be reduced to a less than significant level.

Revised Table ES-2. Summary of Impacts and Mitigation Measures

Land Use, Agriculture, and Recreation

Impacts	Municipal Services Review	Expanded Sphere of Influence	Proposed 80-acre Annexation	Updated Plan to Provide Retail Electric Service	All Project Components with Border Area Service Plan	Mitigation Measures for Retail Electric Service Plan
Impact 3.1-1: Physically disrupt, preclude, or disturb existing or permitted land uses	No Impact	No Impact	Less than Significant	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.1-1a: Re-till agricultural lands following construction. 3.1-1b: Consult with landowners. 3.1-1c: Adjust location of lines for agricultural operations and flight patterns.
Impact 3.1-2: Permanently convert Farmland to a non-agricultural use	No Impact	No Impact	Less than Significant	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.1-2a: Preserve farmland to offset permanent losses.
Impact 3.1-3: Conflict with Williamson Act contracts and/or zoning for agricultural use	No Impact	No Impact	Less than Significant	Less than Significant	<u>Less than Significant</u>	No mitigation is required.
Impact 3.1-4: Result in the loss or degradation of federal, State, or local recreation facilities	No Impact	No Impact	Less than Significant	Less than Significant	<u>Less than Significant</u>	No mitigation is required.

Air Quality

Impacts	Municipal Services Review	Expanded Sphere of Influence	Proposed 80-acre Annexation	Updated Plan to Provide Retail Electric Service	All Project Components with Border Area Service Plan	Mitigation Measures for Retail Electric Service Plan
Impact 3.2-1: Conflict with or obstruct implementation of the applicable air quality plan	No Impact	No Impact	No Impact	No Impact	<u>No Impact</u>	No mitigation is required.
Impact 3.2-2: Violate any air quality standard or contribute substantially to an existing or projected air quality violation	No Impact	No Impact	Less than Significant	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.2-2a: Implement dust control provisions. 3.2-2b: Implement equipment exhaust control measures.

Air Quality

Impacts	Municipal Services Review	Expanded Sphere of Influence	Proposed 80-acre Annexation	Updated Plan to Provide Retail Electric Service	All Project Components with Border Area Service Plan	Mitigation Measures for Retail Electric Service Plan
Impact 3.2-3: Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or State ambient air quality standard	No Impact	No Impact	No Impact	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.2-2a: Implement dust control provisions. 3.2-2b: Implement equipment exhaust control measures.
Impact 3.2-4: Expose sensitive receptors to substantial pollutant concentrations	No Impact	No Impact	Less than Significant	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.2-2a: Implement dust control provisions. 3.2-2b: Implement equipment exhaust control measures.
Impact 3.2-5: Create objectionable odors affecting a substantial number of people	No Impact	No Impact	No Impact	No Impact	<u>No Impact</u>	No mitigation is required.

Biological Resources

Impacts	Municipal Services Review	Expanded Sphere of Influence	Proposed 80-acre Annexation	Updated Plan to Provide Retail Electric Service	All Project Components with Border Area Service Plan	Mitigation Measures for Retail Electric Service Plan
Impact 3.3-1: Result in direct loss of special-status species or substantial adverse effect through habitat loss or degradation	No Impact	No Impact	No Impact	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.3-1a: Minimize construction footprint. 3.3-1b: Survey new electric utility corridors. 3.3-1c: Avoid designated Sensitive Areas. 3.3-1d: Survey prior to non-routine vegetation management. 3.3-1e: Avoid, minimize, and compensate for impacts to special-status species.
Impact 3.3-2: Have a substantial adverse effect on sensitive natural communities, including riparian, or wetlands, or other waters of the U.S. and/or State	No Impact	No Impact	No Impact	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.3-2a: Avoid, minimize, and compensate for impacts to sensitive habitats.
Impact 3.3-3: Interfere substantially with the movement of fish or wildlife species, including established migration corridors, or the use of native wildlife nursery sites	No Impact	No Impact	No Impact	Less than Significant	<u>Less than Significant</u>	No mitigation is required.

Biological Resources

Impacts	Municipal Services Review	Expanded Sphere of Influence	Proposed 80-acre Annexation	Updated Plan to Provide Retail Electric Service	All Project Components with Border Area Service Plan	Mitigation Measures for Retail Electric Service Plan
Impact 3.3-4: Have a substantial adverse effect on special-status plant species through the installation of overhead and underground lines throughout the project area and the proposed Jack Tone Substation	Not Applicable	Not Applicable	Not Applicable	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.3-4a: Conduct seasonal surveys for special-status plants and implement appropriate impact avoidance/minimization/compensation strategies.
Impact 3.3-5: Disturb over-wintering or nesting burrowing owls	No Impact	No Impact	No Impact	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.3-5a: Conduct burrowing owl pre-construction surveys and implement appropriate impact avoidance/minimization/compensation strategies.
Impact 3.3-6: Result in nest abandonment, nest failure, or premature fledging due to removal of buildings, trees or shrubs, grading, or construction activities in the vicinity of passerine and non-passerine land bird nests and raptor nests	No Impact	No Impact	No Impact	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.3-6a: Avoid removal of nesting substrate during the breeding season and implement appropriate impact minimization strategies.
Impact 3.3-7: Result in the loss of raptor foraging habitat due to construction of the proposed Jack Tone Substation and other project components	No Impact	No Impact	No Impact	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.3-1a: Minimize construction footprint. 3.3-1b: Survey new electric utility corridors. 3.3-1c: Avoid designated Sensitive Areas. 3.3-1d: Survey prior to non-routine vegetation management. 3.3-1e: Avoid, minimize, and compensate for impacts to special-status species.
Impact 3.3-8: Disturb breeding Swainson's hawk or Swainson's hawk nests as result of removal of mature trees and noisy construction activities	No Impact	No Impact	No Impact	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.3-8a: Conduct Swainson's hawk pre-construction surveys and implement appropriate impact avoidance and minimization strategies.
Impact 3.3-9: Result in the mortality of or loss of potential habitat for Valley elderberry longhorn beetle due to the removal of blue elderberry shrubs	No Impact	No Impact	No Impact	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.3-9a: Conduct surveys for Valley elderberry longhorn beetle and implement appropriate impact avoidance/minimization/compensation strategies.

Biological Resources

Impacts	Municipal Services Review	Expanded Sphere of Influence	Proposed 80-acre Annexation	Updated Plan to Provide Retail Electric Service	All Project Components with Border Area Service Plan	Mitigation Measures for Retail Electric Service Plan
Impact 3.3-10: Eliminate potential roosting habitat for and/or result in injury or mortality to special-status bat species by the removal of mature trees and structures	No Impact	No Impact	No Impact	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.3-10a: If the electric distribution system construction would require removal of buildings, mature trees, or snags, conduct surveys for roosting bats and implement appropriate impact avoidance and minimization strategies.
Impact 3.3-11: Result in disturbance to wildlife and/or wildlife mortality due to maintenance activities	No Impact	No Impact	No Impact	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.3-1a: Minimize construction footprint. 3.3-1b: Survey new electric utility corridors. 3.3-1c: Avoid designated Sensitive Areas. 3.3-1d: Survey prior to non-routine vegetation management.

Cultural Resources

Impacts	Municipal Services Review	Expanded Sphere of Influence	Proposed 80-acre Annexation	Updated Plan to Provide Retail Electric Service	All Project Components with Border Area Service Plan	Mitigation Measures for Retail Electric Service Plan
Impact 3.4-1: Cause a substantial adverse change in the significance of historical resources or unique archaeological resources, or disturb human remains	No Impact	No Impact	Less than Significant	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.4-1a: Develop and Implement a Cultural Resources Treatment Plan (CRTP).

Geology, Soils, and Paleontology

Impacts	Municipal Services Review	Expanded Sphere of Influence	Proposed 80-acre Annexation	Updated Plan to Provide Retail Electric Service	All Project Components with Border Area Service Plan	Mitigation Measures for Retail Electric Service Plan
Impact 3.5-1: Expose people or structures to potential substantial adverse effects as a result of seismically induced groundshaking and/or ground failure	No Impact	No Impact	Less than Significant	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.5-1a: Engineer electric facilities in accordance with standards and practices.
Impact 3.5-2: Result in substantial soil erosion or the loss of topsoil	No Impact	No Impact	Less than Significant	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.5-2a: Follow best management practices for soil erosion control.
Impact 3.5-3: Damage project facilities as a result of expansive (shrink swell) soils	No Impact	No Impact	Less than Significant	Less than Significant	<u>Less than Significant</u>	No mitigation is required.
Impact 3.5-4 Directly or indirectly destroy a unique paleontological resource	No Impact	No Impact	No Impact	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.5-4a: Provide proper treatment of paleontological resources.

Public Health and Safety

Impacts	Municipal Services Review	Expanded Sphere of Influence	Proposed 80-acre Annexation	Updated Plan to Provide Retail Electric Service	All Project Components with Border Area Service Plan	Mitigation Measures for Retail Electric Service Plan
Impact 3.6-1: Create a significant hazard to the public or environment through routine transport, use, or disposal of hazardous materials	No Impact	No Impact	Less than Significant	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.6-1a: Establish environmental training and monitoring program for construction and operations in compliance with OSHA standards. 3.6-1b: Prepare hazardous substance control and emergency response plan for construction in accordance with the California Health and Safety Code.

Public Health and Safety

Impacts	Municipal Services Review	Expanded Sphere of Influence	Proposed 80-acre Annexation	Updated Plan to Provide Retail Electric Service	<u>All Project Components with Border Area Service Plan</u>	Mitigation Measures for Retail Electric Service Plan
Impact 3.6-2: Create a hazard to people or the environment as a result of being located on a site that is included on a list of hazardous material sites compiled pursuant to Government Code Section 65962.5 or by otherwise mobilizing existing soil or groundwater contamination	No Impact	No Impact	Less than Significant	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.6-2a: Conduct detailed hazardous materials record searches. 3.6-2b: Observe exposed soil.
Impact 3.6-3: Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school	No Impact	No Impact	No Impact	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.6-1a: Establish environmental training and monitoring program for construction and operations in compliance with OSHA standards.
Impact 3.6-4: Interfere with adopted emergency response plans	No Impact	No Impact	No Impact	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.10-4a: Ensure emergency response access.
Impact 3.6-5: Create a significant hazard to the public or environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment	No Impact	No Impact	No Impact	Less than Significant	<u>Less than Significant</u>	No mitigation is required.
Impact 3.6-6: Substantially increase the potential for electrocution and fire hazards	No Impact	No Impact	Less than Significant	Less than Significant	<u>Less than Significant</u>	No mitigation is required.
Impact 3.6-7: Create an aeronautical or motor vehicle hazard or result in a significant aerial obstruction within two miles of an airport or airstrip	No Impact	No Impact	No Impact	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.1-1c: Adjust location of lines for agricultural operations and flight patterns.

Hydrology and Water Quality

Impacts	Municipal Services Review	Expanded Sphere of Influence	Proposed 80-acre Annexation	Updated Plan to Provide Retail Electric Service	All Project Components with Border Area Service Plan	Mitigation Measures for Retail Electric Service Plan
Impact 3.7-1: Result in surface water and groundwater contamination that could violate water quality standards	No Impact	No Impact	Less than Significant	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.7-1a: Limit wet season construction.
Impact 3.7-2: Deplete groundwater supplies or interfere with groundwater recharge	No Impact	No Impact	No Impact	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.7-2a: Install pervious and/or high-roughness groundcover where applicable.
Impact 3.7-3: Alter existing drainage patterns or result in increased runoff	No Impact	No Impact	No Impact	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.7-2a: Install pervious and/or high-roughness groundcover where applicable.
Impact 3.7-4: Result in flooding, flood diversions, or erosion due to permanent aboveground structures in a floodplain	No Impact	No Impact	No Impact	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.7-4a: Aboveground structures shall be protected against flood and erosion damage.
Impact 3.7-5: Expose people or structures to risk as a result of dam or levee failure, or inundation by mudflow	No Impact	No Impact	Less than Significant	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.7-4a: Aboveground structures shall be protected against flood and erosion damage.

Noise and Vibration

Impacts	Municipal Services Review	Expanded Sphere of Influence	Proposed 80-acre Annexation	Updated Plan to Provide Retail Electric Service	All Project Components with Border Area Service Plan	Mitigation Measures for Retail Electric Service Plan
Impact 3.8-1: Cause excessive temporary or periodic increase in noise	No Impact	No Impact	Less than Significant	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.8-1a: Implement appropriate noise controls during construction. 3.8-1b: Provide notice of construction noise and vibration.
Impact 3.8-2: Cause excessive groundborne vibration	No Impact	No Impact	No Impact	Less than Significant	<u>Less than Significant</u>	No mitigation is required.
Impact 3.8-3: Cause excessive permanent increase in noise	No Impact	No Impact	Less than Significant	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.8-3a: Design substation modifications to avoid noise increases.

Socioeconomics, Public Services, and Utilities

Impacts	Municipal Services Review	Expanded Sphere of Influence	Proposed 80-acre Annexation	Updated Plan to Provide Retail Electric Service	All Project Components with Border Area Service Plan	Mitigation Measures for Retail Electric Service Plan
Impact 3.9-1: Induce substantial growth or exceed local population projections	No Impact	No Impact	No Impact	Less than Significant	<u>Less than Significant</u>	No mitigation is required.
Impact 3.9-2: Displace people or existing housing	No Impact	No Impact	No Impact	No Impact	<u>No Impact</u>	No mitigation is required.
Impact 3.9-3: Cause substantial physical changes due to project-induced expansion of fire protection, police protection, school, or recreational facilities	No Impact	No Impact	Less than Significant	Less than Significant	<u>Less than Significant</u>	No mitigation is required.
Impact 3.9-4: Cause utility system (electricity and water distribution) disruptions	No Impact	No Impact	Less than Significant	Less than Significant with Mitigation	<u>Less than Significant</u>	3.9-4a: Implement Border-Area Service Plan (<u>No additional mitigation is required if implementing the Border-Area Service Plan.</u>)
Impact 3.9-5: Increase demand on water, wastewater, or solid waste facilities in excess of existing entitlements and facilities	No Impact	No Impact	Less than Significant	Less than Significant	<u>Less than Significant</u>	No mitigation is required.

Transportation and Traffic

Impacts	Municipal Services Review	Expanded Sphere of Influence	Proposed 80-acre Annexation	Updated Plan to Provide Retail Electric Service	All Project Components with Border Area Service Plan	Mitigation Measures for Retail Electric Service Plan
Impact 3.10-1: Result in substantial congestion and cause a substantial increase in traffic due to closure of roads and/or reduction of travel lanes	No Impact	No Impact	No Impact	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.10-1a: Develop and implement a Traffic Management Plan.
Impact 3.10-2: Generate additional traffic on regional and local roadways or exceed a level of service standard on public roadways	No Impact	No Impact	Less than Significant	Less than Significant	<u>Less than Significant</u>	No mitigation is required.

Transportation and Traffic

Impacts	Municipal Services Review	Expanded Sphere of Influence	Proposed 80-acre Annexation	Updated Plan to Provide Retail Electric Service	All Project Components with Border Area Service Plan	Mitigation Measures for Retail Electric Service Plan
Impact 3.10-3: Temporarily restrict vehicle access to some properties	No Impact	No Impact	No Impact	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.10-3a: Provide continuous access to properties during trenching and underground cable installation. 3.10-3b: Provide notice of access disruptions.
Impact 3.10-4: Temporarily interfere with emergency response	No Impact	No Impact	No Impact	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.10-4a: Ensure emergency response access.
Impact 3.10-5: Temporarily disrupt bus routes	No Impact	No Impact	No Impact	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.10-5a: Consult with SJRTD and Manteca, Ripon, and Escalon unified school districts.
Impact 3.10-6: Disrupt rail operations due to activities within a railroad ROW	No Impact	No Impact	No Impact	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.10-6a: Coordinate work with Union Pacific Railroad.
Impact 3.10-7: Temporarily eliminate road shoulder parking spaces	No impact	No impact	No Impact	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.10-3b: Provide notice of access disruptions.
Impact 3.10-8: Inadvertently damage road ROWs	No Impact	No Impact	No Impact	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.10-8a: Repair damaged road ROWs.

Visual Resources

Impacts	Municipal Services Review	Expanded Sphere of Influence	Proposed 80-acre Annexation	Updated Plan to Provide Retail Electric Service	All Project Components with Border Area Service Plan	Mitigation Measures for Retail Electric Service Plan
Impact 3.11-1: Degrade a scenic vista, highway, or resource	No Impact	No Impact	No Impact	Less than Significant	<u>Less than Significant</u>	No mitigation is required.
Impact 3.11-2: Degrade existing visual character with visible construction activity	No Impact	No Impact	Less than Significant	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.11-2a: Reduce visibility of construction activities and equipment. 3.11-2b: Restore disturbed areas upon completion of construction.
Impact 3.11-3: Degrade existing visual character with permanent infrastructure	No Impact	No Impact	Less than Significant	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.11-3a: Install landscaping and screening around substation. 3.11-3b: Use non-reflective conductors and poles. 3.11-3c: Locate trenches to protect landscape trees.
Impact 3.11-4: Create substantial light or glare adversely affecting nighttime views in the area	No Impact	No Impact	No Impact	Less than Significant with Mitigation	<u>Less than Significant with Mitigation</u>	3.11-4a: Minimize substation lighting.

Greenhouse Gas Emissions

Impacts	Municipal Services Review	Expanded Sphere of Influence	Proposed 80-acre Annexation	Updated Plan to Provide Retail Electric Service	All Project Components with Border Area Service Plan	Mitigation Measures for Retail Electric Service Plan
Impact 3.12-1: Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment	No Impact	No Impact	No Impact	Less than Significant	<u>Less than Significant</u>	No mitigation is required.
Impact 3.12-2: Conflict with applicable plans, policies, or regulations adopted for the purpose of reducing the emissions of greenhouse gases	No Impact	No Impact	No Impact	Less than Significant	<u>Less than Significant</u>	No mitigation is required.

Energy Conservation

Impacts	Municipal Services Review	Expanded Sphere of Influence	Proposed 80-acre Annexation	Updated Plan to Provide Retail Electric Service	<u>All Project Components with Border Area Service Plan</u>	Mitigation Measures for Retail Electric Service Plan
Impact 3.13-1: Cause an adverse change in energy requirements and energy use efficiencies	No Impact	No Impact	No Impact	No Impact	<u>No Impact</u>	No mitigation is required.
Impact 3.13-2: Cause an adverse effect on local and regional energy supplies and requirements for additional capacity	No Impact	No Impact	No Impact	No Impact	<u>No Impact</u>	No mitigation is required.
Impact 3.13-3: Cause an adverse effect on peak and base period demands for electricity and other forms of energy	No Impact	No Impact	No Impact	No Impact	<u>No Impact</u>	No mitigation is required.
Impact 3.13-4: Cause an adverse effect on compliance with existing energy standards	No Impact	No Impact	No Impact	No Impact	<u>No Impact</u>	No mitigation is required.
Impact 3.13-5: Cause an adverse effect on energy resources	No Impact	No Impact	No Impact	No Impact	<u>No Impact</u>	No mitigation is required.
Impact 3.13-6: Cause an adverse effect on transportation energy use	No Impact	No Impact	No Impact	No Impact	<u>No Impact</u>	No mitigation is required.

B.3 Revisions to the Draft Subsequent EIR

The Draft Subsequent EIR has been revised as follows.

Revised Section ES.1. Summary of Project Description

Project Components

Sphere Plan and Municipal Services Review.

[...]

The MSR addresses ~~five-six~~ areas of review for which LAFCo must render written determinations, as follows:

- $\frac{3}{4}$ Growth and population projections for the affected area;
- $\frac{3}{4}$ Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies;
- $\frac{3}{4}$ Financial ability of agencies to provide services;
- $\frac{3}{4}$ Status of, and opportunities for, shared facilities; ~~and~~
- $\frac{3}{4}$ Accountability for community service needs, including governmental structure and operational efficiencies; ~~and-~~
- $\frac{3}{4}$ Disadvantaged unincorporated communities.

Revised Section ES.4. Alternatives Evaluated

[Section 2.2, Summary of Alternatives Evaluated, in the Partially Recirculated Draft Subsequent EIR revised the original discussion of the environmentally superior alternative from the Draft Subsequent EIR.]

Revised Section 1. Introduction and Purpose

Section 1.3.2. Existing Electricity Distribution in SSJID

Currently, the average annual demand for electricity in the SSJID territory is about 571,900 ~~537,900~~ MWh (2011), based on PG&E data submitted to the CPUC and shown in the MSR Public Review Draft (November 15, 2011). ~~and b~~ Both PG&E and MID generate and/or purchase the electricity for distribution to end-use customers. [...]

Section 1.4.3. Baseline Practices Already in Effect

Incremental Environmental Impacts. A substantial portion of the environmental effects of providing future municipal services will be in response to the existing commitments of the providers. Adoption or approval of the MSR, expanded Sphere of Influence, annexation, and/or retail electricity plan would only lead to an incremental change. To understand the potential environmental effects attributable to the project, this analysis identifies ~~reasonably foreseeable actions for providing future municipal services in comparison with~~ actions for the expected continuation of providing existing services. Activities that are previously approved and are opera-

tional are part of the existing environmental setting and the baseline for environmental analysis.

Revised Section 2. Project Description

Section 2.3.1. Sphere Plan and Municipal Services Review

[...]

The MSR addresses ~~five-six~~ areas of review for which LAFCo must render written determinations, as follows:

- $\frac{3}{4}$ Growth and population projections for the affected area;
- $\frac{3}{4}$ Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies;
- $\frac{3}{4}$ Financial ability of agencies to provide services;
- $\frac{3}{4}$ Status of, and opportunities for, shared facilities; ~~and~~
- $\frac{3}{4}$ Accountability for community service needs, including governmental structure and operational efficiencies; ~~and-~~
- $\frac{3}{4}$ Disadvantaged unincorporated communities.

[...]

- o **Note about Potential Future SSJID Headquarters:** In addition to its inclusion in the cumulative impacts analysis as a foreseeable project, Section 4 of this EIR provides a programmatic level of environmental review for developing a potential future SSJID headquarters at the northeast corner of E. Louise Avenue and Austin Road, east of Manteca although no specific construction proposal is under consideration. The analysis is in a separate section because the proposed retail electric plan does not include construction of a headquarters, and the proposed LAFCo action to adopt the Sphere Plan and Municipal Services Review would not approve or disapprove construction of a future headquarters. Design details and additional CEQA documentation would need to be prepared by SSJID before development of a new headquarters could be approved at any location. Developing the headquarters at the E. Louise Avenue and Austin Road ~~is~~ site, which is zoned agricultural, would most likely require reclassification of zoning by San Joaquin County and a Conditional Use Permit (CUP) with a separate environmental review.

Section 2.3.4. Updated Plan to Provide Retail Electric Service

[...]

SSJID also anticipates creating approximately 70 new electric utility employee positions, in addition to its current utility staff, and proposes to work with other publicly owned utilities and private contractors to assure cost-effective operations. SSJID expects to rent existing commercial property or rely on existing contractor yards as a base for electric utility staff and equipment storage. To enhance reliability and emergency response, SSJID expects to enter into Mutual Aid Agreements with

MID, the Turlock Irrigation District (TID), Trinity Public Utility District, and SMUD. SSJID has joined the California Utility Emergency Association (CUEA).

Section 2.4.1. Project Characteristics

[...]

Table 2-3 identifies the construction needed to separate the facilities from the balance of PG&E's system and to ensure that all affected customers, including those retained by PG&E near the SSJID territory border, experience no degradation in service as a result of SSJID's acquisition. SSJID expects to continue further engineering analysis in order to refine its plans and, as a result, minor changes in the construction proposal of Table 2-3 could occur until final engineering is completed. For example, continued engineering analysis may consider other construction options, such as undergrounding certain segments or constructing certain segments as a separate overhead distribution line. If required, additional facilities would be of a design similar to those described here.

[...]

Table 2-3. Summary of Retail Electric Service Project Design

Component	Description	Proposed Project
	[...]	
East Escalon Area Severance	To preserve service to PG&E customers served by Riverbank Substation outside of the SSJID territory, east of Escalon and south of Highway 120, a new under-build would be needed along Victory Rd.	1.63 miles of new under-build along South Victory Rd between Highway 120 and River Rd to <u>provide continuity to PG&E's system while supplying customers inside the territory take loads inside boundary.</u>
South of Avena Severance	To preserve service to PG&E customers north of the SSJID territory, south of Avena Substation, this new under-build would be needed along segments of Lone Tree Rd. To standardize voltages and facilitate formation of feeders from Clough Substation. This is not strictly necessary for the separation, but it would improve efficiencies in maintenance and attending to load growth.	(a) 0.75 miles of new under-build along Lone Tree Rd, between Carrolton and Van Allen Rds with 24 new 60-ft poles, with 1,312 feet of new feeder along Van Allen, and 1.01 miles <u>new under-build</u> along Lone Tree between Sexton and Brennan Rds; (b) 839 feet of new feeder with 5 new 45-ft poles on Carrolton Rd with an upgrade from 4.16 kV to 17 kV; (c) about 1,000 feet of new feeder south of Lone Tree Rd and west of Sexton on roughly 4 new 45-ft poles; and (d) convert 14.2 miles of an existing 4.16 kV feeder in the vicinity of Wagner Rd and Yosemite to 17 kV by changing insulators and distribution transformers only.
<u>Options for Lathrop Area Backup</u>	<u>If needed to preserve backup service to PG&E customers (on VA-1701) outside of the SSJID territory that receive backup from the Manteca Substation, one existing feeder (VA-1706) to the north from Vierra could be utilized or rehabilitated or a new underground segment could be installed to the north from Vierra. (Siemens PTI, June 2012.)</u>	<u>(a) option to utilize feeder VA-1706, or if spare capacity is not available on this feeder refurbish, reconductor, or convert to 2.1 miles of new underbuild north from Vierra Substation to Lathrop Road;</u> <u>(b) option to install 1.2 miles of new underground cable from Vierra Substation on McKinley Avenue and north to Louise Ave.</u>

<u>Options for South of Vierra Backup</u>	<u>If needed to preserve backup service to PG&E customers (on VA-1702) outside of the SSJID territory that receive backup from the Manteca Substation and Ripon Substation, a new underground segment could be installed to the south from Vierra.</u>	<u>If the Western Underbuild of the Border-Area Service Plan is not installed, then add 1.7 miles of new underground cable from Vierra along McKinley Avenue and south to Woodward Ave.</u>
	<u>(Note: the Western Underbuild in the Border-Area Service Plan of Mitigation Measure 3.9-4a could alternatively avoid the need for this segment.) (Siemens PTI, June 2012.)</u>	
<u>Option for Avena Backup</u>	<u>If needed to provide backup service to PG&E customers (on AV-1701) that may receive backup from the Manteca Substation or feeders from the north, an alternative supply from French Camp Substation could be used. (Siemens PTI, June 2012.)</u>	<u>To use the French Camp Substation for backup, install a pad- or pole-mounted 4.5 MVA auto-transformer along French Camp Road near the intersection of Loduca Drive, and: (a) reconductor 300 feet of the end of the PG&E French Camp Road mainline; (b) reconductor sections of PG&E feeder from Avena (AV-1701) along French Camp Road for a combined length of 2,000 feet; and (c) install 0.54 miles of PG&E new overhead to connect the auto-transformer to the feeder from Avena, as underbuild to new section for SSJID.</u>
[...]		
RP 1702 Feeder	Existing distribution segment to the southeast of Ripon Substation would need to be modified to transfer load to New 2 ES, New 5 JT, and New 1 RP.	<u>(a) Reconductoring 100 ft and 0.16 miles of new cable overhead for RP 1702 to serve as a mainline;</u> <u>(b) 0.1 miles of new overhead is required along Clinton South Rd for separating RP 1702.</u>

Section 2.6.4. Operation of Retail Electric Service Facilities

[...]

Employment. SSJID currently has 86 full-time employees for routine operations and maintenance, construction, billing and collection for irrigation water and drainage services and wholesale power sales. The addition of retail electric service would result in SSJID initially hiring about 70 additional full time experienced electric utility staff to supplement its existing staff. SSJID expects to initially rent ~~commercial~~ property zoned as light industrial (M-1) or business industrial park (BIP) or rely on contractor yards as a base for electric utility staff and equipment storage. Potential rental opportunities that may meet the needs of SSJID exist at the Spreckels Park development located at the northwest corner of State Highways 99 and 120 in Manteca with a total of 236 acres zoned for light or heavy industrial uses and the Manteca Industrial Park and Southeast Manteca Area with a total of 103 acres primarily zoned industrial park. Additional industrial areas are located at the west Manteca area off Yosemite Avenue and at the Pacific Business Park in the northwest Manteca areas; however, industrial sites along the western portion of Manteca are less preferred as they would be located further from SSJID potential customers.

Additional contract personnel would be hired for start-up operations, as needed. SSJID may also contract with MID for specific support service during the initial start-up period. For example, SSJID may initially have MID administer the Public Benefits

Program to ensure implementation of important efficiency and renewable investments. SSJID has become a member of the California Utilities Emergency Association ("CUEA") whose members would provide mutual assistance to SSJID during periods of emergency. SSJID will also sign mutual aid agreements with individual electric utility providers. SSJID would adjust its organization based on its actual operational experience with the goal of optimizing economic and operational efficiencies, improving response time, reducing the number and duration of outages, and improving overall customer service satisfaction. Administrative functions for the provision of retail electric service (e.g., accounting, human relations) would be handled at rented facilities as needed and at SSJID's existing Manteca office.

Revised Section 2.7. References

[Siemens PTI. 2012. Options for providing backup service to PG&E Feeders once SSJID acquires Manteca substation. Prepared for SSJID by Siemens Power Technologies International, Nelson J. Bacalao. June 2012.](#)

Revised Section 3.0. Introduction to Environmental Analysis

Potential Future SSJID Headquarters

Section 4 of this Subsequent EIR is a programmatic level of environmental review for a potential future SSJID headquarters. This section provides information on the types of impacts that would occur and the measures that would mitigate the identified impacts. The analysis is in a separate section because the proposed retail electric plan does not include construction of a headquarters. The proposed LAFCo action to adopt the Sphere Plan and Municipal Services Review does not involve consideration of a future headquarters. [Design details and additional CEQA documentation would need to be prepared by SSJID before development of a new headquarters could be approved at any location.](#) Developing the headquarters in unincorporated San Joaquin County, at a site which is zoned agricultural, would most likely require reclassification of zoning by San Joaquin County and a Conditional Use Permit (CUP) with a separate environmental review.

Revised Section 3.5. Geology, Soils, and Paleontology

Section 3.5.5. References

San Joaquin County. [2011. Public Works Department. Flood Management, Expansive and Subsidence Soil Areas. <http://www.sjgov.org/pubworks/Docs/FLOOD%20INFO/1-7-2011%20Expansive%20Soils.pdf>. Accessed March 2012.](#)

[_____.](#) 2010. San Joaquin County District Viewer. <http://www.sjmap.org/DistrictViewer/Viewer.asp>. Accessed August.

[_____.](#) 1999. Expansive Soils 1999. http://www.sjmap.org/mapdocs/FrontCounter_Expansive_Soils.pdf. Accessed August 2010.

Revised Section 3.9. Socioeconomics, Public Services, and Utilities

Section 3.9.2.2. Impacts and Mitigation

Updated Plan to Provide Retail Electric Service

Impact 3.9-5: Increase demand on water, wastewater, or solid waste facilities in excess of existing entitlements and facilities

[...]

During construction, portable toilets brought to staging areas for construction crews would be emptied into septic tanks or municipal sewage systems. Pumping and maintenance of the portable toilets would be completed in accordance with County Ordinance Code Section 9-1110.8 and all effluent pumped from the toilets would be disposed of at sites approved by the Director of the Environmental Health Department. Any increased demand from this activity is considered temporary. As discussed in Section 3.7, Hydrology and Water Quality, the proposed project would not generate or increase wastewater or stormwater runoff. While the construction of the proposed Jack Tone Substation would incrementally increase non-permeable surfaces, there would be little change in the amount of runoff for the surrounding agricultural land. No new stormwater drainage facilities would be needed. Impacts due to demands on wastewater facilities would be minimal and less than significant.

Attachment to Section 3.9: Border-Area Service Plan

[See Section B.4 of this Final Subsequent EIR, for Expanded Analysis of Border-Area Service Plan.]

Revised Section 3.12. Greenhouse Gas Emissions

Section 3.12.1.4. Baseline GHG Emissions

Electric Power Generation, Transmission, and Distribution

The baseline electricity demand (2011) in the SSJID territory is approximately 571,900 MWh (based on PG&E data shown in the MSR Public Review Draft, Table 4-5 November 15, 2011.)¹ [...]

Revised Section 3.13. Energy Conservation

Section 3.13.1.1. Scope of Analysis for Energy Conservation

Baseline Energy Consumption

Currently (2011) the average annual energy requirement in the SSJID territory is approximately 571,900 megawatt-hours (MWh) of electricity, based on PG&E data shown in the MSR Public Review Draft (November 15, 2011). PG&E and MID generate and/or purchase electricity to meet the demand in the SSJID territory. Future (2040) average annual energy demand across all customer classes within the SOI is projected to increase to about 1,006,000 MWh (MSR Table 4-5, ~~2011~~). [...]

¹ The baseline electricity demand in the SSJID territory cannot be determined with certainty because the data is maintained by PG&E.

Revised Section 4. Potential Future SSJID Headquarters

Evaluation of Environmental Impacts

[...]

The analysis contained in this section is based on the preliminary site plan for this location that was designed for the purposes of this analysis. This represents the current best effort to forecast what the impacts of any future proposed headquarters might be at the northeast corner of E. Louise Avenue and Austin Road. This analysis is offered for the purposes of full disclosure under the California Environmental Quality Act (CEQA). The preliminary site design is for illustrative purposes only and the ultimate design would be determined in the future should SSJID pursue a headquarters on this site. Additional design details including additional CEQA documentation would need to be prepared by SSJID before development of a new headquarters could be approved at any location. Examples of the details that SSJID would need to specify include: construction workforce, schedules, and phasing; site plans and site elevation drawings; landscaping plans; drainage plans; connections to utilities; site access plans; and traffic studies. SSJID may ultimately choose another site for construction of its new headquarters, and if so, the impacts of such a proposal would likely be similar to those described in this section. Nevertheless, it would be speculative to attempt a more detailed description of those impacts at this time; SSJID may decide not to pursue new headquarters at all.

Revised Section 6.1.2. Alternatives Evaluated in this EIR

[Section 2.3, Alternatives Evaluated in this EIR, in the Partially Recirculated Draft Subsequent EIR revised this section of the Draft Subsequent EIR to include environmental analysis of the Community Choice Aggregation Alternative.]

Revised Section 6.7. Alternatives Considered but Rejected

[Section 2.4, Consideration of “No-Build” Alternatives, in the Partially Recirculated Draft Subsequent EIR revised this section of the Draft Subsequent EIR.]

Revised Section 6.7.4. Community Choice Aggregation Alternative

[Section 2.5, Description and Analysis of Community Choice Aggregation, in the Partially Recirculated Draft Subsequent EIR revised and replaced the original discussion of the Community Choice Aggregation Alternative.]

Revised Section 6.7.5. Summary of Rejected “No-Build” Alternatives

[Section 2.6, Summary of Rejected “No-Build” Alternatives, in the Partially Recirculated Draft Subsequent EIR revised and replaced this section of the Draft Subsequent EIR.]

Revised Section 6.8. Comparison of Alternatives and Environmentally Superior Alternative

[Section 2.7, Comparison of Alternatives and Environmentally Superior Alternative, in the Partially Recirculated Draft Subsequent EIR revised this section of the Draft Subsequent EIR.]

B.4 Expanded Analysis of the Border-Area Service Plan

Revisions to Draft Subsequent EIR Attachment to Section 3.9

Public comments on the Draft Subsequent EIR requested clarification of impacts related to the Border-Area Service Plan analyzed in the EIR Attachment to Section 3.9. In response, the discussion of environmental impacts due to implementing EIR Mitigation Measure 3.9-4a (Border-Area Service Plan) is expanded and revised as follows. The analysis from the Draft Subsequent EIR is shown below with tracked changes. These changes are indicated in the EIR text by underlining new text and ~~striking out~~ removed text.

Description of the Border-Area Service Plan

The Border-Area Service Plan was developed as an approach to avoid potential retail electric service disruptions for customers along the southern boundary of the SSJID territory, to avoid a potentially significant impact of the proposed project ([Draft Subsequent EIR](#) Impact 3.9-4). Currently, approximately 1,500 PG&E customers in the SSJID "border-area" are outside of the SSJID boundary on circuits SSJID proposes to acquire but within the PG&E/MID competitive service area. The circuits that serve these customers extend from substations and distribution lines that SSJID proposes to acquire (to serve customers within its territory) to end-users outside the SSJID territory in PG&E's remaining service territory. According to SSJID's plan to provide retail electric service, there are two parts of the southern region that would use the proposed solution of MID commercializing the loads that are outside SSJID territory:

- ¾ The Southwest Area is a large rural region of unincorporated San Joaquin County, generally south of West Ripon Road and Almondwood Road, west of South Manteca Road and limited by the San Joaquin River to the west and south ([Draft Subsequent EIR](#) Figure 3.9-1). From a separation plan point of view there are two main types of customers:
 - Customers that are currently part of fringes of feeders that spread out of the SSJID territory into an area where MID can provide the service; and
 - Customers that are connected to long mainlines that go out of the SSJID territory along Union Road and South Manteca Road and provide service to the bulk of Southwest Area.
- ¾ The Southeast of River Road region generally extends from within the City of Ripon to the Riverbank Substation between the SSJID territory and San Joaquin River ([Draft Subsequent EIR](#) Figure 3.9-1) where customers in the City of Ripon and unincorporated San Joaquin County would be served either by PG&E or by MID.

The Border-Area Service Plan is a plan to connect existing PG&E customers in these regions to two PG&E substations that SSJID does not propose to acquire, as an alternative to the SSJID proposal of MID taking over these loads that remain outside SSJID territory. The Border-Area Service Plan would only be implemented if SSJID were unable to negotiate an alternative strategy with MID and PG&E for serving border areas.

The Border-Area Service Plan would add up to 32.1 miles of construction as follows. To supply the loads to customers remaining with PG&E inside the two parts of the southern region and outside of the SSJID territory, the Border-Area Service Plan would require an additional 26.0 miles of new underbuild distribution line on existing or taller poles across most of the southern boundary (Western and Eastern Underbuilds) and possibly 1.33 miles of additional new distribution line and underground cable (Ripon Connection) to establish a new feeder for PG&E to exit the Ripon Substation to the south ([Draft Subse-](#)

quent EIR Figure 3.9-1). Additional shorter segments totaling 4.8 miles of new underbuild would be needed along the eastern and northern boundary if SSJID is unable to negotiate with MID to serve isolated loads with low voltage metering. Depending on the final design for border area service, the Ripon Substation would be modified with a physical separation to allow for the new feeder for PG&E, and up to four new capacitor banks would be installed on poles in the border area. For new joint-use poles where SSJID and PG&E would share space for the distribution system (*i.e.*, new underbuild), the primary change would be installing taller (about 60-foot) poles.

Compared with the proposed project that would add or replace about 420 poles, the Border-Area Service Plan would add up to 805 poles to be replaced, generally by increasing pole height from 45 to 60 feet. These additional facilities would add 32.1 miles of construction to the 34.5 miles of modifications for the proposed project.

SSJID expects to continue engineering analysis of the Border-Area Service Plan in order to refine its plans and, as a result, minor changes in the construction proposal may be needed to serve all PG&E customers that would be affected. The Border-Area Service Plan is based on minimizing the lengths of the additional lines and using the existing utility easements to avoid new lines across open fields. If the plan becomes necessary, continued engineering analysis may consider other construction options, such as undergrounding certain segments or constructing certain segments as a separate overhead distribution line. If required, additional facilities would be of a design similar to those described here.

The construction schedule for the Border-Area Service Plan would overlap with construction for the SSJID Plan to Provide Retail Electric Service. In addition to the eight contractor crews working simultaneously at different work spreads for the overall project, approximately two months of work by three additional four-man contract electric line crews would need to occur to build the facilities in the Border-Area Service Plan.

Figure B-1 of this Final Subsequent EIR shows the locations of system modifications that would be necessary to implement the proposed project with the Border-Area Service Plan. The Border-Area Service Plan would include all of the components of SSJID’s proposed retail electric service plan, but instead of MID taking over the service for customers in these border regions, the Border-Area Service Plan would use the additional new distribution-level improvements to allow PG&E to retain service for these customers without the need for low voltage metering. The extent of new distribution system modifications that would be added to the proposed project with the Border-Area Service Plan is summarized in Table 3.9-8 below.

Table 3.9-8. Proposed Electric Distribution Circuit Modifications with Border-Area Service Plan

Proposed Facilities	New Overhead Lines	Reconductor Overhead Lines	New Underbuild of Overhead Lines	New Underground Cables	Total Modifications (miles)
Proposed Project (miles; see Table 2-2)	3.62	10.36	12.77	7.77	34.52
Added by Border-Area Service Plan (miles)	1.43	0	29.65	1.00	32.08
Project with Border-Area Service Plan (miles)	5.05	10.36	42.42	8.77	66.60

Source: Siemens PTI, February 2010; Siemens PTI, July 2011.

Construction associated with all the Border-Area Service Plan components is detailed in Table 3.9-9 below.

Table 3.9-9. Detailed Description of Border-Area Service Plan

Component	Description	Border-Area Service Plan
Vierra Substation Shown on Figure 3.9-1 & Figure B-1	PG&E substation located outside SSJID territory serves part of the loads in western part of Manteca	The Western Underbuild for border area service would connect to the west to the Vierra feeder identified as VA 1702.
Riverbank Substation Shown on Figure 3.9-1 & Figure B-1	PG&E substation located outside SSJID territory serves part of load in Escalon, rural area south of Escalon, Oakdale, and Riverbank	The Eastern Underbuild for border area service would connect to the east to the Riverbank feeder identified as RB 1716.
Ripon Substation Shown on Figure 3.9-1 & Figure B-1	This existing substation is located within a one-acre yard north of the City of Ripon, to the north and west of the intersection of Jack Tone Road and Highway 99. The substation is set back approximately 200 feet north of Highway 99. Commercial land uses, including a truck stop and equipment storage yards, surround the remainder of the site. The Ripon Substation currently includes only one transformer and two feeders. PG&E previously installed foundations at the site for new major electrical equipment.	In addition to the facilities that would be added under the Proposed Project, a new 7 MVA transformer <u>that is physically separate from the SSJID facilities</u> may be required for the new PG&E feeder depending on the final design of the Border-Area Service Plan.
Western Underbuild Shown on Figure 3.9-1 & Figure B-1	This new underbuild creates a new main line that allows supplying the load in the southwest region from Vierra Substation. The total load outside the SSJID territory that would be connected to this underbuild is 3.472 MW. The Western Underbuild also needs two additional shorter underbuilds: <ul style="list-style-type: none"> West-1: This underbuild heads south from the intersection of W. Ripon Rd. and Austin Rd. to take the loads that are outside the SSJID territory along Austin Road. West-2: This underbuild heads west along Melton Rd and branches to the west from West-1. This underbuild is proposed to provide a second path to the supply of the load in the Southwest region for reliability. 	<p>(a) 0.46 miles of new underbuild from VA 1702 east along Woodward Ave. This would be connected with VA 1702 using a new overhead three-phase switch.</p> <p>(b) 2.46 miles of new underbuild south on Airport Way</p> <p>(c) 6.03 miles of new underbuild east on W. Ripon Rd.</p> <p>(d) 0.82 miles of new underbuild north on Jack Tone Rd.</p> <p>(e) 0.33 miles of new overhead line southwest from Jack Tone Rd., connecting the underbuild to the refurbished 60 kV to 17 kV line using a new overhead three phase switch.</p> <p>(f) 1.99 miles of new underbuild south along Austin Rd. from W. Ripon Rd. This would be connected with the underbuild on W. Ripon Rd. using a new overhead three phase switch.</p> <p>(g) 2.27 miles of new underbuild west along <u>Hutchinson Rd. and Melton Rd.</u> from Austin Rd. This would be connected with the underbuild on Austin Rd. using a new overhead three phase switch.</p> <p>(h) 4,200 ft of new underbuild north of Melton Rd. along S. Manteca Rd.; necessary if low voltage metering is infeasible.</p>

Table 3.9-9. Detailed Description of Border-Area Service Plan

Component	Description	Border-Area Service Plan
Eastern Underbuild Shown on Figure 3.9-1 & Figure B-1	<p>This new underbuild creates a new main line that allows supplying the loads south of River Rd. from Riverbank Substation. The underbuild connects to the east to the Riverbank feeder identified as RB 1716 and to the west to the existing idling 60 kV line that is proposed to be refurbished to 17 kV. The refurbished line allows connecting the Eastern Underbuild to the load at Ripon (south of Milgeo Ave. east of Manley Rd.), to the Western Underbuild and to the part of the system supplied from Vierra to the west and to Ripon-PG&E. The total load outside the SSJID territory that would be connected to this underbuild is 2.765 MW. There are two smaller underbuilds that complement the Eastern Underbuild:</p> <ul style="list-style-type: none"> • East-1: An underbuild would be connected to the Eastern Underbuild near the intersection of River Rd. and Sexton Rd. going south to take the loads that are outside the SSJID territory, and • East-2: An underbuild would be connected to the Riverbank feeder RB 1716 from the intersection of Hall Ave and McBride Ave, taking the loads along the south of McBride Ave that are outside the SSJID territory. 	<p>(a) 0.20 miles of new underbuild from RB 1716 north along Henry Rd. from Hall Rd. This would be connected with RB 1716 using a new overhead three phase switch.</p> <p>(b) 9.19 miles of new underbuild west on River Rd.</p> <p>(c) 1.0 miles of new underbuild south on S. Murphy Rd.</p> <p>(d) 0.5 miles of new underbuild west on Milgeo Ave.</p> <p>(e) On Manley Rd. the underbuild is connected to the refurbished 60 kV to 17 kV line using an overhead three phase switch.</p> <p>(f) 0.29 miles of new underbuild south near the intersection of River Rd. and Sexton Rd.</p> <p>(g) 0.67 miles of new underbuild south on McBride Rd.</p> <p>(h) 3,200 ft of new underbuild south of East River Rd. along Burwood Rd.; necessary if low voltage metering is infeasible.</p>
Eastern and Northern Boundary Shown on Figure B-1	<p>Additional investments necessary if MID is not part of the separation to connect isolated loads and low voltage (LV) metering is infeasible.</p>	<p>(a) 2,000 ft of new underbuild along Kelly Rd. from Steinegull towards Seidner Rd.</p> <p>(b) Up to 1.1 miles of new underbuild along Campbell Ave. and Magnolia Ave. or the Kelly Rd. alignment, north of Mahon Rd.</p> <p>(c) 350 ft of new underbuild west of Sexton Rd. between Blackmore and the railway.</p> <p>(d) 2,200 ft of new underbuild along Carrolton Rd. south of Avena Rd.</p> <p>(e) 850 ft of new underbuild along Murphy Rd. between Louise Ave and Elsholz Rd.</p> <p>(f) 1,000 ft of new underbuild west of Murphy Rd. from French Camp Rd.</p> <p>(g) 2,700 ft of new underbuild along E. Louise Ave. east of Jack Tone Rd.</p> <p>(h) 2,900 ft of new underbuild along Jack Tone Rd. south of French Camp Rd.</p>
600 kVAR Capacitor Banks Shown on Figure 3.9-1 & Figure B-1	<p>Up to four new 600 kVAR capacitor banks (pole-mounted) are required to improve voltage profile for the contingency of outage of supply from VA 1702 if the voltage falls below 90-95%.</p>	<p>Depending on the final design for border area service, a new 600 kVAR capacitor bank may be required at node N7536 near the intersection of Ave. D and Division Rd or at the southern end of 2 Rivers Rd, and additional new 600 kVAR capacitor banks may be required at the intersections of Union Rd. at Perrin Rd. and Hutchinson Rd. at Austin Rd.</p>

Table 3.9-9. Detailed Description of Border-Area Service Plan

Component	Description	Border-Area Service Plan
Ripon Connection Shown on Figure 3.9-1 & Figure B-1	In order to establish a supply point from the Ripon Substation, a new section of 1C350AI75 cable is required to connect the refurbished 60 kV to 17 kV line to the Ripon Substation. This arrangement would establish an additional feeder out of Ripon Substation which would be connected to the underbuilds from Vierra and Riverbank substations.	1.0 miles of new underground cable from the PG&E portion of the Ripon Substation to the refurbished 60 kV to 17 kV line along Highway 99, east of the Jack Tone Road interchange.

Source: SSJID Distribution Inventory & Severance Study, Prepared for SSJID by Siemens PTI, July 2011 [and June 2012](#).

Impacts of the Border-Area Service Plan

All of the potential impacts of the [EIR Mitigation Measure 3.9-4a](#) (Border-Area Service Plan) would be less than significant or less than significant with the implementation of recommended mitigation [measures](#) applicable to the overall retail electric service plan. As a mitigation measure [applied to the proposed retail electric service plan](#), the Border-Area Service Plan would [add infrastructure in the effort to](#) reduce impacts from potential utility system disruptions to a less than significant level. Impacts related to socioeconomics, public services, and energy conservation would remain essentially the same with the implementation of this measure. Because of the additional construction requirements, the Border-Area Service Plan would increase impacts related to land use, agriculture, recreation, air quality, biological resources, cultural resources, geology/soils/paleontology, public health/safety, hydrology/water quality, noise/vibration, transportation/traffic, visual resources, and greenhouse gas emissions as described below; these impacts would be mitigated as they would with [measures applicable to](#) the overall project.

Land Use, Agriculture, and Recreation

The Border-Area Service Plan would involve installation of 29.65 miles of new underbuild distribution line on existing or taller joint-use poles across most of the southern boundary and in short segments along the eastern and northern boundary with up to 2.43 miles additional new distribution line and underground cable primarily to establish a new feeder for PG&E to exit the Ripon Substation to the south. [The new underbuild distribution line and new distribution line and underground cable would be built in addition to the proposed project, which would require an estimated 34.52 miles of modifications, for a total of 66.60 miles of modifications.](#) The new electric distribution circuits would traverse from the City of Manteca in the west, through the City of Ripon, and east to McBride Road in unincorporated San Joaquin County. The existing setting for the Border-Area Service Plan is within that described for the proposed project ([Draft Subsequent EIR Section 3.1.1](#)). Much of the construction required for the Border-Area Service Plan would occur in the agricultural areas of San Joaquin County between Manteca, Ripon, and Escalon. Underbuilds on joint-use poles and new overhead lines would be constructed along roads and in existing utility rights-of-way, largely adjacent to agricultural lands.

[Impact 3.1-1: Physically disrupt, preclude, or disturb existing or permitted land uses](#)

[SSJID would conduct construction for the underbuilds and new overhead lines entirely within the public ROW adjacent to the paved surface of the roadway. Some construction activities may temporarily disturb agricultural fields, but in general, construction would involve limited land disturbance.](#) Mitigation recommended for [avoiding potential nuisances and disruptions caused by general construction activities of](#) the project would apply to the Border-Area Service Plan. In accordance with project mitigation, the underbuilds and new overhead lines would be sited along roads or other existing utility rights-of-way to

minimize division of communities. The Border-Area Service Plan would require brief electric service disruptions while the existing distribution line is changed from the existing pole to the new joint-use pole. SSJID would minimize any service disruptions and provide advance notice of service disruptions, which would also serve to minimize this impact. The impacts of the proposed project and the Border-Area Service Plan on potential disruptions or disturbance of existing land uses would be less than significant with mitigation identified for the project.

Mitigation for Impact 3.1-1

3.1-1a Re-till agricultural lands following construction.

3.1-1b Consult with landowners.

3.1-1c Adjust location of lines for agricultural operations and flight patterns.

Impact 3.1-2: Permanently convert Farmland to a non-agricultural use

Modification of the existing distribution system to implement the Border-Area Service Plan would result in construction activities in agricultural areas. The temporary impacts to agricultural lands would occur as a result of activities related to the construction of modified distribution lines along agricultural roads and work at the severance points adjacent to agricultural fields. SSJID would conduct construction for the underbuilds and new overhead lines entirely within the public ROW adjacent to the paved surface of the roadway. Some construction activities may temporarily disturb agricultural fields, but in general, construction would involve limited land disturbance. Placing electrical poles in the ground requires space to lay down the poles and operate the construction equipment. Because SSJID would take all practical steps to conduct construction activities entirely within the public ROW and adjacent to paved surface of roadways, the modifications related to the Border-Area Service Plan would not result in any additional permanent conversion of farmland. The impact to farmland as a result of the proposed project and the Border-Area Service Plan would be less than significant with mitigation identified for the project.

Mitigation for Impact 3.1-2

3.1-2a Preserve farmland to offset permanent losses.

Impact 3.1-3: Conflict with Williamson Act contracts and/or zoning for agricultural use

Utilities constructed under the Border-Area Service Plan would be compatible with any Williamson Act contracts (Government Code Section 51238). Implementing the recommended mitigation measures for protecting agricultural land would ensure that impacts to potential disruptions to agriculture would be less than significant. The impacts of the Border-Area Service Plan on existing land uses would be less than significant with mitigation identified for the project. Because Government Code Section 51238 specifies that new electric facilities would be compatible with any agricultural preserve, including parcels covered under Williamson Act contracts, this impact would be less than significant for the proposed project and the Border-Area Service Plan.

Impact 3.1-4: Result in the loss or degradation of federal, State, or local recreation facilities

The underbuilds and new overhead lines for the Border-Area Service Plan would be sited along roads or other existing utility rights-of-way, minimizing effects on recreation facilities. As with the proposed project, this plan would not result in loss or degradation of federal, State, or local recreation facilities. Poten-

tial impacts on recreational resources as a result of the proposed project and the Border-Area Service Plan would be less than significant.

Air Quality

The Border-Area Service Plan would involve installation of an additional 32.1 miles of electric distribution facilities within and near the SSJID territory in the San Joaquin Valley Air Basin. Therefore, the applicable air quality regulatory settings and thresholds would be the same as those identified in Draft Subsequent EIR Sections 3.2.1.4 and 3.2.2.1, respectively for the proposed project. Much of the construction for this plan would occur in the agricultural areas of San Joaquin County between Manteca, Ripon, and Escalon. Underbuilds on joint-use poles and new overhead lines would be constructed along roads and in existing utility rights-of-way, largely adjacent to agricultural lands.

Impact 3.2-1: Conflict with or obstruct implementation of the applicable air quality plan

Air quality impacts from construction of the Border-Area Service Plan would be short-term and localized. During operation of the Border-Area Service Plan, impacts would be limited to those from maintenance activities. Like the proposed retail electric service plan (discussed in Section 3.2.2.1), neither the proposed project nor the Border-Area Service Plan would conflict with the growth assumptions in SJVAPCD air quality plans or obstruct implementation of any of the proposed control measures contained in these plans, and therefore, would have no impact on applicable air quality plans.

Impact 3.2-2: Violate any air quality standard or contribute substantially to an existing or projected air quality violation

Modification of the existing distribution system to implement the Border-Area Service Plan would require construction equipment and result in emissions of exhaust. The emissions would potentially contribute to the violation of air quality standards. However, with the implementation of recommended mitigation for the project, this impact would be less than significant, as described below.

Heavy equipment operation would be the primary emission source associated with the 32.1 miles of construction activities required for the Border-Area Service Plan. Although the Border-Area Service Plan construction would nearly double the linear miles of construction associated with the Plan to Provide Retail Electric Service, construction activities at any individual location would be completed in a matter of days to weeks because of the linear nature of the Border-Area Service Plan infrastructure upgrades and facilities. Mitigation measures for the proposed project would require SSJID to reduce emissions associated with construction. This would prevent localized nuisances and ensure compliance with local air district rules and regulations regarding dust control. Implementation of project mitigation would reduce temporary and localized construction related emission impacts associated with Border-Area Service Plan to a less than significant level.

Once operational, emissions associated with the Border-Area Service Plan would be limited to maintenance activities. The emissions from these maintenance activities would occur at levels that would be marginal in the context of the baseline emissions that occur as a result of currently providing electric service to the border areas. Sensitive receptors along the ROW of the additional lines would be residential farmhouses and other single-family homes. Emissions from routine temporary maintenance activities are not expected to expose sensitive receptors to substantial pollutant concentrations. Routine emissions occurring with maintenance would not result in a cumulatively considerable net increase for pollutants for which the region is nonattainment (ozone, PM10, or PM2.5). Mitigation measures recom-

mended for preventing localized nuisances, ensuring appropriate dust control, and avoiding emissions from equipment would apply to this plan, ensuring that this impact would be less than significant. These practices ensure that the minor and occasional emissions for necessary maintenance of the utility systems would not interfere with implementation of the applicable air quality management plans, as discussed in Section 3.2.2.1.

Table 3.9-10 shows the estimated construction-related emissions caused by the Border-Area Service Plan in conjunction with proposed construction activities for the overall project. Supporting calculations are shown in this Subsequent EIR Appendix B, Air Quality Attachment. Implementing the Border-Area Service Plan and the simultaneous work would generate the estimated emissions, including 99.4 lb/day of NOx and 126.6 lbs/day of PM10, as a result of construction activities for project substations and development or modification of 34.5 miles of distribution lines with the additional Border-Area Service Plan. This plan would add approximately two months of work by three additional four-man contract electric line crews to allow the concurrent construction of up to 32.1 miles of additional distribution system modifications.

Table 3.9-10. Construction Emissions with Border-Area Service Plan

Construction Activity/Phase	NOx (lb/day)	PM10 (lb/day)	CO (lb/day)	VOC (lb/day)	SOx (lb/day)	NOx (ton)	PM10 (ton)	CO (ton)	VOC (ton)	SOx (ton)
Proposed Project (see Table 3.2-3)	89.76	106.14	117.95	18.64	0.20	8.46	4.96	12.94	1.93	0.02
Added by Border-Area Service Plan	9.62	20.46	13.81	1.81	0.02	0.20	0.04	0.29	0.04	<0.01
Total Construction Emissions	99.37	126.60	131.76	20.45	0.22	8.66	5.00	13.23	1.97	0.02
Threshold for Significance	None	None	None	None	None	10	15	None	10	None

Source: Appendix B, Air Quality Attachment. Aspen Environmental Group, 2011.

Note: Total construction emissions reported in tons, expected to occur over a twelve-month period.

The daily and annual rates of emissions during construction of the Border-Area Service Plan would increase compared to those under the project. However, these impacts from construction of the proposed project and the Border-Area Service Plan would be less than significant with mitigation identified for the project.

Mitigation for Impact 3.2-2

3.2-2a Implement dust control provisions.

3.2-2b Implement equipment exhaust control measures.

Impact 3.2-3: Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or State ambient air quality standard

Most of the emissions associated with the Border-Area Service Plan would occur during construction activities for distribution system modifications. Operational emissions would be limited to maintenance activities and would be minimal. Contribution of the proposed retail electric service to cumulative air quality impacts is discussed in Section 5 of the Draft Subsequent EIR. Table 3.9-10 shows that the emissions from the Border-Area Service Plan would occur in quantities that would not cause a substantial contribution to existing nonattainment conditions, according to SJVAPCD guidelines (SJVAPCD, 2002). As with the proposed retail electric service, the contribution of the proposed project and the Border-Area Service Plan to cumulative air quality impacts would be less than significant with mitigation incorporated.

Mitigation for Impact 3.2-3

3.2-2a Implement dust control provisions.

3.2-2b Implement equipment exhaust control measures.

Impact 3.2-4: Expose sensitive receptors to substantial pollutant concentrations

Although an impact on sensitive receptors would be unavoidable, it would not be significant considering the temporary nature of the construction and relatively minor magnitude of construction and operating emissions. Implementation of measures such as Mitigation Measure 3.2-2a and Mitigation Measure 3.2-2b would further reduce emissions from construction of the proposed project and the Border-Area Service Plan to ensure less than significant impacts.

Mitigation for Impact 3.2-4

3.2-2a Implement dust control provisions.

3.2-2b Implement equipment exhaust control measures.

Impact 3.2-5: Create objectionable odors affecting a substantial number of people

There would be no odor sources expected with the construction or operation and maintenance of the proposed project and the Border-Area Service Plan. Therefore, there would be no odor impact.

Biological Resources

The Border-Area Service Plan would involve installation of additional infrastructure within and near the boundary of the SSJID territory. The existing setting is described in Section 3.3.1. Much of the construction activity would occur in the agricultural areas of San Joaquin County between Manteca, Ripon, and Escalon. Draft Subsequent EIR Section 3.3.1 describes the existing setting of the SSJID territory and proposed Sphere of Influence, which encompasses the Western and Eastern Underbuilds as well as the Ripon Connection. These Underbuilds and new overhead lines would be constructed along roads and in existing utility rights-of-way, largely adjacent to agricultural lands. Pole-mounted capacitor banks would be installed within the Southwest Area, which is outside of the SSJID territory and proposed Sphere of Influence. These components would be installed on existing poles at road intersections near agricultural lands. Habitat in the construction areas at these intersections is developed or highly disturbed and does not support special-status species or other sensitive biological resources. However, adjacent agricultural areas and ruderal habitats may support wildlife habituated to frequent disturbance. Sensitive aquatic habitat may occur within the construction work areas of the Border-Area Service Plan as isolated seasonally ponded areas in irrigated pasture or as roadside drainages.

Impact 3.3-1: Result in direct loss of special-status species or substantial adverse effect through habitat loss or degradation

Construction for the additional underbuilds on joint-use poles, new overhead line, and pole-mounted capacitor banks for the Border-Area Service Plan would add replacement of up to 805 poles generally increasing the pole height from 45 to 60 feet. This construction would occur in previously disturbed areas, adjacent to roads and in existing utility rights-of-way, with low potential to support special-status species or their habitat. Potential impacts to special-status wildlife, if present within areas where construction would occur, include direct mortality from encounters with construction equipment, burrow/nest

destruction during equipment staging, entombing adults, eggs, or young, and disruption or harassment. These impacts would be the same as the proposed project, which included adding or replacing about 420 poles, with a relatively lower potential for the Border-Area Service Plan construction areas and immediate vicinity to support special-status species. Mitigation Measure 3.3-1a through Mitigation Measure 3.3-1e would restrict work to within existing access roads, identify and avoid Environmentally Sensitive Areas, and require a pre-activity survey prior to certain vegetation management activities. Implementation of these mitigation measures identified for the project would avoid or reduce the combined effects of the proposed project and Border-Area Service Plan to less than significant.

Mitigation for Impact 3.3-1

3.3-1a Minimize construction footprint.

3.3-1b Survey new electric utility corridors.

3.3-1c Avoid designated Sensitive Areas.

3.3-1d Survey prior to non-routine vegetation management.

3.3-1e Avoid, minimize, and compensate for impacts to special-status species.

Impact 3.3-2: Have a substantial adverse effect on sensitive natural communities, including riparian, or wetlands, or other waters of the U.S. and/or State

CDFW-designated sensitive natural communities, including Great Valley mixed riparian forest, Great Valley valley oak riparian forest, and elderberry savannah along the Stanislaus River would not be affected by implementation of the Border-Area Service Plan; the nearest proposed construction (installation of a capacitor bank on an existing pole) is approximately 200 feet north of the river on the opposite side of two roads. Wetlands or other waters potentially under the jurisdiction of the U.S. and/or State may occur within the construction work areas of the Border-Area Service Plan as isolated seasonally ponded areas in irrigated pasture or as roadside drainages. If present, impacts to these sensitive resources include contamination by equipment leakages, sedimentation, and degradation by off-road construction equipment. Fill of wetlands or removal of riparian vegetation would not occur as work would be within existing utility right-of-way involving existing or replacement poles. These impacts would be the same as with the near-term construction of the proposed project. Mitigation Measure 3.3-2a would ensure avoidance of potentially significant impacts through identification of affected resources in pre-construction surveys/wetland delineations and siting construction and other ground disturbing activities to avoid occurrences of sensitive natural communities, wetlands, and other waters. Although unlikely, any unavoidable direct impacts from implementation of the Border-Area Service Plan would be reduced through compensation in compliance with applicable sections of California Fish and Game Code (Sections 1600 to 1607) and the Clean Water Act (Sections 401 and 404) as well as the permitting requirements and mitigation identified herein. Potential impacts to sensitive natural communities, wetlands, and other waters from construction of the proposed project and Border-Area Service Plan would be less than significant with mitigation identified for the project.

Mitigation for Impact 3.3-2

3.3-2a Avoid, minimize, and compensate for impacts to sensitive habitats.

Impact 3.3-3: Interfere substantially with the movement of fish or wildlife species, including established migration corridors, or the use of native wildlife nursery sites

The Border-Area Service Plan would be implemented in existing utility rights-of-way along roadways adjacent to agricultural lands. These land use types are similar to those within the proposed project area and none are conducive to wildlife movement or nursery sites. Therefore, as with the proposed project, any potential impediment to local movement of wildlife with implementation of the proposed project and Border-Area Service Plan would be less than significant.

Impact 3.3-4: Have a substantial adverse effect on special-status plant species through the installation of overhead and underground lines

The Border-Area Service Plan would be implemented in existing utility rights-of-way along roadways adjacent to agricultural lands. Habitat is developed or highly disturbed, and special-status plant species have low potential to occur within the areas of construction; however, focused botanical surveys have not been conducted. Although unlikely, if present within construction areas, direct mortality of special-status plants could occur. Special-status plants adjacent to the construction area may be crushed or otherwise damaged by construction equipment and vehicle or foot traffic. Indirect effects from construction would largely be temporary and include sedimentation and erosion from soil disturbance and disruption of photosynthesis and other metabolic processes from fugitive dust. These impacts would be the same as with the proposed project, with a relatively lower potential for the Border-Area Service Plan construction areas and immediate vicinity to support special-status plant species. Potential impacts to special-status plants from construction of the proposed project and Border-Area Service Plan would be less than significant with mitigation identified for the project.

Mitigation for Impact 3.3-4

3.3-4a Conduct seasonal surveys for special-status plants and implement appropriate impact avoidance/minimization/compensation strategies.

Impact 3.3-5: Disturb over-wintering or nesting burrowing owls

Marginally suitable habitat for burrowing owls occurs in ruderal areas adjacent to the road shoulders and utility rights-of-way in which the Border-Area Service Plan construction would occur. Potential for occurrence is low due to ongoing intense disturbance and human/vehicle activity. Direct impacts (i.e., mortality from encounters with construction equipment, and destruction of burrow/nest during clearing/grading) to burrowing owls are unlikely because of the marginal suitability of habitat within Border-Area Service Plan construction areas. It is more likely (low potential) that burrowing owls occur at the periphery of agricultural lands near construction activities. In this case, disruption or harassment of individuals and pairs could occur. As with the proposed project, it is anticipated that impacts to burrowing owl would be unlikely. However, pre-construction surveys and habitat assessment pursuant to the CDFW and California Burrowing Owl Consortium guidelines (CDFG, 2012; CBOC, 1993) are required to substantiate this. Mitigation Measure 3.3-5a includes survey requirements, work timing restrictions, and buffer distances specific to protection of burrowing owls as recommended by CDFW and the California Burrowing Owl Consortium. Implementation of this mitigation measure identified for the project would avoid or reduce the combined effects of the proposed project and Border-Area Service Plan to less than significant.

Mitigation for Impact 3.3-5

3.3-5a Conduct burrowing owl pre-construction surveys and implement appropriate impact avoidance/minimization/compensation strategies.

Impact 3.3-6: Result in nest abandonment, nest failure, or premature fledging due to removal of buildings, trees or shrubs, grading, or construction activities in the vicinity of passerine and non-passerine land bird nests and raptor nests

Birds may nest in existing vegetation, including trees, shrubs and ruderal habitats adjacent to Border-Area Service Plan construction areas. Tree removal is not anticipated. Tree trimming, shrub removal or trimming, grading, or construction activities in the vicinity of active bird nests could result in nest abandonment, nest failure, or premature fledging. Destruction or disturbance of active nests would be in violation of the Migratory Bird Treaty Act (MBTA) and the California Fish and Game Code. These impacts would be the same as with the proposed project. Potential impacts to nesting birds from construction of the proposed project and Border-Area Service Plan would be less than significant with mitigation identified for the project.

Mitigation for Impact 3.3-6

3.3-6a Avoid removal of nesting substrate during the breeding season and implement appropriate impact minimization strategies.

Impact 3.3-7: Result in the loss of raptor foraging habitat due to construction

The Border-Area Service Plan would be implemented in existing utility rights-of-way along roadways adjacent to agricultural lands. Development would include underbuilds or capacitor bank installation on existing poles or replacement poles as well as a short (1.3 mile) new distribution line with an underground cable. These activities would not result in loss of raptor foraging habitat as a result of the Border-Area Service Plan. However, the proposed project would result in some loss of foraging habitat for raptors, including Swainson's hawk, from development of substations and potential future ancillary facilities in pasture, grasslands, and other suitable foraging habitats. Implementation of mitigation identified for the project would also reduce these impacts of the proposed project and Border-Area Service Plan to less than significant.

Mitigation for Impact 3.3-7

3.3-1a Minimize construction footprint.

3.3-1b Survey new electric utility corridors.

3.3-1c Avoid designated Sensitive Areas.

3.3-1d Survey prior to non-routine vegetation management.

3.3-1e Avoid, minimize, and compensate for impacts to special-status species.

Impact 3.3-8: Disturb breeding Swainson's hawk or Swainson's hawk nests as result of removal of mature trees and noisy construction activities

Mature trees near the border area provide suitable nesting habitat for Swainson's hawk and recent CNDDDB records indicate a moderate to high probability that the species occurs near the Ripon Substation where the Ripon Connection would be constructed. Mature trees capable of supporting nesting Swainson's hawk

would not be removed for Border-Area Service Plan construction. However, construction and its associated increases in noise and human presence near active Swainson's hawk nests may cause nest abandonment. These indirect impacts of disruption and harassment would be the same as with the proposed project. Mitigation Measure 3.3-8a includes survey requirements, work timing restrictions, and buffer distances that are specific to protection of Swainson's hawk, as recommended by CDFW and the Swainson's Hawk Technical Advisory Committee (STAC, 2000). Implementation of this mitigation identified for the project would also reduce direct and indirect impacts of the proposed project and Border-Area Service Plan to less than significant.

Mitigation for Impact 3.3-8

3.3-8a Conduct Swainson's hawk pre-construction surveys and implement appropriate impact avoidance and minimization strategies.

Impact 3.3-9: Result in the mortality of or loss of potential habitat for Valley elderberry longhorn beetle due to the removal of blue elderberry shrubs

Removal of elderberry shrubs could result in mortality to Valley elderberry longhorn beetle (VELB) if present, and would result in habitat loss for this species. Elderberry shrubs may occur along roadway shoulders adjacent to the construction areas for the Border-Area Service Plan. Removal of shrubs is not anticipated, but trimming may be needed near existing poles. These impacts would be the same as with the proposed project. Mitigation Measure 3.3-9a includes preconstruction surveys for elderberry shrubs and VELB, avoidance, and compensation for unavoidable impacts. Implementation of mitigation identified for the project would also reduce direct and indirect impacts of the proposed project and Border-Area Service Plan to less than significant.

Mitigation for Impact 3.3-9

3.3-9a Conduct surveys for Valley elderberry longhorn beetle and implement appropriate impact avoidance/minimization/compensation strategies.

Impact 3.3-10: Eliminate potential roosting habitat for and/or result in injury or mortality to special-status bat species by the removal of mature trees and structures

Mature trees and snags located near the Border-Area Service Plan construction areas provide potential roosting habitat for several special-status bat species including pallid bat (*Antrozous pallidus*) and Townsend's big-eared bat (*Corynorhinus townsendii*), both California Species of Special Concern. Mature trees capable of supporting roosting special-status bats would not be removed for Border-Area Service Plan construction. However, construction and its associated increases in noise and human presence near roosting bats may cause temporary disruption. These impacts would be the same as with the proposed project. Implementation of mitigation identified for the project would also reduce direct and indirect impacts of the proposed project and Border-Area Service Plan to less than significant.

Mitigation for Impact 3.3-10

3.3-10a If the electric distribution system construction would require removal of buildings, mature trees, or snags, conduct surveys for roosting bats and implement appropriate impact avoidance and minimization strategies.

Impact 3.3-11: Result in disturbance to wildlife and/or wildlife mortality due to maintenance activities

Maintenance activities would temporarily displace animals and disrupt their breeding and/or foraging activities and could also result in direct wildlife mortality (e.g., lizard crushed by truck tire). Vegetation management or clearing during the bird breeding season could result in disturbance or mortality to nesting birds, eggs, and/or young. These impacts would be the same with as the proposed project. Implementation of mitigation identified for the project would also reduce these impacts of the proposed project and Border-Area Service Plan.

Mitigation for Impact 3.3-11

3.3-1a Minimize construction footprint.

3.3-1b Survey new electric utility corridors.

3.3-1c Avoid designated Sensitive Areas.

3.3-1d Survey prior to non-routine vegetation management.

Cultural Resources

The Border-Area Service Plan would involve installation of additional infrastructure within and near the SSJID territory for which the existing setting is as described for the proposed project ([Draft Subsequent EIR](#) Section 3.4.1). Much of the construction activity would occur in the agricultural areas of San Joaquin County between Manteca, Ripon, and Escalon. Underbuilds on joint-use poles and new overhead lines would be constructed along roads and in existing utility rights-of-way, largely adjacent to agricultural lands.

Impact 3.4-1: Cause a substantial adverse change in the significance of historical resources or unique archaeological resources, or disturb human remains

As with the proposed project, there is some potential that the implementation of the Border-Area Service Plan would affect historical resources or unique archaeological resources or would disturb human remains. The areas affected by construction activities under the Border-Area Service Plan are currently being used for existing utility rights-of-way or agricultural operations, and thus are largely disturbed and unlikely to yield cultural resources. The types of impacts on cultural resources would be the same as those presented in [Draft Subsequent EIR](#) Section 3.4 for the proposed project which included adding or replacing about 420 poles; however, because of the replacement of up to 805 additional poles with taller poles, more ground disturbance would occur. ~~However, the~~ The chance of encountering previously undetected cultural resources during ground disturbance for the Border-Area Service Plan would be low given the history of agriculture in the area (Impact 3.4-1). Given the previously disturbed setting of the construction sites, with the mitigation requirements in Mitigation Measure 3.4-1a for evaluating all project footprints for potential cultural resources, and implementing avoidance and minimization measures, impacts associated with the proposed project and Border-Area Service Plan would be less than significant ~~with mitigation identified for the project.~~

Mitigation for Impact 3.4-1

3.4-1a Develop and Implement a Cultural Resources Treatment Plan (CRTP).

Geology, Soils, and Paleontology

The existing setting for the Border-Area Service Plan is the same as for the proposed project ([Draft Subsequent EIR](#) Section 3.5.1). Much of the construction for this plan would occur in the agricultural areas of San Joaquin County between Manteca, Ripon, and Escalon. Underbuilds and new overhead lines would be constructed along roads and in existing utility rights-of-way, largely adjacent to agricultural lands.

Potential impacts related to geology, soils, and paleontology would be the same as those shown in Section 3.5 for the proposed project. However, because up to 805 additional poles would be replaced with taller poles, greater amounts of ground disturbance and associated geology, soils, and paleontological impacts would be expected. Mitigation measures designed for the proposed project would be sufficient to reduce these impacts to less than significant.

Impact 3.5-1: Expose people or structures to potential substantial adverse effects as a result of seismically induced groundshaking and/or ground failure

[The Border-Area Service Plan would require 32.1 miles of additional distribution line construction, including up to 805 additional poles. The new underbuild distribution line, new distribution line, and underground cable would be built in addition to the proposed project which \(34.52 miles of modifications\) for a total of 66.60 miles of modifications.](#) The construction required for ~~the~~ [this plan Border-Area Service Plan](#) would comply with the California and Uniform Building Code standards and standards and practices are defined in California Public Utilities Commission (CPUC) General Order 95, which account for geologic hazards. [Complying with these standards for construction of the proposed project and Border-Area Service Plan, as outlined in Mitigation Measure 3.5-1a for the proposed project, would reduce any impacts related to seismic hazards to a less-than-significant level.](#) Operational impacts for this plan (ground shaking and expansive soils) would be the same as those for the proposed project. These impacts would be less than significant, and no mitigation is required.

Mitigation for Impact 3.5-1

3.5-1a Engineer electric facilities in accordance with standards and practices.

Impact 3.5-2: Result in substantial soil erosion or the loss of topsoil

[Ground disturbance during construction for the Border-Area Service Plan would cause additional potential for soil erosion as a result of 32.1 miles of distribution line work.](#) Ground disturbance and resulting soil erosion would be greater for the Border-Area Service Plan [than for the proposed project without the plan](#), given the installation of additional linear infrastructure and [up to 805 additional poles compared with the 420 poles that would be added or replaced for the proposed project to be replaced.](#)

[Pursuant to NPDES permit requirements, SSJID would prepare and adhere to a SWPPP for the Border-Area Service Plan in order to minimize erosion caused during construction. Best Management Practices \(BMPs\) to minimize soil erosion would be an important part of the SWPPP. BMPs in the SWPPP may include, but not be limited to, Mitigation Measure 3.5-2a, developed for the proposed project, which would schedule excavation and grading activities for the dry season when possible. If excavation were to occur during the rainy season, Mitigation Measure 3.5-2a would ensure that SSJID regulates storm runoff through a storm water management/erosion control plan to cover stockpiles of loose material, divert runoff away from exposed soil materials, and remove any trapped sediment from the basin or trap and place it in a suitable location.](#) SSJID would [also](#) be required to adhere to the County, Manteca's, and Ripon's Storm Drain Master Plan requirements, where applicable. [With compliance with applicable](#)

regulations and the best management practices for soil erosion control in Mitigation Measure 3.5-2a, soil erosion related to the proposed project and Border-Area Service Plan would be less than significant.

Mitigation for Impact 3.5-2

3.5-2a Follow best management practices for soil erosion control.

Impact 3.5-3: Damage project facilities as a result of expansive (shrink swell) soils

Some soils in the area where the Border-Area Service Plan would be implemented have higher potential to exhibit shrink swell characteristics than those in the proposed project area (San Joaquin County, 2011). However, construction would occur within existing utility rights-of-way and SSJID would comply with the burial depths specified by the CPUC in General Order 95 (Overhead Electric Lines Construction). Poles would typically be buried 7.5 feet in soil and 5 feet in rock (as shown in Table 2-6 in Section 2, Project Description); for some soft soils, deeper settings or other methods (e.g., setting in concrete) may be used. Because construction would occur in existing utility rights-of-way and geotechnical constraints would be addressed through appropriate project engineering, potential impacts to the proposed project and Border-Area Service Plan facilities from expansive soils would be less than significant.

Impact 3.5-4: Directly or indirectly destroy a unique paleontological resource

Construction for the Border-Area Service Plan would occur in previously disturbed road rights-of-way, on existing utility rights-of-way, or on previously disturbed agricultural land. None of these regions-locations would be expected to contain fossils. Because of this, construction is not expected to result in impacts to paleontological resources. However, mitigation applicable to the project would apply to this plan-construction for the Border-Area Service Plan and would ensure that a qualified vertebrate paleontologist determines the paleontological sensitivity of the area and establishes a monitoring and treatment plan to record and protect potential paleontological resources. As such, this impact would be potentially adverse, but With implementation of Mitigation Measure 3.5-4a, potential impacts to paleontological resources as a result of the proposed project and Border-Area Service Plan would be less than significant.

Mitigation for Impact 3.5-4

3.5-4a Provide proper treatment of paleontological resources.

Public Health and Safety

The existing setting for the Border-Area Service Plan is the same as for the proposed project (Draft Subsequent EIR Section 3.6.1). Table 3.6-1 lists the existing cleanup sites within the SSJID Sphere of Influence. Much of the construction for this plan would occur in the agricultural areas of San Joaquin County between Manteca, Ripon, and Escalon. Underbuilds on joint-use poles and new overhead lines would be constructed along roads and in existing utility rights-of-way, largely adjacent to agricultural lands. The types of impacts on public health and safety would be the same as those presented in Section 3.6 for the proposed project.

Construction activity and resulting ground disturbance, which affect the likelihood of encountering environmental contamination or having an accidental spill of a hazardous substance, would be increased with this plan as it would include all of the construction of the proposed project and an additional 29.65 miles of new underbuilds, with 2.43 miles of new line for a total of 66.60 miles of modifications, replacement of up to 1,225 poles total (420 poles for the proposed project and 805 poles for the Border-Area Service

Plan), and four 600 kVAR capacitor banks. Implementation of recommended mitigation measures, including establishing environmental training, preparing a hazardous substance control and emergency response plan, conducting detailed hazardous materials research searches, and observing exposed soil, would ensure that impacts would be less than significant.

Impact 3.6-1: Create a significant hazard to the public or environment through routine transport, use, or disposal of hazardous materials

The Border-Area Service Plan would involve additional construction of 32.1 miles of distribution line work and replacement of up to 805 poles. This additional construction would increase the transportation, use, and required disposal of hazardous materials, particularly fuels, oils, and fluids required for equipment maintenance. The required hazardous materials would be the same as those described for the proposed project in Draft Subsequent EIR Section 3.6, Impact 3.6-1 for the Updated Plan to Provide Retail Electric Service. Mitigation Measure 3.6-1a for the proposed project would establish an environmental training and monitoring program for construction and operations in compliance with OSHA standards. Mitigation Measure 3.6-1b for the proposed project requires preparation of a hazardous substance control and emergency response plan for construction in accordance with California Health and Safety Code. With the implementation of these measures for the proposed project and Border-Area Service Plan, impacts related to transport, use, and disposal of hazardous materials would be less than significant.

Mitigation for Impact 3.6-1

3.6-1a Establish environmental training and monitoring program for construction and operations in compliance with OSHA standards.

3.6-1b Prepare hazardous substance control and emergency response plan for construction in accordance with the California Health and Safety Code.

Impact 3.6-2: Create a hazard to people or the environment as a result of being located on a site that is included on a list of hazardous material sites compiled pursuant to Government Code Section 65962.5 or by otherwise mobilizing existing soil or groundwater contamination

According to records searches conducted for the area, several documented hazardous materials release sites exist in agricultural lands adjacent to Highway 99 between Ripon and Manteca, including sites that have not yet been remediated and have been compiled pursuant to Government Code Section 65962.5; see Draft Subsequent EIR Table 3.6-1 for a review of State records in 2010 for the entire SSJID territory, SOI, and proposed expanded SOI. Construction activities for the Border-Area Service Plan could accidentally disturb documented unremediated environmental contamination, potentially mobilizing soil and/or groundwater contamination. Implementation of Mitigation Measures 3.6-1a, 3.6-1b, 3.6-2a, and 3.6-2b developed for the proposed project would ensure that personnel are properly trained, that emergency protocols are established and followed, that any contaminated soil unearthed during construction is properly treated in accordance with all hazardous waste laws, and that personnel are not unnecessarily exposed to known contamination during construction. These measures would safeguard personnel and environmental safety, and impacts related to mobilization of existing contamination from the proposed project and Border-Area Service Plan would be less than significant.

Mitigation for Impact 3.6-2

3.6-2a Conduct detailed hazardous materials record searches.

3.6-2b Observe exposed soil.

Impact 3.6-3: Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school

The Border-Area Service Plan would not cause a new or existing source of hazardous emissions to be located within one-quarter mile of an existing or proposed school. Because of additional construction requirements, the Border-Area Service Plan would require more potential transportation and use of hazardous materials within one-quarter mile of schools along and near Hwy 99 in Ripon and near East River Road. However, hazardous materials would not be handled or emitted within one-quarter mile of a school, except possibly during short-term construction activities or routine utility system maintenance. Small quantities of hazardous materials and wastes would be transported on routes that may pass within one-quarter mile of an existing or proposed school. To avoid potential impacts, Mitigation Measure 3.6-1a for the proposed project ensures training of personnel on proper handling of hazardous materials and wastes. With the implementation of this measure, the proposed project and Border-Area Service Plan would not result in a significant risk of exposure to hazardous materials within one-quarter mile of a school.

Mitigation for Impact 3.6-3

3.6-1a Establish environmental training and monitoring program for construction and operations in compliance with OSHA standards.

Impact 3.6-4: Interfere with adopted emergency response plans

Construction or operational activities for the Border-Area Service Plan could potentially interfere with emergency response services provided by ambulance, fire, paramedic, and police vehicles. The temporary road closures that would be required during some distribution line work, including pole removal and replacement, could lengthen the response time required for emergency vehicles passing through the construction zone. Mitigation Measure 3.10-4a (please see Draft Subsequent EIR Section 3.10, Transportation and Traffic) for the proposed project would require coordination with emergency services. With the implementation of this measure for the proposed project and Border-Area Service Plan, impacts related to emergency response plans would be less than significant.

Mitigation for Impact 3.6-4

3.10-4a Ensure emergency response access.

Impact 3.6-5: Create a significant hazard to the public or environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment

Like the proposed project, construction and operation of the Border-Area Service Plan would require the use of small quantities of hazardous materials, primarily fuels, oils, and fluids for equipment maintenance. SSJID would notify the applicable agencies, including the County Hazardous Materials Team and County Environmental Health Department, and perform the required remediation if there is a release of reportable quantities of petroleum products or other hazardous substances. Performing required remediation, if a release of hazardous substances occurs, would ensure that the potential impact of

accidental hazardous material releases for the proposed project and Border-Area Service Plan is less than significant. No mitigation is required.

Impact 3.6-6: Substantially increase the potential for electrocution and fire hazards

Construction and operation for the Border-Area Service Plan, including distribution lines, would involve increased potential for public or personnel exposure to accidental electrocution hazards and fire hazards, in connection with pole or line damage or storm events. Please see Draft Subsequent EIR Section 3.9.2.2 (Socioeconomics, Public Services, and Utilities) for a discussion regarding capacity constraints to fire protection service providers. SSJID would follow industry-standard reliability and emergency response practices, and in the case of an accident during distribution line work, SSJID would dispatch trouble-shooter staff to the area to prevent public exposure to electrocution hazards. Required underbuild and new distribution line would be located in existing PUE or rights-of-way. Vegetation surrounding poles would be managed consistent with prudent utility practices, pursuant to CCR Title 14 Section 1254. Additionally, none of the distribution system modifications required by the Border-Area Service Plan would be located in areas prone to wildfire outbreaks (San Joaquin County, 2004). Consequently, these practices would ensure that new electrocution or fire hazards would be less than significant for the proposed project and Border-Area Service Plan.

Impact 3.6-7: Create an aeronautical or motor vehicle hazard or result in a significant aerial obstruction within two miles of an airport or airstrip

The runways of the New Jerusalem Airport, near Tracy, the closest landing strip to the Border-Area Service Plan would be located over 5 miles from the nearest new or modified poles required for the plan. The poles would not penetrate the imaginary surface extending outward and upward from the airport runways at a ratio of 100 to 1 feet, and no private airstrips have been identified within the Border-Area Service Plan area. Consequently, the Border-Area Service Plan would not result in new hazards to aircraft safety. To ensure no potentially significant impact occurs to crop dusting in the area, Mitigation Measure 3.1-1c (please see Section 3.1, Land Use) would reduce any aeronautic hazard impacts from the proposed project and Border-Area Service Plan to a less than significant level.

Mitigation for Impact 3.6-7

3.1-1c Adjust location of lines for agricultural operations and flight patterns.

Hydrology and Water Quality

The existing setting for the Border-Area Service Plan is the same as for the proposed project (Draft Subsequent EIR Section 3.7.1). Much of the construction for this plan would occur in the agricultural areas of San Joaquin County between Manteca, Ripon, and Escalon. Underbuilds on joint-use poles and new overhead lines would be constructed along roads and in existing utility rights-of-way, largely adjacent to agricultural lands.

Impact 3.7-1: Result in surface water and groundwater contamination that could violate water quality standards

The types of impacts on hydrologic resources would be the same as those presented in Section 3.7 for the proposed project. However, ground disturbance, soil erosion, and resulting surface water and groundwater contamination from construction activities (Impact 3.7-1) would be greater with the plan as it would require replacement of up to 805 additional poles with taller poles. Pole replacement of up

to 1,225 poles total (420 poles for the proposed project and 805 poles for the Border-Area Service Plan) would require excavation and soil disturbance which could accelerate erosion. SSJID would follow applicable laws and regulations including the implementation of a Storm Water Pollution Prevention Plan (SWPPP) for coverage under the National Pollutant Discharge Elimination System (NPDES) Construction General Permit. As required by the Construction General Permit, the SWPPP must be approved by the RWQCB prior to the onset of earth-disturbing activities, and must include BMPs to control soil erosion and construction wastes. Construction discharge within the City of Manteca would require a Storm Water Management Plan (SWMP) in accordance with the City's Small MS4 General Permit. The SWMP must be consistent with the California Storm Water Quality Association's Storm Water BMP Handbook for Construction Activity. To ensure no potentially significant impact occurs to surface water and groundwater, Mitigation Measure 3.7-1a would reduce any surface water and groundwater impacts from construction of the proposed project and Border-Area Service Plan to a less than significant level.

Mitigation for Impact 3.7-1

3.7-1a Limit wet season construction.

Impact 3.7-2: Deplete groundwater supplies or interfere with groundwater recharge

Construction and modification of new overhead and underground distribution lines would require excavation associated with the footings of up to 1,225 poles total (420 poles for the proposed project and 805 poles for the Border-Area Service Plan). This construction would remain superficial (less than 10 feet) and is not anticipated to interfere with underlying groundwater resources. Construction activities of either the proposed project or Border-Area Service Plan would not require the use of groundwater. Because construction would be superficial and would not require use of groundwater, the modifications related to the Border-Area Service Plan would not result in impacts to groundwater. The impact to groundwater as a result of the proposed project and the Border-Area Service Plan would be less than significant with mitigation identified for the project.

Mitigation for Impact 3.7-3

3.7-2a Install pervious and/or high-roughness groundcover where applicable.

Impact 3.7-3: Alter existing drainage patterns or result in increased runoff

The Border-Area Service Plan would involve above ground electricity distribution work that would result in negligible amounts of new impervious surfaces at the taller joint-use poles and new distribution line pole sites. The underground electricity distribution cables associated with the Border-Area Service Plan would be installed in roads (existing impermeable surfaces) or existing rights-of-way. Because of the minimal amount of new impervious surface, the modifications related to the Border-Area Service Plan would not result in alterations to drainage patterns or increased runoff. The impact to drainage patterns or increased runoff as a result of the proposed project and the Border-Area Service Plan would be less than significant with mitigation identified for the project.

Mitigation for Impact 3.7-3

3.7-2a Install pervious and/or high-roughness groundcover where applicable.

Impact 3.7-4: Result in flooding, flood diversions, or erosion due to permanent aboveground structures in a floodplain

There would be no difference between the extent of operational impacts between the proposed project and the Border-Area Service Plan. Replacement poles that encroach into an existing floodplain or designated Flood Hazard Area could result in hazards such as flooding of or erosion damage to the encroaching structure, diversion of flows, increased flood risk for adjacent property, or increased erosion on adjacent property. As described in Draft Subsequent EIR Section 3.7.1.2, FEMA-designated Flood Hazard Areas are located in the southwest portion of the SSJID territory including near Airport Way where the Western Underbuild would be located. Although the replacement poles would not be in a main watercourse, to ensure no potentially significant impact occurs due to flooding, Mitigation Measure 3.7-4a would reduce any impacts as a result of the proposed project and the Border-Area Service Plan to a less than significant level. Replacement poles for the Western and Eastern Underbuilds, poles for new overhead lines, and the pole-mounted capacitor banks would not be located within flood zones.

Mitigation for Impact 3.7-4

3.7-4a Aboveground structures shall be protected against flood and erosion damage.

Impact 3.7-5: Expose people or structures to risk as a result of dam or levee failure, or inundation by mudflow

Due to the low potential of dam failure and the oversight of DSOD, project damage as a result of dam failure is considered to be a less than significant impact. As with the proposed project, the Border-Area Service Plan would not include any commercial or residential development; project implementation would not expose people to risk associated with mudflow. Potential impacts would be less than significant.

As with the proposed project, all hydrology and water quality impacts would be less than significant for the proposed project and the Border-Area Service Plan with the implementation of mitigation identified for the proposed project.

Mitigation for Impact 3.7-5

3.7-4a Aboveground structures shall be protected against flood and erosion damage.

Noise and Vibration

The Border-Area Service Plan would involve installation of new electric distribution circuits that traverse from the City of Manteca in the west, through the City of Ripon, and east to McBride Road in unincorporated San Joaquin County, within and near the boundary of the SSJID territory. The existing setting for noise and applicable regulatory setting would be the same as that identified in Draft Subsequent EIR Section 3.8.1 for the proposed project. Much of the construction for this plan would occur in the agricultural areas of San Joaquin County between Manteca, Ripon, and Escalon. Underbuilds on joint-use poles and new overhead lines would be constructed along roads and in existing utility rights-of-way, largely adjacent to agricultural lands. As discussed in Section 3.8.1.4, construction noise and vibration are exempt from San Joaquin County Development Title noise performance standards.

Impact 3.8-1: Cause excessive temporary or periodic increase in noise

Heavy equipment operation would be the primary noise source associated with construction activities of the Border-Area Service Plan. Sensitive receptors located directly adjacent to construction sites would experience temporary potentially significant noise impacts from construction activities. The majority of the Border-Area Service Plan work sites would not overlap with work locations for the construction for the proposed project. As the Border-Area Service Plan consists of linear infrastructure upgrades and new facilities, construction activities at any individual location would be completed within days or weeks. Therefore, construction activities would subject any adjacent receptors to a short-term increase in ambient noise levels along the line route. Furthermore, construction related traffic would result in temporary intermittent noise impacts along vehicle routes. These locations also define the limited scope of potential construction related groundborne vibration impacts. Mitigation ~~M~~measures 3.8-1a and 3.8-1b developed for the project applicable to the project to reduce noise and groundborne vibration impacts associated with construction would also apply to this plan. Implementation of these measures would reduce temporary construction noise ~~and groundborne vibration impacts~~ associated with the proposed project and Border-Area Service Plan to a less than significant level.

Mitigation for Impact 3.8-1

3.8-1a Implement appropriate noise controls during construction.

3.8-1b Provide notice of construction noise and vibration.

Impact 3.8-2: Cause excessive groundborne vibration

Groundborne vibration levels from construction equipment and activities might be perceptible to receptors in the immediate vicinity of the border area distribution line work. The activity that would be most likely to cause groundborne vibration would be the passing of heavy trucks on uneven surfaces. The impact from construction-related groundborne vibration would be short-term and confined to only the immediate area around activity (within about 25 feet). As with the project, because replacement pole locations would be more than 25 feet from residences, no homes would be exposed to excessive groundborne vibration, and construction groundborne vibration impacts associated with the proposed project and Border-Area Service Plan would be less than significant.

Once operational, noise and groundborne vibration associated with the Border-Area Service Plan would be created by maintenance activities. Trucks and equipment making periodic maintenance trips to SSJID's utility systems would represent the primary noise and groundborne vibration sources. However, these types of activities would be consistent with existing truck trips that are currently made along adjacent roadways, as well as those made to the existing infrastructure within the proposed ROW. Routine maintenance vehicles would not substantially increase noise or groundborne vibration above existing levels. Thus, ~~noise and~~ groundborne vibration impacts resulting from long-term proposed project and Border-Area Service Plan system operation would be less than significant, ~~and in compliance with applicable noise and vibration ordinances and performance standards of each affected jurisdiction, as discussed in Section 3.8.1.4.~~

Impact 3.8-3: Cause excessive permanent increase in noise

The potential for audible noise from corona discharge during wet weather conditions for new segments of the 17 kV distribution system would be low, and levels would be barely audible to noise receptors (Impact 3.8-3). The new overhead lines would be sited along roads or other existing utility rights-of-way.

Corona noise associated with new underbuild that replaces existing active line on taller poles and new overhead line is anticipated to be less than or equal to ambient noise conditions along the ROW. Because capacitor banks associated with the Border-Area Service Plan would be located at roadway intersections, it is unlikely that any operational noise from these capacitor banks would exceed the ambient noise conditions of the area, which includes noise from existing traffic. Routine maintenance vehicles would cause noise comparable to existing levels, as described above. Therefore, any potential noise impacts associated with operation of Border-Area Service Plan infrastructure would be less than significant and in compliance with applicable noise and vibration ordinances and performance standards for the City of Manteca, the City of Ripon, and unincorporated San Joaquin County, as discussed in Section 3.8.1.4. The impact of a permanent increase in noise as a result of the proposed project and the Border-Area Service Plan would be less than significant with mitigation identified for the project.

Mitigation for Impact 3.8-3

3.8-3a Design substation modifications to avoid noise increases.

Socioeconomics, Public Services, and Utilities

The existing setting for the Border-Area Service Plan is the same as for the proposed project (Draft Subsequent EIR Section 3.9.1). Much of the construction would occur in the agricultural areas of San Joaquin County between Manteca, Ripon, and Escalon. Underbuilds on joint-use poles and new overhead lines would be constructed along roads and in existing utility rights-of-way, largely adjacent to agricultural lands.

Impact 3.9-1: Induce substantial growth or exceed local population projections

As with the proposed project, contract utility crews would be used for the majority of the required construction work associated with the Border-Area Service Plan. Additional construction required for the project with the Border-Area Service Plan would develop a total of 66.60 miles of modifications; this includes the proposed project that would add or replace about 420 poles plus the 29.65 miles of new underbuilds, with 2.43 miles of new line for the Border-Area Service Plan. Three additional four-man contract crews to complete the incremental work for, replacement of up to 805 poles, and four 600 kVAR capacitor banks would cause a minimal change to the overall labor requirements of the project because the construction of the Border-Area Service Plan would occur simultaneously during construction for the proposed project. Any direct population in-migration resulting from construction activities for the Border-Area Service Plan would be included within and comprise a small percentage of the total population growth projection for the area (shown in Table 3.9-2). Therefore, construction related to the proposed project and Border-Area Service Plan would result in a less than significant impact related to induced population growth.

Impact 3.9-2: Displace people or existing housing

With approximately two months of work by three additional four-man crews, few, if any, construction workers are expected to permanently relocate to the area, and based on the vacancy rates for the area no new need for housing is expected to occur. The additional labor requirements would not result in public service or housing displacement impacts for the proposed project and Border-Area Service Plan.

Impact 3.9-3: Cause substantial physical changes due to project-induced expansion of fire protection, police protection, school, or recreational facilities

With approximately two months of work by three additional four-man crews, few, if any, construction workers are expected to permanently relocate to the area, and the additional labor requirements would not result in a need for an expansion of fire protection, police protection, schools, or recreational facilities. Therefore, these impacts related to socioeconomic and public services would be less than significant for the proposed project and Border-Area Service Plan.

Impact 3.9-4: Cause utility system (electricity and water distribution) disruptions

~~The additional construction activity would require additional water for dust suppression activities at construction sites. It is not anticipated that this additional requirement would create significant impacts on increased demand on utilities. No mitigation would be required, and impacts from demand on water facilities would be less than significant.~~

The installation of the proposed project and 32.1 miles of additional modified circuits for the Border-Area Service Plan for a total of 66.60 miles of modifications, including up to 1,225 poles total (420 poles for the proposed project and 805 poles for the Border-Area Service Plan), would occur with the existing electric distribution system in service. Electrical systems are designed with redundant means to provide service. If it is necessary to take a particular circuit out of service SSJID would first assure that a redundant feed is available. Individual consumers would see very limited interruptions of service generally for a few seconds to a couple of minutes at the most. Construction activities would likely occur in close proximity to existing underground (water and wastewater distribution) and overhead water and electrical utility infrastructure and could involve relocation of certain facilities (e.g., telecommunications cables on existing poles). Any service disruptions would be temporary and short-term in nature.

Without the Border-Area Service Plan, the proposed project could adversely impact customers in the border areas outside SSJID's territory (as identified in Draft Subsequent EIR Section 3.9, under Impact 3.9-4, for causing a utility system disruption). This-Implementing this Border-Area Service Plan with the proposed project would avoid these potential retail electric service disruptions, which and would reduce ~~the~~this impact to a less than significant level.

Impact 3.9-5: Increase demand on water, wastewater, or solid waste facilities in excess of existing entitlements and facilities

The additional construction activity would require additional water for dust suppression at construction sites in the border area. This additional requirement would not substantially increase demand for water supply or on utilities. Construction waste would include spent poles, cross-arms, conductor, insulators, and distribution transformers, which would be minimized by SSJID in the effort to conserve and protect existing distribution facilities. Equipment that is not reusable or recyclable would be disposed at a nearby Class II landfill (Forward Inc.), as noted for the project. No mitigation would be required, and impacts from demand on water and solid waste facilities would be less than significant for the proposed project and Border-Area Service Plan.

Transportation and Traffic

The Border-Area Service Plan would involve installation of new electric distribution circuits that traverse from the City of Manteca in the west, through the City of Ripon, and east to McBride Road in unincorporated San Joaquin County, within and near the boundary of the SSJID territory. The existing setting for

transportation and traffic is the same as described in [Draft Subsequent EIR](#) Section 3.10.1 for the proposed project. Much of the construction for this plan would occur in the agricultural areas of San Joaquin County between Manteca, Ripon, and Escalon. Underbuilds on joint-use poles and new overhead lines would be constructed along roads and in existing utility rights-of-way, largely adjacent to agricultural lands.

The Border-Area Service Plan work areas would all be accessible from existing public and private roads. Construction equipment and materials hauled to work sites as well as construction worker trips would occur. In addition, debris (e.g., demolished pavement, old poles and conductor, excavated soils, etc.) would need to be hauled offsite.

Impact 3.10-1: Result in substantial congestion and cause a substantial increase in traffic due to closure of roads and/or reduction of travel lanes

Temporary road closures during line stringing could substantially disrupt traffic flow and substantially increase traffic congestion along up to 32.1 miles of new underbuilds or new line. [The new underbuild distribution line and new distribution line and underground cable would be built in addition to the proposed project which would require an estimated 34.52 miles of modifications for a total of 66.60 miles of modifications.](#) These temporary lane closures could also disrupt access and flow of emergency vehicles, public transportation, rail, parking, and adjacent uses. However, all work within a public road ROW would require pre-construction input and approval from the responsible public agencies. To ensure that impacts related to construction traffic [of the proposed project and Border-Area Service Plan](#) would be less than significant, mitigation measures identified for the proposed project would apply to this plan.

~~Furthermore, the use of heavy construction equipment and vehicles could create a potential for unexpected roadway damage to occur. This impact would be reduced to less than significant levels with implementation of project mitigation, which ensures that SSJID would repair roads to a similar or better condition and coordinate the repairs with the appropriate public agency. The implementation of these measures would reduce temporary construction-related transportation and traffic impacts associated with the Border-Area Service Plan to a less than significant level.~~

Mitigation for Impact 3.10-1

3.10-1a Develop and implement a Traffic Management Plan.

Impact 3.10-2: Generate additional traffic on regional and local roadways or exceed a level of service standard on public roadways

~~Construction worker commute trips, project equipment deliveries, and hauling materials such as poles, conductor, concrete, excavation spoils, and debris to and from the work areas would increase existing traffic volumes in the border area. Workers commuting to construction sites would increase traffic in the project area. It is estimated that the daily project workforce would consist of up to three additional four-man contract electric line crews. The exact truck and equipment routes and scheduling of truck trips are not yet defined, but designated truck routes would be followed and conflicts minimized where possible. The crews would likely park personal vehicles at existing SSJID facilities or contractor yards and commute in project vehicles to work areas resulting in minimal additional daily trips.~~

Once operational, vehicle trips associated with the Border-Area Service Plan would be limited to maintenance activities. Trucks and equipment making periodic maintenance trips to inspect the utility systems would represent the only vehicle trips expected. The minimal number of daily trips associated with

maintenance would not represent traffic flows capable of exceeding any LOS performance standard established for the City of Manteca, City of Ripon, or San Joaquin County. Therefore, the impact of construction and operational traffic generated by the proposed project and Border-Area Service Plan would be minimal and less than significant.

Impact 3.10-3: Temporarily restrict vehicle access to some properties

The Border-Area Service Plan would require installing new underground cables which would require excavation of up to about a 27-inch wide open trench that would obstruct ground travel. Maintenance or emergency repairs would similarly require access to open trenches. For construction in the outer lane and/or shoulders of roads, access to driveways would temporarily be blocked by the construction zone, thereby affecting access and parking for the adjacent uses. Steel plates would be used to cover open trenches and reasonable pedestrian access would be available at all times to all businesses and residences. However, there would be isolated locations along the underground cable route where construction crews would not be able to avoid blocking driveways to private property and off-street parking used by homes or businesses. In each of these instances, such disruption would be short-term in nature, normally less than a few hours. To ensure that impacts related to restricted vehicular access as a result of the proposed project and Border-Area Service Plan would be less than significant, Mitigation Measure 3.10-3a and 3.10-3b are recommended.

Mitigation for Impact 3.10-3

3.10-3a Provide continuous access to properties during trenching and underground cable installation.

3.10-3b Provide notice of access disruptions.

Impact 3.10-4: Temporarily interfere with emergency response

Construction of the Border-Area Service Plan could potentially interfere with emergency response. Temporary road closures that would be required during underground cable installation, pole removal and installation, and conductor stringing activities could lengthen the response time required for emergency vehicles passing through the construction zone. Implementing Mitigation Measure 3.10-4a would ensure the impacts of the proposed project and Border-Area Service Plan would be less than significant.

Mitigation for Impact 3.10-4

3.10-4a Ensure emergency response access.

Impact 3.10-5: Temporarily disrupt bus routes

Installation of infrastructure for the Border-Area Service Plan potentially requires short-term road closures and could disrupt at one San Joaquin Regional Transit District (SJRTD) bus routes (Route 91 in Ripon) and local school bus routes. Maintenance or emergency repairs would similarly also occur along the bus routes. Potential impacts would be related to scheduling delays and temporary rerouting of buses or relocation of stops. Implementing Mitigation Measure 3.10-5a for the proposed project and Border-Area Service Plan would reduce impacts to less than significant levels.

Mitigation for Impact 3.10-5

3.10-5a Consult with SJRTD and Manteca, Ripon, and Escalon unified school districts.

Impact 3.10-6: Disrupt rail operations due to activities within a railroad ROW

The Western Underbuild and the Ripon Connection would be installed in or adjacent to the UPRR ROW in Ripon. Construction or maintenance activities within the UPRR ROW could potentially disrupt the operations of the railroad. Mitigation Measure 3.10-6a would reduce the impact to a less than significant level for the proposed project and Border-Area Service Plan.

Mitigation for Impact 3.10-6

3.10-6a Coordinate work with Union Pacific Railroad.

Impact 3.10-7: Temporarily eliminate road shoulder parking spaces

Installation and maintenance of underground distribution cables in the border area would involve creating a trench that would result in short-term elimination of a limited amount of parking spaces immediately adjacent to the construction ROW. With implementation of Mitigation Measure 3.10-3b the impact to parking availability as a result of the proposed project and Border-Area Service Plan would be less than significant.

Mitigation for Impact 3.10-7

3.10-3b Provide notice of access disruptions.

Impact 3.10-8: Inadvertently damage road ROWs

The use of heavy construction equipment and vehicles could create a potential for unexpected roadway damage to occur in the border area. This impact would be reduced to less than significant levels with implementation of project mitigation, which ensures that SSJID would repair roads to a similar or better condition and coordinate the repairs with the appropriate public agency. The implementation of Mitigation Measure 3.10-3b would reduce temporary construction related transportation and traffic impacts associated with the proposed project and Border-Area Service Plan to a less than significant level.

Mitigation for Impact 3.10-8

3.10-8a Repair damaged road ROWs.

The addition of new infrastructure improvements along public roads would not have the potential to increase traffic hazards in the area. New and underbuild distribution system poles, capacitor banks, and distribution line infrastructure would be located primarily in areas where existing utilities are already present. Adhering to the requirements of the public works and transportation agencies would require infrastructure improvements to be located outside of the traveled roadway in order to minimize traffic hazards. Overall, the proposed project and the Border-Area Service Plan would result in less than significant transportation and traffic operational impacts with the implementation of recommended mitigation identified for the project.

Visual Resources

The Border-Area Service Plan would involve installation of up to 32.1 miles of additional electric distribution circuits involving replacement of up to 805 poles, in addition to the proposed project that would add or replace about 420 poles. The new underbuild distribution line and new distribution line and underground cable would be built in addition to the proposed project which would require an estimated 34.52 miles of modifications for a total of 66.60 miles of modifications. The primary changes would be

additional under-built circuits on taller poles along primarily rural roads that traverse from the City of Manteca in the west, through the City of Ripon, south of Escalon, and east to McBride Road in unincorporated San Joaquin County, and shorter segments would occur along rural roads on the eastern and northern boundary. The applicable regulatory setting for visual resources would be the same as that for the proposed project identified in [Draft Subsequent EIR](#) Section 3.11.1.2. However, the visual setting would be slightly different given the more undeveloped nature of the southern SSJID boundary near the San Joaquin River. Much of the construction for this plan would occur in the agricultural areas of San Joaquin County between Manteca, Ripon, and Escalon. Underbuilds on joint-use poles and new overhead lines would be constructed along roads and in existing utility rights-of-way, largely adjacent to agricultural lands.

[Baseline visual conditions and public views as seen from representative public viewpoints in the border area are shown in Figures B-2a, B-3a, and B-4a of this Final Subsequent EIR. The three viewpoints of the border area represent views seen by a high number of affected viewers or views from potentially sensitive residential locations. The visual changes caused by implementing the Border-Area Service Plan for these three viewpoints are shown with computer-generated visual simulations of the additional distribution circuits in Figures B-2b, B-3b, and B-4b. The baseline views and the visual simulations illustrate “before and after” visual conditions of the proposed project with the Border-Area Service Plan. Examples—Other examples of existing joint-use poles \(including underbuilds\) can be seen in \[Draft Subsequent EIR\]\(#\) Figure 3.11-1 \(bottom figure shows two 17 kV distribution underbuilds\).](#)

Impact 3.11-1: Degrade a scenic vista, highway, or resource

There are no designated scenic vistas or other designated scenic resources that would be affected. As described in [Draft Subsequent EIR](#) Section 3.11.2.3, under Impact 3.11-1, Interstate 5 from the Stanislaus County line to Interstate 580 and I-580 from this intersection to Alameda County are the nearest two State-designated Scenic Highways (Caltrans, 2010). The closest points of the Border-Area Service Plan to these scenic routes would be near Vierra Substation, which is approximately 2.5 miles east of I-5 and is not visible to any State-designated scenic portion of the highway. Construction activities associated with the plan would occur within existing rights-of-way or on already disturbed lands, and mitigation identified for the proposed project would apply to this plan. Based on this setting and the foreseeable activity, the potential for the [proposed project and](#) Border-Area Service Plan to degrade any scenic vista, highway, or resource would be less than significant.

Impact 3.11-2: Degrade existing visual character with visible construction activity

Construction to replace existing poles with additional underbuilds on joint-use poles, add new overhead lines, and install pole-mounted 600 kVAR capacitor banks would affect the visual character due to the occasional presence of the necessary construction equipment, materials, and work force, resulting in temporary visual intrusion. SSJID would manage the visibility of construction activities through project mitigation measures that would require SSJID to keep construction areas clean and inconspicuous, and restore disturbed areas upon completion of construction activities. Mitigation [Measures 3.11-2a and 3.11-2b developed for applicable to](#) the ~~proposed~~ project would ensure that the visual character of the construction areas are not unnecessarily impacted during or following implementation of the [proposed project and](#) Border-Area Service Plan, and the impacts of visible activity would be less than significant. Operational activity would be limited to maintenance of the infrastructure and would affect the visual character only for short durations. Because of the short duration and the limited locations of maintenance, the impacts of visible operational activity would be adverse, but less than significant.

Mitigation for Impact 3.11-2

3.11-2a Reduce visibility of construction activities and equipment.

3.11-2b Restore disturbed areas upon completion of construction.

Impact 3.11-3: Degrade existing visual character with permanent infrastructure

The Border-Area Service Plan would affect the existing visual character by introducing additional overhead distribution facilities on taller replacement poles along primarily rural roads, as described above for locations shown Draft Subsequent EIR Figure 3.9-1. Most views on the routes of the circuits in the Border-Area Service Plan occur on flat terrain and are a mixture of agriculture land and rural residential with some landscape vegetation and the Stanislaus River in the background. The natural landscape has been modified by built environments, agriculture, and existing infrastructure including the existing distribution poles that would be replaced. As such, the visual quality of the region is already disturbed. Residents and travelers along the agricultural and rural roadways would have low viewer concern and low visual sensitivity. New distribution-level circuits and underbuilds on joint-use poles would require replacing existing active line (typically on 45-foot poles) with taller poles (60-foot) that would increase the infrastructure in views of the area.

Simulations of the additional overhead distribution facilities in Figures B-2b, B-3b, and B-4b show the potential permanent project-related views for residents and travelers along the roadways. Removal and replacement of up to 805 existing wood poles along the Western and Eastern Underbuilds, installation of the new overhead lines for the Ripon Connection, and adding shorter segments along the eastern and northern boundary would be noticeable to the viewer. The extent that the taller poles of the Border-Area Service Plan are noticeable would be limited to the upper portions that appear against the sky. The simulations show that overhead electric distribution facilities would be consistent with the existing character of the area; overhead high-voltage transmission lines (over 60 kV) with distribution lines under-built and overhead joint-use poles where two utilities own distribution lines are common, as demonstrated in Draft Subsequent EIR Figures 3.11-1 to 3.11-3. Inside the City of Ripon, SSJID would coordinate with the Public Works Department to determine locations to place underground certain segments, in areas where recent development has occurred. Comparing the existing views and simulations demonstrates that the additional circuits would result in an incremental visual change that would not substantially alter views or the character of the setting. However, given the existing views and that the replacement poles would be potentially noticeable to residents and travelers, with the additional facilities located along existing utility rights of way, visual change would be expected to be moderate.

The impact of the change in visual character would be incrementally greater than with the proposed project because it would occur at additional locations shown in Draft Subsequent EIR Figure 3.9-1. Mitigation Measures 3.11-3a, 3.11-3b, and 3.11-3c identified developed for the project would be and applicable to the is proposed project and the Border-Area Service pPlan. These measures would require SSJID to use non-reflective conductors and polesto avoid disrupting the existing visual character of the area with infrastructure for all new overhead facilities to ensure the change in visual character introduced by the electric infrastructure would be less than significant.

Mitigation for Impact 3.11-3

3.11-3a Install landscaping and screening around substation.

3.11-3b Use non-reflective conductors and poles.

3.11-3c Locate trenches to protect landscape trees.

Impact 3.11-4: Create substantial light or glare adversely affecting nighttime views in the area

No new sources of light or glare would be constructed under the Border-Area Service Plan, and as such, no increased light or glare would occur. The impact caused by light or glare as a result of the proposed project and the Border-Area Service Plan would be less than significant with mitigation identified for the project.

Mitigation for Impact 3.11-4

3.11-4a Minimize substation lighting.

Overall, impacts to visual resources from ~~this the Border-Area Service Plan~~ plan would be increased, when compared with the project without the plan, because of additional infrastructure required, but these impacts would be less than significant with mitigation identified for the project.

Greenhouse Gas Emissions

The existing setting for GHG emissions for the Border-Area Service Plan is the same as described in Draft Subsequent EIR Section 3.12.1 for the proposed project. Construction associated with installation of up to 32.1 miles of additional new underbuilds or new line and capacitor banks would involve the same types of GHG impacts as the proposed project.

Impact 3.12-1: Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment

Mobilizing equipment and personnel would cause short-term, unavoidable increases in GHG emissions from the fossil-fueled vehicles and equipment during construction. Higher GHG emissions would occur as a result of installing the additional infrastructure and the additional distances that would need to be traveled by crews operating and maintaining the distribution system. Construction emissions would be intermittent and sporadic, and some GHG emissions would be reduced by any steps taken to maximize fuel efficiency of the construction equipment. Construction-related GHG emissions for the proposed project and Border-Area Service Plan would be less than significant, but would be higher than those of the proposed project.

Impact 3.12-2: Conflict with applicable plans, policies, or regulations adopted for the purpose of reducing the emissions of greenhouse gases

Generally, GHG emissions resulting from operation and maintenance of the Border-Area Service Plan would be similar to those caused by PG&E for operation and maintenance of the existing electrical system, and would not be likely to conflict with the AB 32 Scoping Plan or any other policies or regulations for GHG management, which are based on a presumption of adequate retail electric service being readily available to customers in California. Therefore, direct impacts from GHG emissions resulting from construction, operation, and maintenance of the proposed project and Border-Area Service Plan would be less than significant.

As described in [Draft Subsequent EIR](#) Section 3.12, the proposed project would have a less than significant indirect impact on the GHG intensity of the power supply associated with SSJID entering retail electric service. The Border-Area Service Plan would not affect this indirect impact.

Energy Conservation

The existing setting for the Border-Area Service Plan is the same as described in [Draft Subsequent EIR](#) Section 3.13.1 for the proposed project. Much of the construction would occur in the agricultural areas of San Joaquin County between Manteca, Ripon, and Escalon. Underbuilds and new overhead lines would be constructed along roads and in existing utility rights-of-way, largely adjacent to agricultural lands.

Impact 3.13-1: Result in substantial new energy requirements or energy use inefficiencies

Construction of the Western and Eastern Underbuilds and shorter segments along the eastern and northern boundary (29.65 miles of new underbuilds on joint-use poles), and installing 1.43 miles of additional overhead line, 1.0 miles of underground cable, and four 600 kVAR capacitor banks, would result in the use of fossil-fueled vehicles and equipment used through the duration of construction activities. [The new underbuild distribution line and new distribution line and underground cable would be built in addition to the proposed project which would require an estimated 34.52 miles of modifications for a total of 66.60 miles of modifications and associated use of fossil-fueled vehicles and equipment.](#) Steps would be taken to maximize fuel efficiency of the construction equipment. The Border-Area Service Plan would utilize existing energy resources for operation of the system. It is not anticipated that either construction or operation of the [proposed project with the Border-Area Service Plan](#) would increase per-capita energy use for retail electricity customers or result in less energy conservation.

Impact 3.13-2: Cause an adverse effect on local and regional energy supplies and requirements for additional capacity because of inefficient, wasteful, or unnecessary energy use

As PG&E would remain as the electrical service provider in the border areas under this plan, electric service in the border areas would continue to be provided at PG&E's rates. Under the operational implementation of the Border-Area Service Plan, there would be no change to local and regional energy supplies, ~~energy resources, transportation energy use, peak or base period demands for electricity, or compliance with all current energy standards.~~ [The proposed project with the Border-Area Service Plan](#) would not cause inefficient or wasteful use of energy.

Impact 3.13-3: Cause an adverse effect on peak and base period demands for electricity and other forms of energy because of inefficient, wasteful, or unnecessary energy use

[As PG&E would remain as the electrical service provider in the border areas under this plan, electric service in the border areas would continue to be provided at PG&E's rates. The Border-Area Service Plan would cause no change in peak or base period demands for electricity, and the proposed project with the Border-Area Service Plan would not cause inefficient or wasteful use of energy.](#)

Impact 3.13-4: Disrupt compliance with existing energy standards

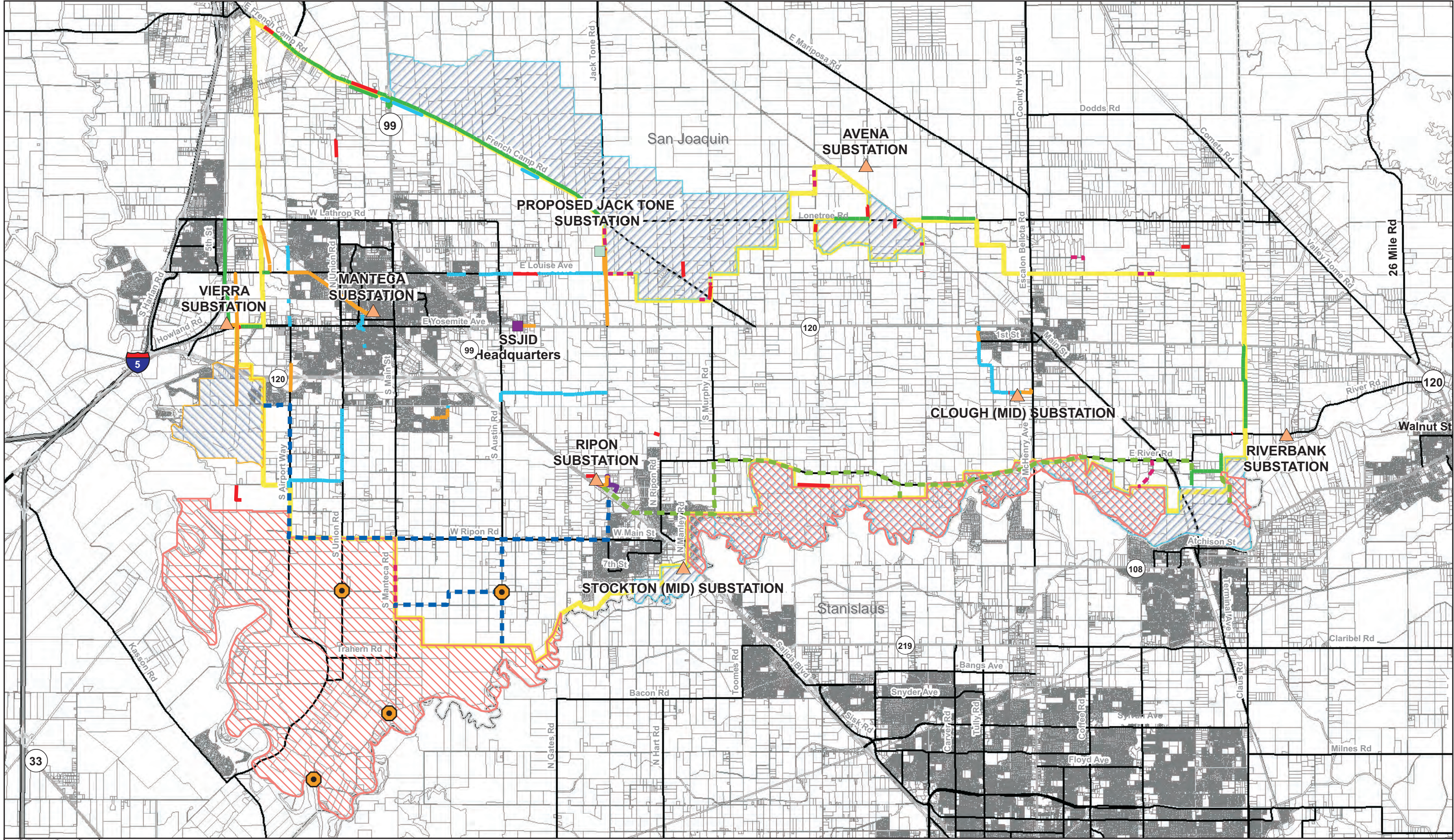
[PG&E would remain as the electrical service provider in the border areas under the proposed project and Border-Area Service Plan and would continue to be required to comply with all current energy standards.](#)

Impact 3.13-5: Cause an adverse effect on energy resources because of inefficient, wasteful, or unnecessary energy use

As PG&E would remain as the electrical service provider in the border areas under this plan, electric service and energy use would continue to occur as in the setting. The proposed project with the Border-Area Service Plan would not cause inefficient or wasteful use of energy.

Impact 3.13-6: Result in inefficient, wasteful, or unnecessary transportation energy use

As PG&E would remain as the electrical service provider in the border areas under this plan, there would be no change in transportation energy use, and the proposed project with the Border-Area Service Plan would not cause inefficient or wasteful use of transportation energy.



Aspen Environmental Group
 1:110,000
 0 1 2 3 Miles

- ▬▬▬ SSJID New OH Sections
- ▬▬▬ SSJID New UG Sections
- ▬▬▬ SSJID Reconducting Lines
- ▬▬▬ SSJID Underbuild Lines
- ▬▬▬ Western Underbuild
- ▬▬▬ Ripon Connection
- ▬▬▬ Eastern Underbuild
- Potential 600kVAR Capacitor Bank Locations
- ▬▬▬ SSJID Service Boundary
- ▬▬▬ Underbuild if LV Metering Infeasible
- ▬▬▬ Border Area
- ▬▬▬ SSJID Proposed Sphere of Influence Expansion
- ▬▬▬ SSJID Sphere of Influence
- SSJID Headquarters
- ▲ Existing Substation
- Proposed Jack Tone Substation

Figure B-1

Overview of Proposed Project with
 Border-Area Service Plan Mitigation Measure

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Figure B-3b
Visual Simulation of Border-Area Service Plan,
Milgeo Avenue looking west at Ripon Road

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Figure B-4b
**Visual Simulation of Border-Area Service Plan,
River Road looking west at Carrollton**

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C. Responses to Comments

C.1 Introduction

Comments on the Draft and Partially Recirculated Draft Subsequent EIR were received from multiple local and state agencies as well as from attorneys representing PG&E and SSJID. In accordance with CEQA Guidelines Section 15132(d), this Final Subsequent EIR presents the responses to significant environmental concerns raised during the public comment periods. No other comments were submitted by individuals or other organizations during the public review periods for the Draft and Partially Recirculated Draft Subsequent EIR.

A list of parties that submitted comments on the Subsequent EIR is presented in Table C-1.

Table C-1. Comments Received on the Draft and Partially Recirculated Draft Subsequent EIR

Comment Letter	Commenter and Affiliation	Date of Letter
Comments from Public Agencies		
A	SJCOG, Inc. San Joaquin County Multi-Species Habitat Conservation & Open Space Plan (SJMSCP)	November 21, 2011
B	Governor's Office of Planning and Research, OPR State Clearinghouse	December 1, 2011
C	Central Valley Flood Protection Board, California Natural Resources Agency	December 7, 2011 September 6, 2012
D	Stanislaus County Environmental Review Committee	December 13, 2011
E	California Regional Water Quality Control Board, Central Valley Region	December 2, 2011 December 23, 2011
F	California Department of Transportation (Caltrans)	January 13, 2012
G	San Joaquin County Environmental Health Department	January 19, 2012 August 16, 2012
H	Governor's Office of Planning and Research, OPR State Clearinghouse (2)	January 19, 2012 August 21, 2012
Comments from PG&E		
I	Cox, Castle & Nicholson LLP on behalf of PG&E	January 17, 2012
J	PG&E's May 11, 2012 Submission to LAFCo Concerning Two Siemens Reports	May 11, 2012
K	PG&E's Comments on the Partially-Recirculated Draft Subsequent EIR	August 20, 2012
Comments from SSJID		
L	South San Joaquin Irrigation District	August 20, 2012

C.2 Comments from Public Agencies

The remainder of Section C of the Final Subsequent EIR is organized as follows:

- ¾ Comments from Public Agencies and Responses
- ¾ Comments from PG&E and Responses
- ¾ Comments from SSJID and Responses

Comment Set A

SJCOG, Inc. San Joaquin County Multi-Species Habitat Conservation & Open Space Plan



S J C O G , I n c .

555 East Weber Avenue • Stockton, CA 95202 • (209) 235-0600 • FAX (209) 235-0438

San Joaquin County Multi-Species Habitat Conservation & Open Space Plan (SJMSCP)

**SJMSCP RESPONSE TO LOCAL JURISDICTION (RTLJ)
ADVISORY AGENCY NOTICE TO SJCOG, Inc.**

REVISED

To: James Glaser, San Joaquin Local Agency Formation Commission

From: Steve Mayo, SJCOG, Inc.

Date: November 21, 2011

Local Jurisdiction Project Title: SSJID Retail Electric

Local Jurisdiction Project Number: SCH No. 2005102018

Total Acres to be converted from Open Space Use: Undetermined

Habitat Types to be Disturbed: Unknown

Species Impact Findings: Findings to be determined by SJMSCP biologist.

SJCOG, Inc. has reviewed the SSJID Retail Electric Service Draft Subsequent Environmental Impact Report. This project would adopt a Municipal Services Review, adopt the SSJID's expanded Sphere of Influence (SOI), annex an approximately 80-acre island within the District's existing boundary, and allow SSJID to expand its existing services to provide retail electric service throughout its territory, with the exception of customers currently served by Modesto Irrigation District (MID), affects the incorporated Cities of Manteca, Ripon, and Escalon, and the unincorporated areas within and contiguous to the SSJID boundaries. SSJID would replace Pacific Gas and Electric Company (PG&E) as the provider of electric service in the SSJID service territory. PG&E would continue to provide natural gas service.

San Joaquin County is a signatory to San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP). Participation in the SJMSCP satisfies requirements of both the state and federal endangered species acts, and ensures that the impacts are mitigated below a level of significance in compliance with the California Environmental Quality Act (CEQA). The LOCAL JURISDICTION retains responsibility for ensuring that the appropriate Incidental Take Minimization Measure are properly implemented and monitored and that appropriate fees are paid in compliance with the SJMSCP. Although participation in the SJMSCP is voluntary, Local Jurisdiction/Lead Agencies should be aware that if project applicants choose against participating in the SJMSCP, they will be required to provide alternative mitigation in an amount and kind equal to that provided in the SJMSCP.

It should be noted that two important federal agencies (U.S. Army Corps of Engineers and the California Regional Water Quality Control Board) have not issued permits to the SJCOG and so payment of the fee to use the SJMSCP will not modify requirements that could be imposed by these two agencies. Potential waters of the United States [pursuant to Section 404 Clean Water Act] are believed to occur on the project site. It may be prudent to obtain a preliminary wetlands map from a qualified consultant. If waters of the United States are confirmed on the project site, the Corps and the Regional Water Quality Control Board (RWQCB) would have regulatory authority over those mapped areas [pursuant to Section 404 and 401 of the Clean Water Act respectively] and permits would be required from each of these resource agencies prior to grading the project site.

A-1

Comment Set A, cont.

SJCOG, Inc. San Joaquin County Multi-Species Habitat Conservation & Open Space Plan

2 | SJCOG, Inc.

This Project can participate in the SJMSCP or the Project can choose to "Opt Out" of the SJMSCP.

1. If participation is chosen:

Per requirements of the SJMSCP, this project must complete the application form and seek coverage in order to participate under the habitat plan due to required Army Corp permitting and Section 7 consultation. This project is subject to a case-by-case review. This can be a 90 day process and it is recommended that the project applicant contact SJMSCP staff as early as possible. It is also recommended that the project applicant obtain an information package. <http://www.sjco.org>

If this project is approved by the Habitat Technical Advisory Committee and the SJCOG Inc. Board, the following process must occur to participate in the SJMSCP:

- Schedule a SJMSCP Biologist to perform a pre-construction survey ***prior to any ground disturbance***
- Sign and Return Incidental Take Minimization Measures to SJMSCP staff (given to project applicant after pre-construction survey is completed)
- Pay appropriate fee based on SJMSCP findings. **Fees shall be paid in the amount in effect at the time of issuance of Building Permit**
- Receive your Certificate of Payment and release the required permit

2. If "Opt Out" option is chosen:

This project must notify SJCOG, Inc. staff in writing or by completion of the SJCOG, Inc. application form by marking the "Opt Out" check box on the form and return it to SJCOG, Inc. notification. SJCOG, Inc. staff will notify United States Fish and Wildlife Service and California Department of Fish and Game that the project will mitigate the project in consultation with those agencies outside the habitat plan.

If you have any questions, please call (209) 235-0600.

A-2

Comment Set A, cont.

SJCOG, Inc. San Joaquin County Multi-Species Habitat Conservation & Open
Space Plan

3 | S J C O G , I n c .



S J C O G , I n c .

San Joaquin County Multi-Species Habitat Conservation & Open Space Plan

555 East Weber Avenue • Stockton, CA 95202 • (209) 235-0600 • FAX (209) 235-0438

SJMSCP HOLD

TO: Local Jurisdiction: Community Development Department, Planning Department, Building Department, Engineering Department, Survey Department, Transportation Department,
Other:

FROM: Kimberly Juarez, SJCOG, Inc.

**DO NOT AUTHORIZE SITE DISTURBANCE
DO NOT ISSUE A BUILDING PERMIT
DO NOT ISSUE _____ FOR THIS PROJECT**

The landowner/developer for this site has requested coverage pursuant to the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP). In accordance with that agreement, the Applicant has agreed to:

- 1) Implement Incidental Take Minimization Measures (ITMMs) PRIOR to site disturbance. Do not authorize site disturbance until receipt of a signed Agreement to Incidental Take Minimization Measures (ITMMs) AND verification that all applicable ITMMs have been implemented.
- 2) Pay SJMSCP fees. **Fees shall be paid in the amount in effect at the time of issuance of Building Permit (see also Appendix).** Do not issue a **Use Permit until receipt of a Certificate of Payment or Verification of Payment to the Local Jurisdiction (e.g., Receipt) AND verification that all applicable ITMMs have been implemented prior to ground disturbance.**

Project Title: SSJID Retail Electric

Landowner: _____

Applicant: _____

Assessor Parcel #s:

T _____, R _____, Section(s): _____

Local Jurisdiction Contact: James Glaser

The LOCAL JURISDICTION retains responsibility for ensuring that the appropriate Incidental Take Minimization Measures are properly implemented and monitored and that appropriate fees are paid in compliance with the SJMSCP.

A-3

Comment Set A, cont.

SJCOG, Inc. San Joaquin County Multi-Species Habitat Conservation & Open Space Plan

4 | SJCOG, Inc.



S J C O G, Inc.

San Joaquin County Multi-Species Habitat Conservation & Open Space Plan

555 East Weber Avenue • Stockton, CA 95202 • (209) 235-0600 • FAX (209) 235-0483

SJMSCP REVIEW FORM (SRF)

Complete, Sign and Submit with all Applications

Applicant Name: _____

Address: _____

Phone/Fax: _____

E-Mail: _____

Local Jurisdiction or Lead Agency/Permittee (check one):

- | | | |
|----------------------------------|---|---------------------------------------|
| <input type="checkbox"/> Escalon | <input type="checkbox"/> Stockton | <input type="checkbox"/> SJAFCA |
| <input type="checkbox"/> Lathrop | <input type="checkbox"/> Tracy | <input type="checkbox"/> SSJID |
| <input type="checkbox"/> Lodi | <input type="checkbox"/> San Joaquin County | <input type="checkbox"/> SEWD |
| <input type="checkbox"/> Manteca | <input type="checkbox"/> SJCOG | <input type="checkbox"/> EBMUD |
| <input type="checkbox"/> Ripon | <input type="checkbox"/> Caltrans | <input type="checkbox"/> Other: _____ |

Local Jurisdiction/Lead Agency Contact: _____

Project Title: _____
(per referral notice/advisory agency notice)

Project Description: _____

Current Site Use: _____

Project Location: _____

Assessor Parcel #s: _____

Total Acres: _____ Is an Army Corp. 404 Permit required? Y____ N____

A. ALL APPLICANTS, check ONE of the following:

1. I, we, **DECLINE** coverage pursuant to the SJMSCP. I, we, understand that declining coverage pursuant to the SJMSCP will require undertaking negotiations with the Local Jurisdiction and Permitting Agencies to avoid potential significant adverse impacts to biological resources where such impacts may occur. I, we, verify that the information contained in this application is true and correct.
2. I, we, **REQUEST COVERAGE** pursuant to the SJMSCP. I, we, understand that this project may be subject to Habitat Technical Advisory Committee review and approval to gain coverage pursuant to the SJMSCP **and that signing this form constitutes authorization for SJCOG, Inc. representatives to enter the subject property for the purposes of assessing biological resources and compliance with the SJMSCP.** I, we, verify that the information contained in this application is true and correct.

Applicant Signature Printed Name Date

Landowner Signature (if different from Applicant) Printed Name Date

A-3 cont.

Comment Set A, cont.
SJCOG, Inc. San Joaquin County Multi-Species Habitat Conservation & Open
Space Plan

5 | S J C O G , I n c .

B. ALL APPLICANTS: Attach the following information (including those opting OUT of the SJMSCP)

- This form, signed Location Map(s) and Map(s) or Site Plan(s)

FOR LOCAL JURISDICTION USE ONLY:

LOCAL JURISDICTION: Attach the following information (including those opting OUT of the SJMSCP)

- This form, signed Location Map(s) and Map(s) or Site Plan(s)

Prior Agreement Projects Only, include:

- Copy of Biological Resources Analysis identifying approved mitigation measures for the project from approved or certified environmental document
- File-Stamped/Dated Copy of Notice of Determination or Completion approving environmental analysis



Submit to:
SJCOG, Inc.
Attn: Habitat Conservation Planning Division
555 E. Weber Ave.
Stockton, CA 95202-2804
(209) 235-0600 / www.sjco.org

A-3 cont.

Comment Set A, cont.

SJCOG, Inc. San Joaquin County Multi-Species Habitat Conservation & Open Space Plan



S J C O G , I n c .

555 East Weber Avenue • Stockton, CA 95202 • (209) 235-0600 • FAX (209) 235-0438

San Joaquin County Multi-Species Habitat Conservation & Open Space Plan (SJMSCP)

SJMSCP RESPONSE TO LOCAL JURISDICTION (RTL) ADVISORY AGENCY NOTICE TO SJCOG, Inc.

To: James Glasser, San Joaquin Local Agency Formation Commission

From: Kimberly Juarez, SJCOG, Inc.

Date: November 18, 2011

Local Jurisdiction Project Title: SSJID Retail Electric

Local Jurisdiction Project Number: SCH No. 2005102018

Total Acres to be converted from Open Space Use: Undetermined

Habitat Types to be Disturbed: Unknown

Species Impact Findings: Findings to be determined by SJMSCP biologist.

SJCOG, Inc. has reviewed the SSJID Retail Electric Service Draft Subsequent Environmental Impact Report. This project would adopt a Municipal Services Review, adopt the SSJID's expanded Sphere of Influence (SOI), annex an approximately 80-acre island within the District's existing boundary, and allow SSJID to expand its existing services to provide retail electric service throughout its territory, with the exception of customers currently served by Modesto Irrigation District (MID), affects the incorporated Cities of Manteca, Ripon, and Escalon, and the unincorporated areas within and contiguous to the SSJID boundaries. SSJID would replace Pacific Gas and Electric Company (PG&E) as the provider of electric service in the SSJID service territory. PG&E would continue to provide natural gas service.

The SSJID is a signatory to San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP). Participation in the SJMSCP satisfies requirements of both the state and federal endangered species acts, and ensures that the impacts are mitigated below a level of significance in compliance with the California Environmental Quality Act (CEQA). The LOCAL JURISDICTION retains responsibility for ensuring that the appropriate Incidental Take Minimization Measure are properly implemented and monitored and that appropriate fees are paid in compliance with the SJMSCP. Although participation in the SJMSCP is voluntary, Local Jurisdiction/Lead Agencies should be aware that if project applicants choose against participating in the SJMSCP, they will be required to provide alternative mitigation in an amount and kind equal to that provided in the SJMSCP.

It should be noted that two important federal agencies (U.S. Army Corps of Engineers and the California Regional Water Quality Control Board) have not issued permits to the SJCOG and so payment of the fee to use the SJMSCP will not modify requirements that could be imposed by these two agencies. Potential waters of the United States [pursuant to Section 404 Clean Water Act] are believed to occur on the project site. It may be prudent to obtain a preliminary wetlands map from a qualified consultant. If waters of the United States are confirmed on the project site, the Corps and the Regional Water Quality Control Board (RWQCB) would have regulatory authority over those mapped areas [pursuant to Section 404 and 401 of the Clean Water Act respectively] and permits would be required from each of these resource agencies prior to grading the project site.

A-4

Comment Set A, cont.

SJCOG, Inc. San Joaquin County Multi-Species Habitat Conservation & Open Space Plan

2 | SJCOG, Inc.

This Project is subject to the SJMSCP. Per requirements of the SJMSCP, this project must seek coverage due to required Army Corp permitting and Section 7 consultation. This project is subject to a case-by-case review. This can be a 90 day process and it is recommended that the project applicant contact SJMSCP staff as early as possible. It is also recommended that the project applicant obtain an information package. <http://www.sjco.org> After this project is approved by the Habitat Technical Advisory Committee and the SJCOG Inc. Board, the following process must occur to participate in the SJMSCP:

- Schedule a SJMSCP Biologist to perform a pre-construction survey ***prior to any ground disturbance***
- Sign and Return Incidental Take Minimization Measures to SJMSCP staff (given to project applicant after pre-construction survey is completed)
- Pay appropriate fee based on SJMSCP findings. **Fees shall be paid in the amount in effect at the time of issuance of Building Permit**
- Receive your Certificate of Payment and release the required permit

If you have any questions, please call (209) 235-0600.

A-4 cont.

Comment Set A, cont.

SJCOG, Inc. San Joaquin County Multi-Species Habitat Conservation & Open Space Plan

3 | SJCOG, Inc.



S J C O G, Inc.

San Joaquin County Multi-Species Habitat Conservation & Open Space Plan

555 East Weber Avenue • Stockton, CA 95202 • (209) 235-0600 • FAX (209) 235-0438

SJMSCP HOLD

TO: Local Jurisdiction: Community Development Department, Planning Department, Building Department, Engineering Department, Survey Department, Transportation Department,
Other:

FROM: Kimberly Juarez, SJCOG, Inc.

**DO NOT AUTHORIZE SITE DISTURBANCE
DO NOT ISSUE A BUILDING PERMIT
DO NOT ISSUE _____ FOR THIS PROJECT**

The landowner/developer for this site has requested coverage pursuant to the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP). In accordance with that agreement, the Applicant has agreed to:

- 1) Implement Incidental Take Minimization Measures (ITMMs) PRIOR to site disturbance. Do not authorize site disturbance until receipt of a signed Agreement to Incidental Take Minimization Measures (ITMMs) AND verification that all applicable ITMMs have been implemented.
- 2) Pay SJMSCP fees. Fees shall be paid in the amount in effect at the time of issuance of Building Permit (see also Appendix). Do not issue a Use Permit until receipt of a Certificate of Payment or Verification of Payment to the Local Jurisdiction (e.g., Receipt) AND verification that all applicable ITMMs have been implemented prior to ground disturbance.

Project Title: SSJID Retail Electric

Landowner: _____

Applicant: _____

Assessor Parcel #s:

T _____, R _____, Section(s): _____

Local Jurisdiction Contact: James Glasser

The LOCAL JURISDICTION retains responsibility for ensuring that the appropriate Incidental Take Minimization Measures are properly implemented and monitored and that appropriate fees are paid in compliance with the SJMSCP.

A-4 cont.

Comment Set B

Governor's Office of Planning and Research, OPR State Clearinghouse



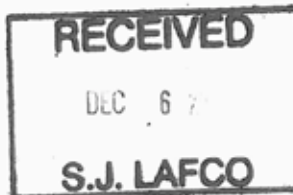
Edmund G. Brown Jr.
Governor

STATE OF CALIFORNIA
Governor's Office of Planning and Research
State Clearinghouse and Planning Unit



Ken Alex
Director

Memorandum



Date: December 1, 2011
To: All Reviewing Agencies
From: Scott Morgan, Director
Re: SCH # 2005102018
South San Joaquin Irrigation District Plan to Provide Retail Electric Service, Sphere of Influence Plan, Municipal Services Review, and Annexation

The State Clearinghouse forwarded the above-mentioned project to your agency for review on November 15, 2011 with incorrect review dates. Please make note of the following information for your files:

Review period ends: January 17, 2012

We apologize for any inconvenience this may have caused. All other project information remains the same.

cc: James Glaser
Local Agency Formation Commission for San Joaquin County
509 West Weber Avenue, Suite 420
Stockton, CA 95203

1400 TENTH STREET P.O. BOX 3044 SACRAMENTO, CALIFORNIA 95812-3044
TEL (916) 446-0618 FAX (916) 323-3018 www.opr.ca.gov

B-1

Comment Set B, cont.

Governor's Office of Planning and Research, OPR State Clearinghouse

Notice of Completion & Environmental Document Transmittal

Mail to: State Clearinghouse, P.O. Box 3044, Sacramento, CA 95817-3044 (916) 445-0613
 For Hand Delivery/Street Address: 1400 Tenet Street, Sacramento, CA 95814

SCH # 2005102018

Project Title: South San Joaquin Irrigation District Plan to Provide Retail Electric Service, Sphere Plan, MSR, and Annexation
 Lead Agency: Local Agency Formation Commission for San Joaquin County Contact Person: James Glaser
 Mailing Address: 509 West Weber Avenue, Suite 420 Phone: (209) 488-3198
 City: Stockton Zip: 95203 County: San Joaquin

Project Location: County: San Joaquin City/Nearest Community: Manteca, Ripon, and Escalon
 Cross Streets: SSJD boundary - Hwy 99 and Hwy 120 Zip Code: 95336
 Longitude/Latitude (degrees, minutes and seconds): _____ N / _____ W Total Acres: 86,560 acres
 Assessor's Parcel No.: _____ Section: _____ Twp.: _____ Range: _____ Base: _____
 Within 2 Miles: State Hwy #: 99 and 120 Waterways: Stanislaus River
 Airports: Stockton Metropolitan Airport Railways: UPRR and BNSF Schools: Multiple

Document Type:
 CEQA: NOP Draft EIR NEPA: NOI Other: Joint Document
 Early Cons Supplemental/Subsequent EIR EA Final Document
 Neg Dec (Prior SCH No.) 2005102018 FONSI Other: _____
 Mit Neg Dec Other: _____

RECEIVED
 NOV 16 2014

Local Action Type:
 General Plan Update Specific Plan Reason STATE CLEARING HOUSE Annexation
 General Plan Amendment Master Plan Portzone Redevelopment
 General Plan Element Planned Use Development Use Permit Coastal Permit
 Consistency Plan Site Plan Land Division (Subdivision, etc.) Other: Utility Services

Development Type:
 Residential: Units _____ Acres _____
 Office: Sq.ft. _____ Acres _____ Employees _____
 Commercial: Sq.ft. _____ Acres _____ Employees _____
 Industrial: Sq.ft. _____ Acres _____ Employees _____
 Educational: _____
 Recreational: _____
 Water Facilities: Type _____ MGD
 Transportation: Type _____
 Mining: Minor _____
 Power: Type _____ MW
 Waste Treatment: Type _____ MGD
 Hazardous Waste: Type _____
 Other: _____

Project Issues Discussed in Document:
 Aesthetics/Visual Fiscal Recreation/Parks Vegetation
 Agricultural Land Flood Plain/Fooding Schools/Universities Water Quality
 Air Quality Forest Land/Fire Hazard Septic Systems Water Supply/Groundwater
 Archeological/Historical Geology/Seismic Sewer Capacity Wetland/Riparian
 Biological Resources Minerals Soil Erosion/Compaction/Grading Growth Inducement
 Coastal Zone Noise Solid Waste Land Use
 Drainage/Absorption Population/Housing Balance Toxic/Hazardous Cumulative Effects
 Economic/Jobs Public Services/Facilities Traffic/Circulation Other: _____

Present Land Use/Zoning/General Plan Designation:
 Agricultural/Open Space, Residential, Commercial, and Industrial

Project Description: (please use a separate page if necessary)
 This Subsequent EIR evaluates the following four separate actions: Adoption of a Sphere Plan and Municipal Services Review (MSR) that describes and evaluates SSJD's current and planned services, including SSJD's provision of irrigation water supply and associated drainage, drinking water consistently with the District's contractual commitments, and the proposed retail electric service; Adoption of SSJD's expanded Sphere of Influence (SOI) to include all of the City of Manteca city limits; Annexation of an approximately 80-acre island within the District's existing boundary; Approval of SSJD's application to provide retail electric service with construction related to its proposal.

State Clearinghouse Contact: ^{BA} (916) 445-0613
 State Review Began: 11-10-2011
 SCH COMPLIANCE: 1-17-2012
 Note: Review for lead.
 Please note State Clearinghouse Number (SCH#) on all Comments
 SCH#: 2005102018
 Please forward late comments directly to the Lead Agency
 AGMD/APCD: 28
 (Resources: 11, 19)

- Project Sent to the following State Agencies
- Resources
 - Boating & Waterways
 - Coastal Comm
 - Colorado Rvr Bd
 - Conservation
 - Fish & Game # 2
 - Delta Protection Comm
 - Cal Fire
 - Historic Preservation
 - Parks & Rec
 - Central Valley Flood Prot.
 - Bay Cons & Dev Comm.
 - DWR
 - Cal EMA
 - Resources, Recycling and Recovery
 - Bus Transp Hous
 - Aeronautics
 - CHP
 - Caltrans # 10
 - Trans Planning
 - Housing & Com Dev
 - Food & Agriculture
 - Public Health
 - State/Consumer Svcs
 - General Services
 - Cal EPA
 - ARB: Airport/Energy Projects
 - ARB: Transportation Projects
 - ARB: Major Industrial Projects
 - SWRCB: Div. Financial Assist.
 - SWRCB: Wtr Quality
 - SWRCB: Wtr Rights
 - Reg. WQCB # 55
 - Toxic Sub Ctrl-CTC
 - Yth/Adult Corrections
 - Corrections
 - Independent Comm
 - Energy Commission
 - NAHC
 - Public Utilities Comm
 - State Lands Comm
 - Tahoe Rgl Plan Agency
 - Delta Stewardship Council
 - Conservancy

Comment Set C

Central Valley Flood Protection Board, California Natural Resources Agency

STATE OF CALIFORNIA – CALIFORNIA NATURAL RESOURCES AGENCY

EDMUND G. BROWN JR., GOVERNOR

CENTRAL VALLEY FLOOD PROTECTION BOARD

3310 El Camino Ave., Rm. 151
SACRAMENTO, CA 95821
(916) 574-0609 FAX: (916) 574-0882
PERMITS: (916) 574-2380 FAX: (916) 574-0682



December 7, 2011

Mr. James Glaser
Local Agency Formation Commission
for San Joaquin County
509 West Weber Avenue, Suite 420
Stockton, California 95203



Subject: South San Joaquin Irrigation District Plan to Provide Retail Electric Service, Sphere Plan, MSR, and Annexation SCH Number: 2005102018 Supplemental EIR

Dear Mr. Glaser:

Staff for the Central Valley Flood Protection Board has reviewed the subject document and provides the following comments:

The proposed project is located within the jurisdiction of the Central Valley Flood Protection Board. The Board is required to enforce standards for the construction, maintenance, and protection of adopted flood control plans that will protect public lands from floods. The jurisdiction of the Board includes the Central Valley, including all tributaries and distributaries of the Sacramento River and the San Joaquin River, and designated floodways (Title 23 California Code of Regulations (CCR), Section 2).

A Board permit is required prior to starting the work within the Board's jurisdiction for the following:

- The placement, construction, reconstruction, removal, or abandonment of any landscaping, culvert, bridge, conduit, fence, projection, fill, embankment, building, structure, obstruction, encroachment, excavation, the planting, or removal of vegetation, and any repair or maintenance that involves cutting into the levee (CCR Section 6);
- Existing structures that predate permitting or where it is necessary to establish the conditions normally imposed by permitting. The circumstances include those where responsibility for the encroachment has not been clearly established or ownership and use have been revised (CCR Section 6);
- Vegetation plantings that will require the submission of detailed design drawings; identification of vegetation type; plant and tree names (i.e. common name and scientific name); total number of each type of plant and tree; planting spacing and irrigation method that will be utilized within the project area; a complete vegetative management plan for maintenance to prevent the interference with flood control, levee maintenance, inspection and flood fight procedures (Title 23, California Code of Regulations CCR Section 131).

C-1

Comment Set C, cont.

Central Valley Flood Protection Board, California Natural Resources Agency

December 7, 2011
Mr. James Glaser
Page 2 of 2

In accordance with CEQA Guidelines Section 15130 "Discussion of Cumulative Impacts. (a) An EIR shall discuss cumulative impacts of a project when the project's incremental effect is cumulatively considerable, as defined in section 15065(a)(3). Where a lead agency is examining a project with an incremental effect that is not "cumulatively considerable," the lead agency need not consider that effect significant, but shall briefly describe its basis for concluding that the incremental effect is not cumulatively considerable."

C-2

Vegetation requirements in accordance with Title 23, Section 131(c) states, "Vegetation must not interfere with the integrity of the adopted plan of flood control, or interfere with maintenance, inspection, and flood fight procedures."

The accumulation and establishment of woody vegetation that is not managed has a negative impact on channel capacity and increases the potential for levee over-topping and flooding. When a channel develops vegetation that then becomes habitat for wildlife, maintenance to initial baseline conditions becomes more difficult as the removal of vegetative growth is subject to federal and state agency requirements for on-site mitigation within the floodway.

Hydraulic impacts – Hydraulic impacts due to encroachments could impede flows, reroute flood flows, and/or increase sediment accumulation. The Supplemental EIR should include mitigation measures for channel and levee improvements and maintenance to prevent and/or reduce hydraulic impacts. Off-site mitigation outside of the State Plan of Flood Control should be used when mitigating for vegetation removed within the project location.

C-3

The permit application and Title 23 CCR can be found on the Central Valley Flood Protection Board's website at <http://www.cvfpb.ca.gov/>. Contact your local, federal and state agencies, as other permits may apply.

C-4

Should you have any further questions, please contact me by phone at (916) 574-0651, or via email at jherota@water.ca.gov.

Sincerely,



James Herota
Staff Environmental Scientist
Floodway Projects Improvement Branch

cc: Governor's Office of Planning and Research
State Clearinghouse
1400 Tenth Street, Room 121
Sacramento, California 95814

Comment Set C, cont.

Central Valley Flood Protection Board, California Natural Resources Agency

STATE OF CALIFORNIA – CALIFORNIA NATURAL RESOURCES AGENCY

EDMUND G. BROWN JR., GOVERNOR

CENTRAL VALLEY FLOOD PROTECTION BOARD

3310 El Camino Ave., Rm. 151
SACRAMENTO, CA 95821
(916) 574-0609 FAX: (916) 574-0682
PERMITS: (916) 574-2380 FAX: (916) 574-0682



September 6, 2012

Mr. James Glaser
Local Area Formation Commission for San Joaquin County
509 West Weber Avenue, Suite 420
Stockton, California 95203

Subject: South San Joaquin Irrigation District Plan to Retail Electric Service, Sphere Plan
SCH Number: 2005102018
Document Type: Draft EIR; Subsequent EIR

Dear Mr. Glaser:

Staff of the Central Valley Flood Protection Board (Board) has reviewed the subject document and provides the following comments:

The proposed project is located within the area of the Stanislaus River, which is under the jurisdiction of the Central Valley Flood Protection Board. The Board is required to enforce standards for the construction, maintenance, and protection of adopted flood control plans that will protect public lands from floods. The jurisdiction of the Board includes the Central Valley, including all tributaries and distributaries of the Sacramento River and the San Joaquin River, and designated floodways (Title 23 California Code of Regulations (CCR), Section 2).

A Board permit is required prior to starting the work within the Board's jurisdiction for the following:

- The placement, construction, reconstruction, removal, or abandonment of any landscaping, culvert, bridge, conduit, fence, projection, fill, embankment, building, structure, obstruction, encroachment, excavation, the planting, or removal of vegetation, and any repair or maintenance that involves cutting into the levee (CCR Section 6);
- Existing structures that predate permitting or where it is necessary to establish the conditions normally imposed by permitting. The circumstances include those where responsibility for the encroachment has not been clearly established or ownership and use have been revised (CCR Section 6);
- Vegetation plantings will require the submission of detailed design drawings; identification of vegetation type; plant and tree names (i.e. common name and scientific name); total number of each type of plant and tree; planting spacing and irrigation method that will be utilized within the project area; a complete vegetative management plan for maintenance to prevent the interference with flood control, levee maintenance, inspection, and flood fight procedures (CCR Section 131).

C-5

Comment Set C, cont.

Central Valley Flood Protection Board, California Natural Resources Agency

Mr. James Glaser
September 6, 2012
Page 2 of 2

Vegetation requirements in accordance with Title 23, Section 131 (c) states "Vegetation must not interfere with the integrity of the adopted plan of flood control, or interfere with maintenance, inspection, and flood fight procedures."

C-5 cont.

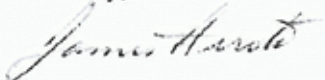
The accumulation and establishment of woody vegetation that is not managed has a negative impact on channel capacity and increases the potential for levee over-topping. When a channel develops vegetation that then becomes habitat for wildlife, maintenance to initial baseline conditions becomes more difficult as the removal of vegetative growth is subject to federal and State agency requirements for on-site mitigation within the floodway.

Hydraulic Impacts - Hydraulic impacts due to encroachments could impede flood flows, reroute flood flows, and/or increase sediment accumulation. The Project should include measures for channel and levee improvements and maintenance to prevent and/or reduce hydraulic impacts. Off-site mitigation outside of the State Plan of Flood Control should be used when mitigating for vegetation removed within the project location.

The permit application and Title 23 CCR can be found on the Central Valley Flood Protection Board's website at <http://www.cvfpb.ca.gov/>. Contact your local, federal and State agencies, as other permits may apply.

If you have any questions, please contact me by phone at (916) 574-0651, or via email at jherota@water.ca.gov.

Sincerely,



James Herota
Staff Environmental Scientist
Flood Projects Improvement Branch

cc: Governor's Office of Planning and Research
State Clearinghouse
1400 Tenth Street, Room 121
Sacramento, California 95814

Comment Set D
Stanislaus County Environmental Review Committee



CHIEF EXECUTIVE OFFICE

*Richard W. Robinson
Chief Executive Officer*

*Patricia Hill Thomas
Chief Operations Officer/
Assistant Executive Officer*

*Monica Nino
Assistant Executive Officer*

*Stan Risen
Assistant Executive Officer*

1010 10th Street, Suite 6800, Modesto, CA 95354
P.O. Box 3404, Modesto, CA 95353-3404
Phone: 209.525.6333 Fax 209.544.6226

STANISLAUS COUNTY ENVIRONMENTAL REVIEW COMMITTEE

December 13, 2011

James Glaser
San Joaquin LAFCO
509 W. Weber Ave. Suite 420
Stockton, CA 95203



SUBJECT: ENVIRONMENTAL REFERRAL – San Joaquin LAFCO- NOTICE OF AVAILABILITY OF A DRAFT SUBSEQUENT ENVIRONMENTAL IMPACT REPORT FOR THE SOUTH SAN JOAQUIN IRRIGATION DISTRICT PLAN TO PROVIDE RETAIL ELECTRIC SERVICE, SPHERE PLAN, MSR AND ANNEXATION-

Mr. Glaser:

The Stanislaus County Environmental Review Committee (ERC) has reviewed the subject project and has no comments at this time.

The ERC appreciates the opportunity to comment on this project.

Sincerely,

Raul Mendez, Senior Management Consultant
Environmental Review Committee

cc: ERC Members

RM:kg

D-1

Comment Set E

California Regional Water Quality Control Board, Central Valley Region



Matthew Rodriguez
*Secretary for
Environmental Protection*

California Regional Water Quality Control Board
Central Valley Region
Katherine Hart, Chair

11020 Sun Center Drive, #200, Rancho Cordova, California 95670-6114
(916) 464-3291 • FAX (916) 464-4645
<http://www.waterboards.ca.gov/centralvalley>



Edmund G. Brown Jr.
Governor

23 December 2011

James Glaser
Local Agency Formation Commission
San Joaquin County
509 West Weber Avenue, Suite 420
Stockton, CA 95203

CERTIFIED MAIL
7010 3090 0000 5045 2743

COMMENTS TO DRAFT ENVIRONMENTAL IMPACT REPORT, SOUTH SAN JOAQUIN IRRIGATION DISTRICT PLAN TO PROVIDE RETAIL ELECTRIC SERVICE, SPHERE PLAN, MSR, AND ANNEXATION PROJECT, SCH NO. 2005102018, SAN JOAQUIN COUNTY

Pursuant to the State Clearinghouse's 15 November 2011 request, the Central Valley Regional Water Quality Control Board (Central Valley Water Board) has reviewed the *Draft Environmental Impact Report* for the South San Joaquin Irrigation District Plan to Provide Retail Electric Service, Sphere Plan, MSP, and Annexation Project, located in San Joaquin County.

Our agency is delegated with the responsibility of protecting the quality of surface and groundwaters of the state; therefore our comments will address concerns surrounding those issues.

Construction Storm Water General Permit
Dischargers whose project disturb one or more acres of soil or where projects disturb less than one acre but are part of a larger common plan of development that in total disturbs one or more acres, are required to obtain coverage under the General Permit for Storm Water Discharges Associated with Construction Activities (Construction General Permit), Construction General Permit Order No. 2009-009-DWQ. Construction activity subject to this permit includes clearing, grading, grubbing, disturbances to the ground, such as stockpiling, or excavation, but does not include regular maintenance activities performed to restore the original line, grade, or capacity of the facility. The Construction General Permit requires the development and implementation of a Storm Water Pollution Prevention Plan (SWPPP).

For more information on the Construction General Permit, visit the State Water Resources Control Board website at:
http://www.waterboards.ca.gov/water_issues/programs/stormwater/constpermits.shtml

California Environmental Protection Agency

♻️ Recycled Paper

E-1

Comment Set E, cont.

California Regional Water Quality Control Board, Central Valley Region

South San Joaquin Irrigation District Plan to
Provide Retail Electric Service, Sphere Plan,
MSR, and Annexation Project
SCH No. 2005102018
San Joaquin County

-2-

23 December 2011

Phase I and II Municipal Separate Storm Sewer System (MS4) Permits¹

The Phase I and II MS4 permits require the Permittees reduce pollutants and runoff flows from new development and redevelopment using Best Management Practices (BMPs) to the maximum extent practicable (MEP). MS4 Permittees have their own development standards, also known as Low Impact Development (LID)/post-construction standards that include a hydromodification component. The MS4 permits also require specific design concepts for LID/post-construction BMPs in the early stages of a project during the entitlement and CEQA process and the development plan review process.

E-2

For more information on which Phase I MS4 Permit this project applies to, visit the Central Valley Water Board website at:

http://www.waterboards.ca.gov/centralvalley/water_issues/storm_water/municipal_permits/

Industrial Storm Water General Permit

Storm water discharges associated with industrial sites must comply with the regulations contained in the Industrial Storm Water General Permit Order No. 97-03-DWQ.

E-3

For more information on the Industrial Storm Water General Permit, visit the Central Valley Water Board website at:

http://www.waterboards.ca.gov/centralvalley/water_issues/storm_water/industrial_general_permits/index.shtml

Clean Water Act Section 404 Permit

If the project will involve the discharge of dredged or fill material in navigable waters or wetlands, a permit pursuant to Section 404 of the Clean Water Act may be needed for the United States Army Corps of Engineers (USACOE). If a Section 404 permit is required by the USACOE, the Central Valley Water Board will review the permit application to ensure that discharge will not violate water quality standards. If the project requires surface water drainage realignment, the applicant is advised to contact the Department of Fish and Game for information on Streambed Alteration Permit requirements.

E-4

If you have any questions regarding the Clean Water Act Section 404 permits, please contact the Regulatory Division of the Sacramento District of USACOE at (916) 557-5250.

Clean Water Act Section 401 Permit – Water Quality Certification

If an USACOE permit, or any other federal permit, is required for this project due to the disturbance of waters of the United States (such as streams and wetlands), then a Water Quality Certification must be obtained from the Central Valley Water Board prior to initiation of project activities. There are no waivers for 401 Water Quality Certifications.

E-5

¹ Municipal Permits = The Phase I Municipal Separate Storm Water System (MS4) Permit covers medium sized Municipalities (serving between 100,000 and 250,000 people) and large sized municipalities (serving over 250,000 people). The Phase II MS4 provides coverage for small municipalities, including non-traditional Small MS4s, which include military bases, public campuses, prisons and hospitals.

Comment Set E, cont.

California Regional Water Quality Control Board, Central Valley Region

South San Joaquin Irrigation District Plan to
Provide Retail Electric Service, Sphere Plan,
MSR, and Annexation Project
SCH No. 2005102018
San Joaquin County

-3-

23 December 2011

Waste Discharge Requirements

If USACOE determines that only non-jurisdictional waters of the State (i.e., "non-federal" waters of the State) are present in the proposed project area, the proposed project will require a Waste Discharge Requirement (WDR) permit to be issued by Central Valley Water Board. Under the California Porter-Cologne Water Quality Control Act, discharges to all waters of the State, including all wetlands and other waters of the State including, but not limited to, isolated wetlands, are subject to State regulation.

For more information on the Water Quality Certification and WDR processes, visit the Central Valley Water Board website at:

http://www.waterboards.ca.gov/centralvalley/water_issues/water_quality_certification/

If you have questions regarding these comments, please contact me at (916) 464-4745 or gsparks@waterboards.ca.gov.



Genevieve (Gen) Sparks
Environmental Scientist
401 Water Quality Certification Program

cc: State Clearinghouse Unit, Governor's Office of Planning and Research, Sacramento

E-6

Comment Set F California Department of Transportation (Caltrans)

STATE OF CALIFORNIA—BUSINESS, TRANSPORTATION AND HOUSING AGENCY

EDMUND G. BROWN Jr., Governor

DEPARTMENT OF TRANSPORTATION

P.O. BOX 2048 STOCKTON, CA 95201
(1976 E. CHARTER WAY/1976 E. DR. MARTIN
LUTHER KING JR. BLVD. 95205)
TTY: California Relay Service (800) 735-2929
PHONE (209) 941-1921
FAX (209) 948-7194



*Flex your power!
Be energy efficient!*

January 13, 2012

James Glaser
Local Agency Formation Commission for San Joaquin County
509 W. Weber Ave., Suite 420
Stockton, CA 95203

**10-SJ-Various
SSJID Plan to Provide Retail
Electric Service, Sphere Plan,
MSR, and Annexation
SCH #2005102018**

Dear Mr. Glaser,

The California Department of Transportation (Department) appreciates the opportunity to comment on the Draft Subsequent Environmental Impact Report (DSEIR) for the **South San Joaquin Irrigation District (SSJID) Plan to Provide Retail Electric Service, Sphere Plan, MSR, and Annexation** project. The proposed project would adopt a Municipal Services Review, adopt the SSJID's expanded Sphere of Influence, annex an approximately 80-acre island within the District's existing boundary, and allow SSJID to expand its existing services to provide retail electric service throughout southeastern San Joaquin County. SSJID's proposal to provide retail electric service throughout its territory affects the incorporated Cities of Manteca, Ripon, and Escalon, and the unincorporated areas within and contiguous to the SSJID boundaries. SSJID would replace PG&E as the provider of electric service in the SSJID service territory. Construction would be needed to separate SSJID from the PG&E electric distribution system.

The Department has the following comments for the DSEIR dated November 2011:

1. Section 4, *Potential Future SSJID Headquarters*, of the DSEIR discusses a potential future headquarters project. Should SSJID decide to move forward with the headquarters project, the Department is requesting a full Traffic Impact Study (TIS) to determine this proposed project's near-term and long-term impacts to State facilities – both existing and proposed – and to propose appropriate mitigation measures, in accordance with the *Caltrans Guide for the Preparation of Traffic Impact Studies*, dated December 2002 (Guide) or the latest version. Furthermore, please ensure that the following items are corrected when preparing the TIS for the future headquarters project:
 - Page 3.10-2: State Route Average Daily Traffic (ADT) must be based on the most current data (at this time, 2010), not 2009.
 - Table 3.10-1, *ADT of Project Area Roads*, shows that Year of Count is older than two years. Traffic counts older than two years are not acceptable.

"Caltrans improves mobility across California"

F-1

F-2

Comment Set F, cont. California Department of Transportation (Caltrans)

Mr. Glaser
January 13, 2012
Page 2 of 2

- Table 3.10-2, *Intersection Level of Service (LOS) Definitions*, applies to San Joaquin County standards, not to State highway facilities. Please use the State's thresholds to determine LOS, per the 2010 Highway Capacity Manual.
- Table 3.10-3, *Roadway Segment LOS Thresholds (Bi-directional)*, must clearly define what the data represents and state if truck traffic was included, as it may significantly affect the LOS thresholds.
- Page 3.10-6, second paragraph, discusses Caltrans Concept LOS for State routes. Please use the latest approved Transportation Concept Report documents available.
- Page 4-28 discusses trip generation and the use of the URBEMIS Model developed by the California Air Resources Board. This model is not the Department's approved standard. Please use the Institute of Transportation Engineer (ITE), Trip Generation, 8th Edition to determine the ITE Code.

Please address the above items in the current DSEIR.

2. The applicant must proceed with an Encroachment Permit application prior to any commencement of work within the State's right-of-way (ROW) and upon any access (driveway) point onto the State Highway System (SHS). An application for an Encroachment Permit must include appropriate environmental studies and a copy of the environmental document adopted by the Lead Agency. These documents should include an analysis of potential impacts resulting from work performed under the permit, including impacts to the SHS. Potential impacts to any cultural, biological or other resources within the State's ROW, or potential impacts resulting from hazardous waste locations, should be identified and include measures to avoid, minimize, or mitigate those impacts. All work performed within/adjacent to the State's ROW will be subject to Caltrans Highway Design Manual and Standards and Specifications.
3. Utility work of any kind must be coordinated with the Department, including any work involving existing and proposed construction projects, such as the SR-99 Widening in Manteca, the SR-99 South Stockton Widening project, and other areas where conflicts are anticipated to occur.

If you have any questions, please contact Sinarath Pheng at (209) 942-6092 ([e-mail: Sinarath_Pheng@dot.ca.gov](mailto:Sinarath_Pheng@dot.ca.gov)) or myself at (209) 941-1921.

Sincerely,


TOM DUMAS, CHIEF
OFFICE OF METROPOLITAN PLANNING

- c Scott Morgan, State Clearinghouse
Stanislaus County, Planning and Community Development

"Caltrans improves mobility across California"

F-2 cont.

F-3

F-4

Comment Set G San Joaquin County Environmental Health Department

January 19, 2012

James E. Glaser, Executive Officer
San Joaquin County Local Agency Formation Commission
509 West Weber Avenue, Suite 420
Stockton, CA 95203

**Subject: Notice of Availability Draft Subsequent Environmental Impact Report
South San Joaquin Irrigation District Plan to Provide Retail Electric
Service, Sphere Plan, MSR, and Annexation**

The San Joaquin County Environmental Health Department (EHD) is supportive of this project in regards to the provision of full public services. The EHD requests the following comments be added to the above project for consideration:

Section 3.9 Socioeconomics Public Services, and Utilities:

Page 17, Impact 3.9-5, Paragraph 2:

During construction, portable toilets brought to staging areas for construction crews would be emptied into septic tanks or municipal sewage systems.

NOTE:

The pumping of chemical toilets shall be done with the use of pumper trucks that comply with San Joaquin County Ordinance Code Section 9-1110.8 (Septic Tank Pumping). Specifically: All effluent pumped from septic tanks shall be disposed of only at disposal sites approved by the Director of the Environmental Health Department.

Additionally, any future proposed facilities without public services and proposing on site wastewater disposal systems, should be analyzed for potential impacts to groundwater.

If you have any questions, please call Rodney Estrada, Lead Senior REHS, at (209) 468-0331.

Rodney Estrada,
Lead Senior REHS

RE/tl

G-1

G-2

Comment Set G, cont.
San Joaquin County Environmental Health Department



San Joaquin County
Environmental Health Department
1868 East Hazelton Avenue
Stockton, California 95205-6232

Website: www.sjgov.org/ehd
Phone: (209) 468-3420
Fax: (209) 464-0138

DIRECTOR
Donna Heran, REHS

PROGRAM COORDINATORS
Robert McClellon, REHS
Jeff Carruesco, REHS, RDI
Kasey Foley, REHS
Linda Turkatte, REHS

August 16, 2012

James E. Glaser, Executive Officer
San Joaquin County Local Agency Formation Commission
509 West Weber Avenue, Suite 420
Stockton, CA 95203



**Subject: Partially Recirculated Draft Subsequent Environmental Impact Report
South San Joaquin Irrigation District Plan to Provide Retail Electric
Service, Sphere Plan, MSR, and Annexation (SCH No. 2005102018)**

The San Joaquin County Environmental Health Department (EHD) is supportive of this project in regards to the provision of full public services. The EHD has no further comments in addition to those submitted on January 19, 2012.

If you have any questions, please call Rodney Estrada, Lead Senior REHS, at (209) 468-0331.

for Rodney Estrada,
Lead Senior REHS

RE/tl

G-3

Comment Set H
Governor's Office of Planning and Research, OPR State Clearinghouse (2)



EDMUND G. BROWN JR.
GOVERNOR

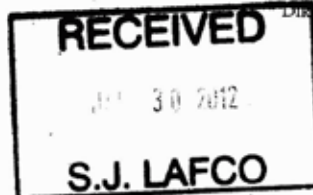
STATE OF CALIFORNIA
GOVERNOR'S OFFICE OF PLANNING AND RESEARCH
STATE CLEARINGHOUSE AND PLANNING UNIT



KEN ALEX
DIRECTOR

January 19, 2012

James Glaser
San Joaquin County Community Development Department
509 West Weber Avenue, Suite 420
Stockton, CA 95203



Subject: South San Joaquin Irrigation District Plan to Provide Retail Electric Service, Sphere of Influence Plan, Municipal Services Review, and Annexation
SCH#: 2005102018

Dear James Glaser:

The State Clearinghouse submitted the above named Supplemental EIR to selected state agencies for review. On the enclosed Document Details Report please note that the Clearinghouse has listed the state agencies that reviewed your document. The review period closed on January 17, 2012, and the comments from the responding agency (ies) is (are) enclosed. If this comment package is not in order, please notify the State Clearinghouse immediately. Please refer to the project's ten-digit State Clearinghouse number in future correspondence so that we may respond promptly.

Please note that Section 21104(c) of the California Public Resources Code states that:

"A responsible or other public agency shall only make substantive comments regarding those activities involved in a project which are within an area of expertise of the agency or which are required to be carried out or approved by the agency. Those comments shall be supported by specific documentation."

These comments are forwarded for use in preparing your final environmental document. Should you need more information or clarification of the enclosed comments, we recommend that you contact the commenting agency directly.

This letter acknowledges that you have complied with the State Clearinghouse review requirements for draft environmental documents, pursuant to the California Environmental Quality Act. Please contact the State Clearinghouse at (916) 445-0613 if you have any questions regarding the environmental review process.

Sincerely,

Scott Morgan
Director, State Clearinghouse

Enclosures
cc: Resources Agency

1400 10th Street P.O. Box 3044 Sacramento, California 95812-3044

H-1

Comment Set H, cont.

Governor's Office of Planning and Research, OPR State Clearinghouse (2)

**Document Details Report
 State Clearinghouse Data Base**

SCH# 2005102018
Project Title South San Joaquin Irrigation District Plan to Provide Retail Electric Service, Sphere of Influence Plan,
Lead Agency Municipal Services Review, and Annexation
 San Joaquin County

Type SIR Supplemental EIR
Description Note: Review Per Lead

This SEIR evaluates the following four separate actions: Adoption of a Sphere Plan and Municipal Services Review (MSR) that describes and evaluates SSJID's current and planned services, including SSJID's provision of irrigation water supply and associated drainage, drinking water consistently with the District's contractual commitments, and the proposed retail electric service; Adoption of SSJID's expanded Sphere of Influence (SOI) to include all of the City of Manteca city limits; Annexation of an approximately 80-acre island within the District's existing boundary; Approval of SSJID's application to provide retail electric service with construction related to its proposal.

Lead Agency Contact

Name James Glaser
Agency San Joaquin County Community Development Department
Phone 209 486-3198 **Fax**
email jglaser@sjgov.org
Address 509 West Weber Avenue, Suite 420
City Stockton **State** CA **Zip** 95203

Project Location

County San Joaquin
City Manteca, Escalon, Ripon
Region
Lat / Long
Cross Streets SSJID boundary - Hwy 99 and Hwy 120
Parcel No.
Township **Range** **Section** **Base**

Proximity to:

Highways Hwy 99 and 120
Airports Stockton Metropolitan
Railways UPRR and BNSF
Waterways Stanislaus River
Schools Multiple
Land Use Agricultural/Open Space, Residential, Commercial, and Industrial

Project Issues Geologic/Seismic; Minerals; Noise; Population/Housing Balance; Public Services; Recreation/Parks; Schools/Universities; Soil Erosion/Compaction/Grading; Toxic/Hazardous; Traffic/Circulation; Vegetation; Water Quality; Water Supply; Wetland/Riparian; Wildlife; Growth Inducing; Landuse; Cumulative Effects; Other Issues; Aesthetic/Visual; Agricultural Land; Air Quality; Archaeologic-Historic; Biological Resources; Economics/Jobs; Fiscal Impacts; Solid Waste

Reviewing Agencies Resources Agency; Department of Fish and Game, Region 2; Delta Protection Commission; Department of Parks and Recreation; Department of Water Resources; Caltrans, Division of Aeronautics; California Highway Patrol; Caltrans, District 10; CA Department of Public Health; Regional Water Quality Control Bd., Region 5 (Sacramento); California Energy Commission; Native American Heritage Commission; Public Utilities Commission; Delta Stewardship Council; Central Valley Flood Protection Board

Note: Blanks in data fields result from insufficient information provided by lead agency.

Comment Set H, cont.
Governor’s Office of Planning and Research, OPR State Clearinghouse (2)

**Document Details Report
State Clearinghouse Data Base**

Date Received 11/15/2011 *Start of Review* 11/15/2011 *End of Review* 01/17/2012

Note: Blanks in data fields result from insufficient information provided by lead agency.

Comment Set H, cont.

Governor's Office of Planning and Research, OPR State Clearinghouse (2)



EDMUND G. BROWN JR.
GOVERNOR

STATE OF CALIFORNIA
GOVERNOR'S OFFICE of PLANNING AND RESEARCH
STATE CLEARINGHOUSE AND PLANNING UNIT



KEN ALEX
DIRECTOR

August 21, 2012

James Glaser
San Joaquin County Community Development Department
509 West Weber Avenue, Suite 420
Stockton, CA 95203



Subject: South San Joaquin Irrigation District Plan to Provide Retail Electric Service, Sphere of Influence Plan, Municipal Services Review, and Annexation
SCH#: 2005102018

Dear James Glaser:

The State Clearinghouse submitted the above named Draft EIR to selected state agencies for review. The review period closed on August 20, 2012, and no state agencies submitted comments by that date. This letter acknowledges that you have complied with the State Clearinghouse review requirements for draft environmental documents, pursuant to the California Environmental Quality Act.

Please call the State Clearinghouse at (916) 445-0613 if you have any questions regarding the environmental review process. If you have a question about the above-named project, please refer to the ten-digit State Clearinghouse number when contacting this office.

Sincerely,

Scott Morgan
Director, State Clearinghouse

H-2

Comment Set H, cont.

Governor's Office of Planning and Research, OPR State Clearinghouse (2)

H-2 cont.

Document Details Report State Clearinghouse Data Base			
SCH#	2005102018		
Project Title	South San Joaquin Irrigation District Plan to Provide Retail Electric Service, Sphere of Influence Plan, Municipal Services Review, and Annexation		
Lead Agency	San Joaquin County		
Type	EIR	Draft EIR	
Description	This SEIR evaluates the following four separate actions: Adoption of a Sphere Plan and Municipal Services Review (MSR) that describes and evaluates SSJID's current and planned services, including SSJID's provision of irrigation water supply and associated drainage, drinking water consistently with the District's contractual commitments, and the proposed retail electric service; Adoption of SSJID's expanded Sphere of Influence (SOI) to include all of the City of Manteca city limits; Annexation of an approximately 80-acre island within the District's existing boundary; Approval of SSJID's application to provide retail electric service with construction related to its proposal. The Partially Recirculated DSEIR addresses the Community Choice Aggregation Alternative.		
Lead Agency Contact			
Name	James Glaser		
Agency	San Joaquin County Community Development Department		
Phone	209 486-3198	Fax	
email	jglaser@sjgov.org		
Address	509 West Weber Avenue, Suite 420		
City	Stockton	State	CA Zip 95203
Project Location			
County	San Joaquin		
City	Manteca, Escalon, Ripon		
Region			
Lat / Long			
Cross Streets	SSJID boundary - Hwy 99 and Hwy 120		
Parcel No.			
Township	Range	Section	Base
Proximity to:			
Highways	Hwy 99 and 120		
Airports	Stockton Metropolitan		
Railways	UPRR and BNSF		
Waterways	Stanislaus River		
Schools	Multiple		
Land Use	Agricultural/Open Space, Residential, Commercial, and Industrial		
Project Issues	Minerals; Noise; Population/Housing Balance; Public Services; Recreation/Parks; Schools/Universities; Soil Erosion/Compaction/Grading; Toxic/Hazardous; Traffic/Circulation; Vegetation; Water Quality; Water Supply; Wetland/Riparian; Wildlife; Growth Inducing; Landuse; Cumulative Effects; Other Issues; Aesthetic/Visual; Agricultural Land; Air Quality; Archaeologic-Historic; Biological Resources; Economics/Jobs; Fiscal Impacts; Solid Waste		
Reviewing Agencies	Resources Agency; Department of Fish and Game, Region 3; Delta Protection Commission; Department of Parks and Recreation; Central Valley Flood Protection Board; Caltrans, Division of Aeronautics; California Highway Patrol; Caltrans, District 10; CA Department of Public Health; Regional Water Quality Control Bd., Region 5 (Sacramento); California Energy Commission; Native American Heritage Commission; Public Utilities Commission; Delta Stewardship Council		
Date Received	07/03/2012	Start of Review	07/05/2012 End of Review 08/20/2012
Note: Blanks in data fields result from insufficient information provided by lead agency.			

C.3 Responses to Comments from Public Agencies

Responses to Comment Set A – SJCOG, Inc. San Joaquin County Multi-Species Habitat Conservation & Open Space Plan (SJMSCP)

A-1 The comment states that San Joaquin County is a signatory to the SJMSCP and describes that participation in the SJMSCP would satisfy requirements of the California and federal endangered species acts and ensure impacts, presumably to state and federally listed species and their habitats, are mitigated below the level of significance according to the CEQA. The local jurisdiction retains responsibility for ensuring that the appropriate measures are implemented and monitored. The comment notes that participation is voluntary and that project proponents opting against participation would need to provide alternate mitigation equivalent to that in the SJMSCP.

Because LAFCo is the public agency with principal responsibility for approving the project (Draft Subsequent EIR p. 1-2), the environmental analysis in Draft Subsequent EIR Section 3.3 identifies the mitigation that SSJID would need to implement as a project proponent that chooses against participating in the SJMSCP.

The comment also notes that compliance with Sections 404 and 401 of the Clean Water Act are not satisfied by participation in the SJMSCP and because potentially jurisdictional waters may be present in the project area, permits would be required from the U.S. Army Corps of Engineers (USACE) and Regional Water Quality Control Board (RWQCB). These are identified in Draft Subsequent EIR Table 1-1.

As noted on Draft Subsequent EIR p. 3.3-19, SSJID has not formally adopted the SJMSCP. SSJID has made no commitment to participate in the SJMSCP. Pursuant to Mitigation Measures 3.3-1e and 3.3-2a, SSJID would be required to conduct pre-construction surveys, implement compensatory mitigation for impacts, and acquire appropriate permits from USFWS, CDFW, USACE, and RWQCB. As appropriate, project impacts would be mitigated in consultation with resource agencies outside of the SJMSCP. Species-specific mitigation (e.g., Mitigation Measures 3.3-4a [special-status plants], 3.3-5a [burrowing owl], 3.3-8a [Swainson's hawk], 3.3-9a [valley elderberry longhorn beetle], 3.3-10a [bats]) were developed based on a review of Section 5.2 of the SJMSCP, but SSJID would still need permits from the above agencies.

A-2 The comment describes the process for participating in or opting out of the SJMSCP. SSJID plans to opt out according to the SJCOG notification process.

A-3 The comment consists of the Application and SJMSCP Review Form (SRF) required for participation in the SJMSCP. For the proposed project, the analysis in Draft Subsequent EIR Section 3.3 identifies the mitigation that SSJID would need to implement by declining coverage and opting out. Please refer to Response A-1.

A-4 The comment states that SSJID is a signatory to the SJMSCP, but is otherwise the same as Comment A-1. For the proposed project, SSJID would be opting out of participation in the SJMSCP. Please refer to Response A-1.

Responses to Comment Set B – Governor’s Office of Planning and Research, OPR State Clearinghouse

- B-1 Comment noted. The Draft Subsequent EIR public comment period closed on January 17, 2012 following an initial notification made on November 15, 2011 and a revised notification of agencies sent by the clearinghouse on December 1, 2011.

Responses to Comment Set C – Central Valley Flood Protection Board, California Natural Resources Agency

- C-1 The comment states that the proposed project is located within the jurisdiction of the Central Valley Flood Protection Board and is subject to the Flood Protection Board’s standards for flood control plans. The comment describes types of actions that would require a Board permit if they occur within the Board’s district.

Section 3.7.1.4 (Rules and Regulations) of the Draft Subsequent EIR provides detailed discussion of all laws and regulations applicable to the proposed project, with respect to hydrology and water quality. The Draft Subsequent EIR (p. 3.7-7) addresses Assembly Bills 162 and 156, which include requirements of the Central Valley Flood Protection Board. As described on page 3.7-7, existing SSJID facilities provide drainage for stormwater and flood protection for local agencies that are subject to the requirements of Assembly Bill 162, although the SSJID itself is not subject. Also as described on this page, SSJID is not an owner of any flood control project or facility subject to the reporting requirements of Assembly Bill 156. The proposed project would occur in full compliance with all applicable laws and regulations.

- C-2 The comment describes the CEQA requirements for cumulative impact analyses, and states concern that the accumulation and establishment of woody vegetation could negatively affect channel capacity and could be difficult to manage if it becomes habitat for wildlife and is subsequently subject to federal and state requirements.

Cumulative impacts are addressed in the Draft Subsequent EIR, Section 5. Cumulative effects associated with biological resources, including as related to wildlife habitat and vegetation management, are addressed in Section 5.3.3. SSJID presently manages the irrigation system as noted in Section 2.6.1, p. 2-46 of the Draft Subsequent EIR, the District plans for the annual maintenance and capital improvement of its irrigation system, and open ditches are cleared of sand and weeds and relined as necessary. The District conducts routine maintenance of stormwater conveyance facilities, including: inspections; clearing trash, debris, and other obstructions; plastering pipelines; patching canals and access roads; and controlling weeds. SSJID would adequately provide service by operating and maintaining its facilities, as it must do now.

Similarly, SSJID would provide maintenance for the retail electric service facilities as described in Section 2.6.4 (p. 2-50); vegetation management would be necessary to protect the electric distribution system from overgrowth. SSJID proposes to develop and implement right-of-way maintenance plans that would manage vegetation around SSJID facilities. These practices would be similar to those implemented by PG&E currently and they would be consistent with prudent utility practices. The proposed vegetation management would not occur at a level that would be cumulatively considerable (Draft Subsequent EIR Section 5.3.3); nor would the activity be likely to interfere with the integrity of flood control plans or flood fight procedures.

Additionally, the potential for wildlife habitat to develop in accumulated vegetation is analyzed in Section 3.3 (Biological Resources), and procedures associated with clearing accumulated vegetation that has become wildlife habitat are addressed in Mitigation Measure 3.3-1d (Survey prior to non-routine vegetation management, p. 3.3-27 of the Draft Subsequent EIR. As stated on p. 3.3-39, "Per Mitigation Measure 3.3-1a through Mitigation Measure 3.3-1d, SSJID would restrict work to within existing access roads; avoid Environmentally Sensitive Areas; and conduct a pre-activity survey for active nests, burrows, and dens prior to vegetation management around distribution system facilities (if it has been one year or longer since the last clearing)." The proposed project would occur in compliance with all applicable laws and regulations.

- C-3 The comment describes that encroachments could result in flooding impacts and suggests that the EIR identify mitigation measures to address adverse hydraulic impacts for channel and levee improvements. The comment also states that off-site mitigation (outside of the "State Plan of Flood Control") should be used when mitigating for vegetation removed within the project location.

No channel and levee improvements are proposed as part of the project. Annual maintenance is already required for the SSJID irrigation system. As noted in Response C-2, SSJID clears open ditches of sand and weeds and conducts routine maintenance of stormwater conveyance facilities, including: inspections; clearing trash, debris, and other obstructions; plastering pipelines; patching canals and access roads; and controlling weeds. Additionally, Draft Subsequent EIR Section 3.7 (Hydrology and Water Quality) identifies mitigation to address flooding-related impacts, including Mitigation Measures 3.7-2a (Install pervious and/or high-roughness groundcover where applicable) and 3.7-4a (Aboveground structures shall be protected against flood and erosion damage), which are designed to minimize or avoid potential hydraulic impacts. Regarding the identification of mitigation measures for vegetation clearing, Section 3.3 (Biological Resources) of the Subsequent EIR identifies a suite of mitigation measures applicable to vegetation clearing activities, including the following: 3.3-1a (Minimize construction footprint), 3.3-1b (Survey new electric utility corridors), 3.3-1c (Avoid designated Sensitive Areas), 3.3-1d (Survey prior to non-routine vegetation management), and 3.3-1e (Avoid, minimize, and compensate for impacts to special-status species). These mitigation measures would ensure that vegetation-clearing activities associated with the proposed project would not result in significant adverse effects.

- C-4 Comment noted. The comment provides the website address for the Central Valley Flood Protection Board for the retrieval of applicable permit applications, and suggests that local, federal, and state agencies should be contacted regarding the applicability of other permitting requirements. The proposed project would be implemented in compliance with all applicable laws and regulations. The regulatory environment for hydrology and water quality is presented in Draft Subsequent EIR Section 3.7.1.4 (Rules and Regulations), while the regulatory environment for biological resources is presented in Section 3.3.1.4. All appropriate agencies will be consulted to ensure regulatory compliance.

- C-5 This letter from the Flood Protection Board (dated September 6, 2012) repeats the concerns raised in the December 7, 2011 letter. The comment notes that the project would occur in the area of the Stanislaus River, which makes the southern boundary of the SSJID territory (as noted in Draft Subsequent EIR Section 1.3). The issues of permits that could be required, managing channel capacity, and potential hydraulic impacts are addressed in Responses C-1 to C-4.

Responses to Comment Set D – Stanislaus County Environmental Review Committee

D-1 Comment noted. No substantive comment made.

Responses to Comment Set E – California Regional Water Quality Control Board, Central Valley Region

E-1 The comment describes the responsibility of the Central Valley Regional Water Quality Control Board (“Central Valley RWQCB” or “Central Valley Water Board”) to protect the quality of surface water and groundwater within its region, and describes requirements of the Construction Storm Water General Permit as related to construction activities such as those included under the proposed project.

The Draft Subsequent EIR Section 1.10, Agency Use of this EIR, Table 1-1 (p. 1-15) lists permits that may be required by SSJID to implement the proposed project including the National Pollutant Discharge Elimination System – General Construction Stormwater Permit. Additionally, Draft Subsequent EIR Section 3.7.1.4 (Rules and Regulations) provides a discussion of the authority of the Central Valley RWQCB and the federal Clean Water Act, including as relevant to the Construction General Permit. The Draft Subsequent EIR discussion of Impact 3.7-1 (p. 3.7-15) indicates that SSJID would implement a Storm Water Pollution Prevention Plan (SWPPP) for coverage under Construction General Permit and that the SWPPP must be approved by the RWQCB prior to the onset of earth-disturbing activities; this include practices to control soil erosion and construction wastes, in order to prevent pollutants from contacting stormwater and stormwater runoff.

E-2 The comment describes regulations contained in Phase I and II Municipal Separate Storm Sewer System (MS4) Permits, which require MS4 Permittees to reduce pollutants and runoff flows from new development and redevelopment using best management practices (BMPs) to the maximum extent practicable (MEP).

For Manteca, MS4 General Permit requirements are described in the Draft Subsequent EIR (p. 3.7-8), under “Waste Discharge Identification Number 5B39NP00023.” The MS4 General Permit requirements are also discussed under Impact 3.7-1 (Result in surface water and groundwater contamination that could violate water quality standards) in the Draft Subsequent EIR (pp. 3.7-15 and 3.7-16). This discussion notes that SSJID activities in Manteca would include implementing Manteca’s Storm Water Management Plan (SWMP) and activities elsewhere would implement a SWPPP that must be approved by the RWQCB, as discussed in Response E-1.

E-3 The comment describes regulations contained in the Industrial Storm Water General Permit Order No. 97-03-DWQ, which applies to storm water discharges associated with industrial sites.

Page 3.7-8 of the Draft Subsequent EIR identifies that SSJID is presently a “Level I Priority Industrial Users” and that all such entities are required to submit a SWPPP to the County. The discussion shows how the SWPPP must outline the user’s spill prevention and response procedures, describe the nature and location of any chemicals stored on the user’s premises, and contain procedures for immediately notifying the County and preventing adverse impacts of any discharge of regulated chemicals, substances, or materials.

- E-4 The comment describes requirements of Section 404 of the federal Clean Water Act, noting that the Central Valley Water Board will review the project's Section 404 permit application to the U.S. Army Corps of Engineers (USACE), if it is determined that such a permit is required, and suggests that the California Department of Fish and Wildlife (CDFW), previously the Department of Fish and Game, should be contacted regarding Streambed Alteration Permit authorization, if it is determined that the project would include surface water drainage realignment.

The Draft Subsequent EIR (Table 1-1) lists permits that may be required by SSJID to implement the proposed project, including a Nationwide or Individual Permit (Section 404 of the Clean Water Act). As noted in Response E-1, Draft Subsequent EIR Section 3.7.1.4 includes discussion of the federal Clean Water Act, and the Draft Subsequent EIR (p. 3.7-5) clearly states that if a Section 404 permit from the USACE is required for the proposed project, a Water Quality Certification (or waiver thereof) from the Central Valley RWQCB would also be required.

The analysis of Draft Subsequent EIR Impact 3.3-2 (regarding sensitive natural communities, including riparian, or wetlands, or other waters of the U.S. and/or State) shows that none of the near-term proposed construction and electric distribution system work, including the Jack Tone Substation, would affect riparian areas or wetlands. Although no part of the near-term construction would involve a discharge of material to navigable waters or surface water drainage realignment, the analysis considers these for the programmatic-level assessment of foreseeable consequences of the retail electric service plan over the long-term, as electricity demand grows or to serve future annexations.

Regarding potential surface water drainage, the Draft Subsequent EIR (p. 3.7-7) describes that, in accordance with Section 1602 of the California Fish and Game Code, a Streambed Alteration Agreement from the CDFW would be required if the CDFW determines that the proposed project could do any of the following: divert, obstruct, or change the natural flow of a river, stream, or lake; change the bed, channel, or bank of a river, stream, or lake; or use material from a streambed (see Section 3.3, p. 3.3-18); the agreement would include measures to protect fish and wildlife resources while conducting the action. Draft Subsequent EIR Mitigation Measure 3.3-2a (p. 3.3-30) requires SSJID to acquire permits to demonstrate compliance with applicable laws and regulations pertinent to wetlands and waters of the U.S. and/or State including a Lake and Streambed Alteration Agreement from CDFW under California Fish and Game Code Section 1600 and 1602, *et seq* if applicable.

- E-5 The comment notes that if the proposed project would disturb waters of the U.S., issuance of Water Quality Certification(s) from the Central Valley Water Board would be required per Section 401 of the Clean Water Act, and notes that there are no waivers for Section 401 Water Quality Certifications.

The Draft Subsequent EIR (Table 1-1) lists permits that may be required by SSJID to implement the proposed project, including a Section 401 Water Act Quality Certification from the Regional Water Quality Control Board. The Draft Subsequent EIR Section 3.7.1.4 also includes discussion of the federal Clean Water Act, and the Draft Subsequent EIR (p. 3.7-4) describes that a Section 401 Water Quality Certification from the Central Valley RWQCB would be required for any action that also requires a Section 404 permit from the USACE, for actions affecting jurisdictional waters of the U.S.

- E-6 The comment notes that if the USACE determines that non-jurisdictional (non-federal) waters of the State are present in the project area, a Waste Discharge Requirement (WDR) permit would need to be issued by the Central Valley Water Board, per the California Porter-Cologne Water Quality Control Act.

The Draft Subsequent EIR in Section 3.7.1.4, Rules and Regulations, describes the State Requirements for the proposed project. The Draft Subsequent EIR (pp. 3.7-5 and 3.7-6) also describes the Porter-Cologne Water Quality Control Act and potentially applicable California Water Code requirements (p. 3.7-7). Section 13260 of the Water Code requires that any proposed discharge that could affect the quality of the waters of the State, other than into a community sewer system, must submit a report of waste discharge to the RWQCB. As determined in the impact analyses under the first significance criterion (“Violate any water quality standards or waste discharge requirements, create any substantial new sources of polluted runoff, or otherwise substantially degrade surface water or groundwater quality”), the proposed project would conduct all activities related to construction and operation of the electric distribution system in compliance with all laws and regulations, including implementing all appropriate permit requirements, and would not violate permit requirements.

Responses to Comment Set F – California Department of Transportation (Caltrans)

- F-1 The comment notes that the Draft Subsequent EIR in Section 4, Potential Future SSJID Headquarters, addresses a potential future headquarters, and Caltrans requests a full Traffic Impact Study (TIS) if SSJID should decide to move forward with the future headquarters.

The Draft Subsequent EIR in Section 4 provides a programmatic analysis of potential impacts should SSJID choose to develop a headquarters, but the Draft Subsequent EIR did not treat the potential future headquarters as part of the proposed project. Because SSJID has no present plan to construct a headquarters or any tentative design beyond the conceptual description set forth in the Draft Subsequent EIR, the Project Description (Section 2) does not include any new construction for a headquarters. The Draft Subsequent EIR in Section 2.6.4 and Section 4 describes how the proposed project includes renting property or relying on contractor yards as a base for electric utility staff.

The analysis of traffic impacts for the headquarters in the Draft Subsequent EIR is “necessarily programmatic”, and Section 4 shows how SSJID would “need to undertake project-level environmental review of that action” [. . .] “if and when SSJID decides to pursue new headquarters” (p. 4-1). Under such a scenario, an updated traffic study would have to be prepared. Because implementation of the retail electric service plan would increase the likelihood that someday SSJID might choose to build such a facility, the Draft Subsequent EIR conservatively treats the headquarters as a reasonably foreseeable consequence of SSJID expanding its existing services to provide retail electric service. Because there are no plans for such a facility at this time, the analysis in the EIR for the future headquarters necessarily involves a certain degree of forecasting and the analysis is necessarily programmatic. Additional discussion of the headquarters analysis is provided in Response I-12.

To address the Caltrans request for a full TIS that determines impacts to State facilities, this Final Subsequent EIR includes the revisions to clarify steps that SSJID would need to undertake as part of determining the feasibility of any chosen location (Draft Subsequent EIR p. 4-2). See Section

B.3 of this Final Subsequent EIR, Revisions to the Draft Subsequent EIR, for the revision as follows.

Revised Section 4. Potential Future SSJID Headquarters

Evaluation of Environmental Impacts

[...]

The analysis contained in this section is based on the preliminary site plan for this location that was designed for the purposes of this analysis. This represents the current best effort to forecast what the impacts of any future proposed headquarters might be at the northeast corner of E. Louise Avenue and Austin Road. This analysis is offered for the purposes of full disclosure under the California Environmental Quality Act (CEQA). The preliminary site design is for illustrative purposes only and the ultimate design would be determined in the future should SSJID pursue a headquarters on this site. Additional design details including additional CEQA documentation would need to be prepared by SSJID before development of a new headquarters could be approved at any location. Examples of the details that SSJID would need to specify include: construction workforce, schedules, and phasing; site plans and site elevation drawings; landscaping plans; drainage plans; connections to utilities; site access plans; and traffic studies. SSJID may ultimately choose another site for construction of its new headquarters, and if so, the impacts of such a proposal would likely be similar to those described in this section. Nevertheless, it would be speculative to attempt a more detailed description of those impacts at this time; SSJID may decide not to pursue new headquarters at all.

F-2 The commenter requests that certain traffic data and estimations of trip generation rates be updated, revised, or corrected when the full Traffic Impact Study is prepared for any future SSJID headquarters. See Response F-1.

F-3 The comment notes that the applicant would require an Encroachment Permit prior to any work within the State's right-of-way (ROW) and any access (driveway) point onto the State Highway System. The Encroachment Permit must include appropriate studies and a copy of the environmental document adopted by the Lead Agency. All work performed within/adjacent to the State's ROW would be subject to Caltrans Highway Design Manual and Standards and Specifications.

The Draft Subsequent EIR (Table 1-1) lists permits that may be required by SSJID to implement the proposed project including Encroachment Permits from Caltrans for construction in or across a ROW of State highways and roadways. Mitigation Measure 3.10-1a notes that the measures included in the Traffic Control Plan would be consistent with any applicable guidelines outlined in the Standard Specifications for Public Works Construction, the U.S. Department of Transportation's Manual on Uniform Traffic Control Devices, and the Work Area Traffic Control Handbook. A specific reference to the Caltrans Highway Design Manual has been included in the mitigation measure; see Section D of this Final Subsequent EIR, Mitigation Monitoring Program.

F-4 The comment notes that utility work of any kind must be coordinated with Caltrans. The discussion of Draft Subsequent EIR Impact 3.10-1 (regarding closure of roads and/or reduction of travel lanes) states that work along SR 99 would require close coordination with Caltrans, that all work within a public road ROW would require pre-construction input and approval from the

responsible public agencies, and that prior to conducting work within a road ROW, SSJID is required to obtain encroachment permits from the applicable transportation agencies.

Responses to Comment Set G – San Joaquin County Environmental Health Department

- G-1 The comment notes that the pumping of chemical toilets, referenced in Section 3.9, must be done with the use of pumper trucks that comply with San Joaquin County Ordinance Code Section 9-1110.8 (Septic Tank Pumping) and the effluent must be disposed of at disposal sites approved by the Director of the Environmental Health Department. All project activities would comply with these requirements. To make this obligation clear, this Final Subsequent EIR revises Section 3.9.2.2 to include a reference to the ordinance; see Section B.3 of this Final Subsequent EIR, Revisions to the Draft Subsequent EIR.
- G-2 The comment notes that any future proposed facilities with site wastewater disposal systems would need to analyze potential impacts to groundwater. Headquarters (or other future proposed facilities) would need to comply and would need to be analyzed. Subsequent analysis would occur if a site is selected and proposed. The potential future headquarters is not part of the Project Description, but implementation of the retail electric service plan would increase the likelihood that someday SSJID might choose to build such a facility. The Draft Subsequent EIR in Section 2.6.4 and Section 4 describes how the proposed project includes renting property or relying on contractor yards as a base for electric utility staff. As noted in Section 4, Potential Future SSJID Headquarters, if and when SSJID decides to pursue new headquarters, it would need to undertake project-level environmental review of that action.
- G-3 This letter (dated August 16, 2012) notes support of the project with no comments in addition to Comments G-1 and G-2.

Responses to Comment Set H – Governor’s Office of Planning and Research, OPR State Clearinghouse (2)

- H-1 This letter (dated January 19, 2012) is a transmittal from OPR that contained copies of the letters in Comment Set C, E, and F. No substantive comment made.
- H-2 This letter (dated August 21, 2012) indicates no additional comments on the Partially Recirculated Draft Subsequent EIR.

C.4 Comments from PG&E

Comment Set I, Cox, Castle & Nicholson LLP on behalf of PG&E



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January 17, 2012

VIA E-MAIL AND OVERNIGHT MAIL JGLASER@SJGOV.ORG

James Glaser
Executive Officer
San Joaquin LAFCO
509 West Weber Ave., Suite 420
Stockton, CA 95203

Re: SSJID Draft EIR for Plan to Provide Electric Service, Sphere Plan, MSR, and Annexation

Dear Mr. Glaser :

Pacific Gas and Electric Company (PG&E) has reviewed the *Draft Subsequent Environmental Impact Report: South San Joaquin Irrigation District (SSJID) Plan to Provide Retail Electric Service, Sphere Plan, MSR, and Annexation* (SCH No. 2005102018) (the Draft EIR). On behalf of PG&E, we are submitting the following comments regarding the adequacy of the Draft EIR under CEQA.¹

As described in further detail below the Draft EIR has the following major defects:

- The Draft EIR has an unstable and incomplete project description which results in an inadequate disclosure of the project's environmental impacts. I-1
- The Draft EIR improperly piecemeals the project into several smaller actions which results in the additive impacts of the project not being properly analyzed. I-2
- The Draft EIR fails to propose enforceable mitigation measures for the impacts associated with the future headquarters or for the provision of retail electric service in Sphere of Influence (SOI) Areas D and E. I-3
- The Draft EIR has an overly conclusory analysis of the environmental impacts associated with Areas D and E. I-4

¹ PG&E is submitting comments under separate cover regarding the adequacy of the Municipal Service Review.

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- The Draft EIR does not contain a reasonable range of alternatives. Among other things, the Draft EIR reaches a legally incorrect conclusion that SSJID does not have legal authority to provide electric service as a Community Choice Aggregator.

I-5

1. Unstable Project Description

I-6

The project description in the Draft EIR is incomplete, and this prevents the Draft EIR from serving its informative purpose under CEQA. “An accurate, stable and finite project description is the *sine qua non* of an informative and legally sufficient EIR.” *County of Inyo v. City of Los Angeles* (1977) 71 Cal.App.3d 185, 193. “Only through an accurate view of the project may affected outsiders and public decision-makers balance the proposal’s benefit against its environmental cost, consider mitigation measures, assess the advantages of terminating the proposal . . . and weigh other alternatives in the balance.” *Id.* at 192-193.

a. The Draft EIR Improperly Minimizes the Scope of Work Involved in Separation.

I-7

The Draft EIR’s description of the activities and improvements required to separate the facilities SSJID proposes to acquire from the rest of PG&E’s system is incomplete. As a result, the Draft EIR thus fails to inform the public and decision-makers of the true environmental scope of SSJID’s undertaking to provide retail electric service.

The Draft EIR states that severance activities will require SSJID to “modify about five percent of the 746 miles of distribution circuits to be acquired.” (Draft EIR p. 2-14.) The Draft EIR then quantifies such modifications in mile units in Table 2-2. This is an over-simplistic presentation of the nature of the proposed project. PG&E’s consultant Black & Veatch concludes that there are a minimum of 300 severance locations which will require modification to separate service from PG&E post-acquisition service area. (*PG&E Estimating the Fair Market Value of PG&E’s Retail Electric Utility Assets in the SSJID*, December 2009, §7.4.2.) The Draft EIR fails to identify the location of these severance locations so that a reader can be informed of the specific environmental impacts associated with a specific modification. For example, certain areas within SSJID’s jurisdiction may contain more sensitive visual resources where underbuild or new poles could result in unique, and significant, visual impacts. Figure 2-2 fails to identify the amount of work that will take place in SSJID’s jurisdiction. A reader is unable to determine, for example, if underbuild will be installed along the entire length of French Camp Road, or if French Camp Road is simply a general area of work. Also, for example, absent a more specific delineation of the location of the separation facilities, the Draft EIR’s conclusion that there are no significant aesthetic impacts is conclusory and unsupported.

I-8

b. The Draft EIR Hides the Impacts of the Border-Area Service Plan

The Border-Area Service Plan doubles the impacts of the project that is described in the Draft EIR’s Project Description. The Draft EIR states in its project description that the provision of retail electric service would result in approximately 4 miles of new overhead lines, 13

I-9

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miles of new underbuild distribution lines on existing or taller poles, and 8 miles of new underground cables for a total of 34.5 miles of modifications and addition or replacing about 420 poles. (Draft EIR p. 2-14.) This description is used at least for the Visual Resources analysis (See Draft EIR p. 3.11-15.) The Draft EIR however hides the true extent of the foreseeable impacts of the project by drawing a figurative line between the scope of the project if certain speculative agreements are reached with PG&E and/or MID and the scope of the project if such speculative agreements are not executed. Given that after the years and public resources devoted by SSJID to entering the retail electric business, the Draft EIR is silent as to the state of negotiations with MID and the public record indicates that no MID agreement actually exists, it is improper for the Draft EIR to base its main analyses on such agreements. Instead, the EIR analyses should be based on the true default position of SSJID needing to address border service issues that require extensive construction.

I-9 cont.

In an attachment to Section 3.9, the Draft EIR discloses the actual scope of impacts associated with providing retail electric service absent the best case scenario of entering into agreements with PG&E and MID. This attachment states that the project would result in five, versus four miles of new overhead lines, nine versus eight miles of new underground cabling, and 42 versus 13 miles of new underbuild, almost doubling the total miles of modifications disclosed in the project description from 34.5 miles to 66.6 miles. This increased scope of improvements would add three additional work crews and two months of construction work to what was disclosed in the Project Description. (Draft EIR p. 3.9-22.) The Draft EIR neglects to mention on the true potential scope of the impacts associated with the project by having best case analyses based on the Project Description presented in each impact chapter, while the reasonably foreseeable impacts of the project, that *will* occur if SSJID is unable to negotiate certain agreements, are hidden in an attachment to the Socioeconomics, Public Services, and Utilities chapter.

This cursory and disintegrated analysis hides impacts from the public such as the visual impacts that will result from a dramatically increased pole intensity in the border areas. The attachment to Section 3.9 contains no photosimulations of the visual impacts of having two circuit systems, on separate poles, in an agricultural visual environment where visual receptors do not have the expectation of the type of industrialized view that is created by constructing duplicative power lines. Further, the photosimulations in Section 3.11 (Visual Resources) only provide photographs of existing conditions. The public is provided no example of the significant visual impact from duplicate circuits that will result in certain areas if the Border-Area Service Plan is implemented. To accurately reflect the visual impacts of the proposed project, additional photosimulations should be added showing circuits on both sides of a rural highway that are compared on the same page with photographs of existing conditions. Such a revised analysis would reveal, contrary to the Draft EIR's conclusions, that the project will result in significant and unavoidable visual impacts.

I-10

This "curtailed, enigmatic, or unstable project description draws a red herring across the path of public input." *County of Inyo*, 71 Cal.App.3d at 198. In other words, the Draft EIR should simply note the possibility of reduced impacts through agreements with MID and PG&E while making clear to the reader that such agreements are speculative. Chapter 3 should be revised

I-11

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to ensure the benefits resulting from such speculative agreements are not incorporated in the impact analyses or relied on in any determination of the significance of impacts.

I-11 cont.

c. **The Draft EIR Improperly Excludes the Future SSJID Headquarters from the Project**

I-12

The Draft EIR improperly excludes the future headquarters from the “whole of the action.” The components of the project found in the Project Description chapter do not include a future headquarters. (Draft EIR p. 2-2.) Instead, the Draft EIR states that the future headquarters is a foreseeable project for purposes of the cumulative impacts analysis. (Draft EIR 2-10.) The Cumulative Impacts analysis does include the headquarters as a foreseeable project but does not include the impacts associated with the headquarters as part of the project’s contribution to any cumulative impacts. (See e.g., Draft EIR at 5-7.) Yet the Draft EIR states that it provides a programmatic review of the future headquarters, implying that it is part of the proposed project. (Draft EIR p. 3.0-2.) This confusing and artificial segmentation of the project improperly minimizes the project’s disclosed contribution to cumulative impacts and improperly avoids proposing enforceable mitigation measures.

CEQA requires an EIR to analyze the impacts of the “whole of the action.” Here, cutting through the pervasive qualifying language inserted into the Draft EIR, the need for the proposed headquarters is exclusively driven by the additional 70 employees that will need to be hired to provide retail electric service and the need for space for electric service vehicles and equipment. (Draft EIR p. 4-1.) Thus, the future headquarters, acknowledged to be a reasonably foreseeable result of the project (Draft EIR pp. 2-10, 5-2), has no independent utility from the proposed project and therefore must be analyzed as part of the “whole of the action,” and any impacts associated with the headquarters mitigated to the extent feasible. *City of Santee v. County of San Diego* (1989) 214 Cal.App.3d 1438, 1450. Evidence that the future headquarters is part of the proposed project includes that the stated alternative to the headquarters, renting existing facilities (Draft EIR p. 4-1) is not included in the Project Description chapter and no potential facilities available for rent are identified. However, the Draft EIR contains a chapter analyzing the future headquarters as a separate project (Chapter 4) without regard to other cumulative projects. This inappropriately masks the impacts of the “whole of the action.” Likewise, future activities associated with the Sphere Plan and MSR are not treated as project impacts. (Draft EIR p. 2-7.) Not including the future activities of the Sphere Plan and MSR as part of the “whole of the action” submerges the environmental impacts of the project by “chopping a large project into many little ones – each with a . . . potential impact on the environment – which cumulatively may have disastrous consequences.” *City of Santee*, 214 Cal.App.3d at 1452. The approval of the Sphere Plan and MSR is setting agency momentum towards implementing projects with potentially tremendous environmental impacts, including the 10 mile long pipeline included in the Division 9 Project and Phase II of the South County Water Supply Program.

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2. Piecemealing the Analysis of Environmental Impacts

a. The Draft EIR Lacks Integrated Analyses

The Draft EIR presents the impacts of separate project components in separate analyses, rather than analyzing them together, which obfuscates the analysis and disclosure of the total impact to the environment from the proposed project. Each impact area analyzes the components of the project separately without ever informing the reader of the Draft EIR of the total impact that will result from the project. For example, the Land Use, Agricultural, and Recreation chapter concludes that the Sphere Plan and MSR would have no impact on conversion of farmland (Draft EIR p. 3.1-7), the expanded SOI would have an unquantified less than significant impact related to the conversion of farmland (3.1-8); the 80-acre annexation would have a less than significant impact (Draft EIR p. 3.1-10); the provision of retail electric service would result in a less than significant impact including 1.89 acres of permanent conversion from the Jack Tone substation, an unquantified impact from construction and the growth of infrastructure, and an unquantified, and unmitigated, impact from the expansion of electric service to Area D and Area E (Draft EIR p. 3.1-13); an unquantified less than significant impact related to the Border-Area Service Plan (Draft EIR p. 3.9-27); and 31.4 acre unmitigated less than significant impact related to the future headquarters (Draft EIR p. 4-5). As with all impact subjects, nowhere does the Draft EIR synthesize this information to present the reader with the total impact of the project and a related analysis showing that the proposed mitigation measures are adequate to reduce all of these impacts to a less than significant level for both direct impacts and the project's contribution to cumulative impacts. (See Draft EIR p. 3.1-15 [no analysis of additive impact of project components related to the conversion of farmland].) The Draft EIR impermissibly chops up its analysis to hide the true impacts of the project.

This lack of integrated analysis, which essentially treats each component of the project as a distinct project, is used to avoid imposing mitigation on all proposed activities. For example, the Draft EIR concludes that the cultural resource impacts related to the annexation "would be adverse but not significant," thus no mitigation is required for those impacts. (Draft EIR p. 3.4-19.) However, the impacts to cultural resources resulting from another component of the project, the provision of retail electric service, would be significant without mitigation. (Draft EIR p. 3.4-21.) Since both the annexation and provision of retail electric service will involve ground disturbing activities, the lack of integrated analysis improperly avoids imposing mitigation 3.4-1a to the annexation. The Draft EIR only connects the components of the project by including them in the same physical document; otherwise, the analyses related to each component could be completely free-standing. This segregation of analyses is impermissible under CEQA. *City of Santee*, 214 Cal.App.3d at 1452.

b. Failure to Disclose Foreseeable Impacts Related to Severing Service from PG&E

In Table 2-3, the Draft EIR states that SSJID will acquire PG&E's Ripon substation to address territory boundary issues but does not propose to acquire PG&E's Vierra or Avena substations as they are located outside the SSJID territory. Instead, SSJID proposes to acquire

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circuits within its territory being served from these two substations. PG&E's consultant, Black & Veatch, has concluded that in order for PG&E to continue to reliably serve customers served by the Vierra and Avena substations, PG&E would need to construct two new substations – a new Lathrop substation and a new South of Vierra substation. (*PG&E Estimating the Fair Market Value of PG&E's Retail Electric Utility Assets in the SSJID*, December 2009, §7.4.1.) The Draft EIR must be revised and recirculated to include project level analyses of the impacts associated with these new substations and the mitigation proposed to address such impacts.

I-14 cont.

c. Treatment of Headquarters, Sphere Plan, MSR

The Draft EIR's treatment of the future headquarters and the future projects associated with the Sphere Plan and MSR improperly minimize the project's contribution to cumulative impacts. This results in an unsupported determination that the project's contribution to all cumulative impacts is not cumulatively considerable. The approach taken by the Draft EIR violates the basic principle in CEQA that a project should not be piecemealed to avoid a determination that a project will have cumulative impacts. *City of Santee*, 214 Cal.App.3d at 1452.

I-15

3. The Draft EIR is Improperly Based on Documents That are Not Publicly Available; Those Should be Included in the EIR or, at a Minimum, Made Available to EIR Reviewers.

I-16

CEQA requires that the public have reasonable access to the underlying data and reports included in an EIR. The CEQA guidelines contemplate that information not contained in the body of an EIR will either be included in an appendix, incorporated by reference, or provide citations to publicly available documents so that the public has an opportunity to consider whether an EIR reaches the correct conclusions from the information it is based on. Here, LAFCo and SSJID have failed to provide reviewers of the Draft EIR any access to the Siemens' February 2010 Distribution Network Inventory and Severance Issues Report or its July 2011 SSJID Distribution Inventory & Severance Study. (*See, e.g.*, citation on Draft EIR pp. 2-19, 3.9-24.) These reports appear to be the basis for the scope of the improvements that will need to be implemented to undertake the project, thus the foundation of all the impact analyses found in the Draft EIR. If the assumptions or methodology in these reports are inaccurate, the entire Draft EIR would be infected, which would then fail as an informational document. Yet, the public is given no opportunity to review these critical documents.

The CEQA Guidelines state that “[p]lacement of highly technical and specialized analyses and data in the body of an EIR should be avoided through inclusion of supporting information and analyses as appendices to the main body of the EIR” that are readily available for public review. 14 C.C.R. § 15147. These reports are not included as appendices.

The Guidelines also permit a lead agency to incorporate information by reference. However, here, the Draft EIR does not claim to incorporate the missing reports by reference nor could it. Incorporation by reference is only permissible for “a matter of public record or is generally available to the public.” SSJID has refused to produce prior Siemens severance reports in response to Public Record Act requests and these reports are not available in a location identified by the Draft

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EIR's Notice of Availability.² These reports are not generally available to the public. Finally, an EIR may simply cite certain documents (14 C.C.R. § 15148), but again such documents must be publicly available. Further, citation alone should not be used for project specific reports as opposed to scientific journal articles or reports of general applicability.

I-16 cont.

4. The Draft EIR Must Propose Enforceable Mitigation Measures

The Draft EIR states that it analyzes the expansion of retail electric service to Area D and Area E at a programmatic level, and therefore concedes that such activities are part of the proposed project. (Draft EIR p. 2-8.) However, the Draft EIR does not propose any mitigation for the potential environmental impacts of these activities. Instead, the Draft EIR repeats the following statement throughout its impact analyses: "Mitigation measures that apply to the proposal for retail electric service would likely also apply to the future expansion of electric service within the SOI. Approval of the proposed project, however, would not commit SSJID to exactly these mitigation measure for possible future annexations because considerations may arise within 30 years that would make the near-term measures obsolete and outdated." (*See e.g.*, Draft EIR p. 3.1-10.) This is unacceptable.

I-17

An EIR must describe feasible measures that could minimize significant impacts. 14 C.C.R. § 15126.4(a)(1). If no mitigation measures are feasible, the EIR must say so. 14 C.C.R. § 15091(a)(3). Any mitigation that will be adopted must be enforceable. Public Resources Code § 21081.6(b).

"An agency is forbidden to approve a project unless it finds there are no significant impacts; or imposes mitigation measures for all significant impacts; or finds mitigation measures infeasible or within the jurisdiction of another agency. (§ 21081, subd. (a); Guidelines, § 15091, subd. (a).) If the EIR finds that there are significant impacts for which no mitigation measures are feasible, it must adopt a statement of overriding considerations before approving the project. (§ 21081, subd. (b); Guidelines, § 15093.)" *Woodward Park Homeowners Ass'n v. City of Fresno* (2007) 150 Cal.App.4th 683, 724.

"There are two things an agency cannot do: It cannot acknowledge a significant impact, refuse to do or find anything else about it, and approve the project anyway. And it cannot acknowledge a significant impact and approve the project after imposing a mitigation measure not shown to be adequate by substantial evidence." *Id.*

The Draft EIR violates this rule by not proposing enforceable mitigation measures for Areas D and E. Area E is expected to be annexed within 10 years, and Area D is expected to be annexed within 30 years. (Draft EIR p. 3.1-10.) These time horizons are not unique and do not excuse the failure to propose feasible mitigation measures. For example, many general plans and master planned communities have decades-long implementation schedules, but nonetheless, the

² CEQA requires that the lead agency disclose "the address where copies of the EIR and all documents referenced in the EIR will be available for public review." 14 C.C.R. § 15087(c)(5).

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environmental documentation associated with those projects must propose feasible mitigation measures. If substantial evidence later demonstrates that certain mitigation measures would no longer be effective or feasible, other measures can be substituted when appropriate. *See Mani Bros. Real Estate Group v. City of Los Angeles* (2007) 153 Cal.App.4th 1385, 1388. The Draft EIR should be revised to include mitigation for all the project's impacts and be recirculated so that the public has the opportunity to comment on the effectiveness of such measures.

I-17 cont.

5. The Draft EIR's Analysis of Areas D and E is Conclusory and Insufficient

I-18

The Draft EIR purports to analyze the impacts of providing electric service to Areas D and E on a programmatic level. (Draft EIR p. 2-8.) Area D is a 5,240 acre area on the current southern border of SSJID and Area E is a 2,200 acre area within the City of Manteca. (*Id.*) The entire "programmatic" analysis for providing electric services to over 7,000 acres is the following conclusory statement found in almost all impact analyses: "The impacts of the possible future expansion of SSJID's retail service to Area "D" or Area "E" . . . if the areas are annexed in the future, would be similar to these impacts described for the proposed project . . ." (*See e.g.*, Draft EIR p. 3.1-12 [air impacts], 3.2-16, 3.4-21 [cultural impacts], 3.5-9 [geology impacts]; 3.6-18 [public safety impacts]; 3.7-16 [water quality impacts]; 3.8-14 [noise impacts]; 3.9-13 [socioeconomic impacts]; 3.10-12 [transportation impacts]; 3.11-13 [visual impacts]; 3.13-16 [energy conservation impacts].) Even when this sentence is not duplicated, the analyses related to Areas D and E provide no meaningful information to the reader. (*See e.g.*, Draft EIR p. 3.2-13 ["The possible future expansion of SSJID's retail electric service to Area "D" and Area "E" . . . would also not impact applicable air quality plans"].)

Such conclusory analyses, without any citation to substantial evidence that would allow a reader to weigh the validity of the Draft EIR's conclusions, does not satisfy CEQA and denies informed public participation. *Laurel Heights Improvement Ass'n v. Regents of the Univ. of Cal.* (1988) 47 Cal.3d 356, 403-404 ("Conclusory comments in support of environmental conclusions are generally inappropriate"). The Draft EIR makes it "impossible to analyze meaningfully the report's conclusion[s]" regarding the impacts of providing retail electric service to Areas D and E. *Id.* at 403.

The environmental setting of Areas D and E is known at this time and there is no informational impediment preventing the Draft EIR from quantifying the potential impacts of the project on these areas. CEQA requires that the Draft EIR analyze the impacts associated with providing retail electric service to Areas D and E to the extent feasible. 14 C.C.R. § 15144 ("an agency must use its best efforts to find out and disclose all that it reasonably can"). Further, the Draft EIR fails to provide any analysis of the border area impacts that would result from the provision of retail service to these areas. SSJID should determine the infrastructure improvements that would be required to segregate service to these areas from current electricity providers just as it did for the short term provision of retail electric service in the attachment to Chapter 3.9. This would include describing the miles of line, substations and other improvements necessary to serve Areas D and E, and the severance construction necessary to sever those areas from PG&E's remaining system. CEQA requires that an environmental analysis be completed at the earliest

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feasible stage of project planning. The Draft EIR does not identify any reasons why a robust analysis of the impacts related to providing retail electric service to Areas D and E cannot be completed now.

I-19 cont.

Finally, there does not even appear to be *any* analysis of the greenhouse gas impacts related to providing retail electric service to Areas D and E. The Draft EIR should analyze the anticipated electricity demand in these areas and the greenhouse gas profile of the energy that will be used to provide such electricity service in the future.

I-20

6. No Detail is Provided on Alternatives to the New Headquarters

I-21

The Draft EIR fails to treat the new headquarters as part of the project. The Draft EIR explains in Chapter 4 that “[b]ecause its current headquarters is near capacity, SSJID expects to rent existing commercial property or rely on existing contractor yards as a base for electric utility staff and equipment.” The Draft EIR’s Project Description provides no detail on the location, size, or availability of such facilities. This must be corrected. Without identifying the location of these facilities, the Draft EIR fails to address any unique noise, transportation/traffic, air quality, land use, or visual impacts that may result from establishing a center for retail electric service in a neighborhood or area where none previously existed. Chapter 4 identifies several potential impacts resulting from facilities used to support retail electric service, yet does not commit to mitigation for these impacts because the new headquarters is artificially divided from the project. Because no other location for support services is identified, the Draft EIR improperly ignores potential site specific impacts associated with providing retail electric service. The Draft EIR should be revised and recirculated to identify potential locations for retail electric service facilities, including the new headquarters described in Chapter 4, analyze the potential impacts associated with those locations, and commit to feasible mitigation to reduce or avoid those impacts.

I-22

7. Treatment of Borderland Impacts

I-23

The Draft EIR is inconsistent in its conclusions regarding the project’s impact related to utility disruptions. The Draft EIR concludes that a “significant and unavoidable impact associated with retail electric service would occur if SSJID is unable to implement a service agreement with either PG&E or MID for current PG&E customers” (Draft EIR p. 3-19-18.) However, the Draft EIR seems to imply that implementation of the Border-Area Service Plan would avoid any such significant impacts. (Draft EIR 3.9-16.) The Draft EIR must be revised and recirculated to clarify what impacts the project will actually have and whether the Border-Area Service Plan is part of the project.

The Draft EIR’s analysis of the impacts of the Border-Area Service Plan is inadequate. The proposed plan doubles the impacts of the project, but the analysis of these impacts is conclusory at best. For example, the biological resources analysis is only two paragraphs long with only a single conclusory sentence related to impacts to species and habitat associated with the Stanislaus River. The impacts to the Stanislaus River were not addressed in the main impact analyses, thus such a cursory treatment of such an important resource is unacceptable. There is no analysis of the species that may be located in areas that will be impacted by the plan or what sensitive habitats would be impacted. Because the impacts of the border plan are roughly equal to the

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narrowly defined proposed project itself, they should receive an equal level of analysis or be incorporated into the main impact chapters. The current treatment of the Border-Area Service Plan does not provide a sufficient level of analysis to allow the “public [to] know the basis on which its responsible officials either approve or reject environmentally significant action” *Laurel Heights*, 47 Cal.3d at 392.

I-23 cont.

8. The Draft EIR Does Not Contain a Reasonable Range of Alternatives

I-24

CEQA requires an EIR to consider project alternatives that “substantially lessen the significant environmental effects of such projects. (Public Resources Code § 21002.) The Draft EIR considers five alternatives: 1.) the Substation Site Alternative; 2.) the Renewable Energy Choice Alternative; 3.) Annexation Only Alternative; 4.) Sphere Plan and MSR Only Alternative; and 5.) the legally mandated No Project Alternative.

First, the Sphere Plan and MSR Only alternative is simply a duplicate No Project Alternative because the Draft EIR takes the position that the adoption of the Sphere Plan and MSR cannot have any environmental impacts. (Draft EIR pp. 6-21 to 6-24; 2-2 [“Neither the MSR nor the Sphere Plan commit to any course of action or approve any course of action”].) Thus, Alternative 4 is not a meaningful alternative to the proposed project as any environmental benefits derived from it are already represented in the No Project Alternative.

Second, Alternatives 3 and 4, the Annexation Only Alternative and the Sphere Plan and MSR Only Alternative, do not represent a modification of any project component, but instead, are simply permutations of yes and no votes by LAFCo of the agenda items that will be before it when it considers the project. The Draft EIR goes to great lengths to argue that each component of the project does not rely on any other component of the project. (See Draft EIR at 2-2 [“SSJID’s plan to provide retail electric service is a separate proposal, wholly independent of and for a distinctly different purpose, than its proposal to annex the 80-acre area;” “The separate LAFCo actions on the [MSR], SOI expansion, and proposed annexation could proceed regardless of whether LAFCo and the SSJID Board of Directors ultimately approve implementation of the electric service plan.”].) Thus, only approving certain portions of the proposed project is not a meaningful alternative if such components are independent of each other. Instead, the Draft EIR should focus on alternatives to the project components themselves that would substantially reduce environmental impacts.

I-25

Alternative 1, the Substation Site Alternative, is not an alternative that substantially lessens the impacts of the proposed project because it increases impacts in seven impact categories while only reducing impacts in four categories. (Draft EIR p. 6-41.) Alternative 1 appears to have been designed simply to increase the number of alternatives analyzed, rather than proposing a meaningful alternative that avoids the proposed project’s impacts.

I-26

Alternative 2, the Renewable Energy Choice Alternative, only differs from the proposed project by offering an *option* for a customer to purchase 100% renewable power. This is simply a business administration matter that makes no alteration in the physical impacts of the proposed project. The Draft EIR appears to take the position that every added incentive or billing plan SSJID may offer its customers is an alternative to the proposed project. This is not a good faith

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alternative. An alternative must substantially lessen the environmental impacts of the proposed project. Providing a billing option to customers does not satisfy this mandate. (Draft EIR p. 6-15 “Since some customers would choose the renewable energy option if it were offered, the project related less than significant GHG impact from the power supply to SSJID customers would likely be reduced, at least minimally”.) Notably, the Draft EIR does not suggest that any power plant construction will be either planned or eliminated as part of this Alternative or that the alternative load will reduce the consumption of fossil fuels in any significant manner.

I-27 cont.

a. The Draft EIR Improperly Excludes from Detailed Analysis the CCA Alternative

I-28

The Draft EIR also fails to contain a reasonable range of alternatives because it erroneously rejects the Community Choice Aggregation (CCA) Alternative as legally infeasible. (See Draft EIR pp. 6-37 through 6-38.) The Draft EIR states that Community Choice Aggregation would be an environmentally-superior alternative to SSJID’s proposed retail electric service project, because it would avoid *all* the construction and construction-related impacts the project entails (Draft EIR 6-38). The Alternatives discussion nevertheless eschews detailed analysis of Community Choice Aggregation on the asserted ground that “special districts and irrigation districts such as SSJID are not allowed to register as a CCA” (Draft EIR p. 6-37). This assertion is outdated and no longer correct. By virtue of Senate Bill 790 (Leno), effective January 1, 2012, “any California public agency possessing statutory authority to generate and deliver electricity at retail within its designated jurisdiction” may become an aggregator. Public Utilities Code § 331.1(c). The entity may combine the loads of customers within any city or county within, or contiguous to, its jurisdiction that by resolution requests the agency to implement a CCA program. *Id.* The statutory change also negates the Draft EIR’s assertions that “enabling a change in CCA rules would be a time-consuming, costly, and controversial process” (Draft EIR p. 6-38) and “the feasibility of SSJID facilitating a change in CCA rules is clearly limited” (*Id.*). These conclusions are incorrect.

Further, the fact that the local agencies within or contiguous to SSJID have not adopted resolutions seeking CCA is not a credible objection to studying CCA in detail as a viable alternative to SSJID’s proposed takeover plan. These local agencies adopted resolutions supporting SSJID’s takeover plan despite the plan’s requirements for costly and uncertain eminent domain litigation, substantial new public debt, duplicate construction, and years-long delay before implementation. Given that these hurdles would appear lower for a CCA, there is no basis to conclude that obtaining necessary local agency support would be infeasible. SSJID itself “could conduct marketing activities and support its [CCA’s] implementation within cities or the county.” (Draft EIR p. 6-38.) Local resolutions could easily be adopted long before SSJID could complete the acquisition and construction activities necessary for its takeover plan. Also, the condemnation action that will be necessary to obtain PG&E’s facilities would also require the approval of another government entity – the judiciary – so there is no basis to argue that the cooperation of another governmental entity makes this alternative infeasible.

I-29

The Draft EIR also concludes that since a CCA would not fully remove CPUC oversight, and thus not meet the objective of local control, the CCA alternative fails to “fully satisfy

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SSJID’s project objectives related to increasing local public responsibility and accountability for local electric resource policies and practices from PG&E to locally elected officials.” (Draft EIR p. 6-38.) First, the significance of this project objective is dubious. The Draft EIR does not discuss, for example, how SSJID will operate a local electric distribution system differently than one that is operated under CPUC oversight. Significantly, different operation is highly unlikely, given that the safety rules are not different, the equipment is not different, and the training and performance of employees to operate that equipment is not different. Indeed, SSJID’s plan depends on acquiring and using the existing CPUC-regulated equipment, implementing existing programs, and hiring employees (now at PG&E) experienced in operating that very same equipment under that regulatory scheme. Furthermore, many of PG&E’s obligations under CPUC oversight stem from the California Legislature, which would continue to set the legal framework that apply to all publicly owned utilities (POU), including SSJID.

I-30 cont.

Second, this is an improper basis to reject an alternative from consideration. Under the CEQA Guidelines and case law, an alternative that substantially reduces project impacts (as the CCA Alternative does) should be analyzed even if it would impede attainment of one of the project proponent’s objectives to some degree. 14 C.C.R § 15126.6; *Watsonville Pilots Ass’n v. City of Watsonville* (2010) 183 Cal.App.4th 1059, 1087. Such an alternative can be rejected from detailed analysis in an EIR only if it fails to meet “most of the basic project objectives,” not that it fails to meet one objective. 14 C.C.R § 15126.6(c)(emphasis added). The tenuous arguments in the Draft EIR of why the CCA would not fully meet the project objectives are insufficient to exclude it from further analysis.

I-31

Even if not meeting one out of eight objectives³ was a valid basis to reject an alternative, it is inaccurate that a CCA would not support local control. As many existing and prospective CCAs argue, and as the CPUC itself has stated, the CPUC exercises much more limited oversight of CCA activities than it does of IOUs. Furthermore, under a CCA structure, customers can choose to opt out. This means that local choice is greater, not lesser, under CCA than under SSJID’s takeover plan, because under the takeover plan, electric customers in SSJID and the Border Areas will be assigned to a supplier without the freedom to exercise a choice. This is because the CCA option only exists within areas served by an investor owned utility, such as PG&E, but not in areas served by a POU. If local control is an important objective, customer choice of provider would appear to meet this objective.

The other statements in the Draft EIR purporting to support the decision to reject this alternative from analysis are also unavailing. The Draft EIR fails to support with substantial evidence why it is relevant that “Although [the CCA] alternative could enable cost reductions that could be passed on to customers within the CCA communities, it would not directly reduce electric rates in the SSJID territory or the cost of acquiring electric supply” (6-38). To PG&E’s understanding, cost reductions are passed on to customers through rate reductions. This can be achieved under CCA directly, by including SSJID’s low-cost power as part of the overall supply

I-32

³ The Draft EIR mistakenly states that a CCA would fail to achieve “most” of the project objectives. (Draft EIR p. 6-38.) No analysis is provided of any objectives other than local control.

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servicing these customers, or *indirectly* by continuing to sell SSJID's share of Tri-Dam in the market, and using a portion of the net proceeds (\$15 million per year) to partially offset the cost of power that SSJID would provide to the customers. If the Draft EIR is taking the position that, through this latter approach, rates are not reduced "directly" by a CCA because the reductions come about through subsidies supplied from SSJID's excess wholesale power revenues, then the same is true of the takeover plan and this is no reason to avoid detailed analysis of CCA as an alternative. Similarly, while it may be true that this latter approach would not reduce "the cost of acquiring electric supply", that is equally true of the takeover plan. The takeover plan entails SSJID purchasing its entire electric supply on the open wholesale power market. (Draft EIR p. 3.12-14.) Both takeover and CCA allow SSJID to acquire the electric supply to serve its customers as it sees fit; there is no showing that CCA limits SSJID's electric supply options in a way that takeover does not.

I-32 cont.

Another characteristic of CCA worth consideration is that it would enable SSJID to simultaneously (or later) implement the environmentally-superior Renewable Energy Choice Alternative discussed starting on Draft EIR page 6-11. Renewable Energy Choice has to do with electric supply, which is as unrestrained under CCA as it is under the takeover plan – but, like CCA alone, this alternative coupled with CCA would avoid all the construction impacts, including new substations and miles of new underbuild and new poles, of the takeover plan. The CCA would also avoid the extensive impacts associated with the Border Area Service Plan.

In sum, the Draft EIR concludes that the CCA Alternative *would* substantially reduce the proposed project's environmental impacts. The CCA Alternative is also feasible because legal authority exists for SSJID to implement CCA. This Alternative is required to be evaluated in the Draft EIR as a project alternative.

b. The Draft EIR Should Analyze a Bill Credit Alternative

The Draft EIR inappropriately rejects the Cash Payment or Bill Credit Alternative from detailed consideration. (Draft EIR p. 6-32 through 6-36.) The Draft EIR contends that SSJID has no authority to reduce its customers' electricity bills other than to become the electricity provider. It asserts that SSJID lacks the legal ability to use its Tri-Dam proceeds or other funds to make direct payments to SSJID customers or to establish an arrangement with PG&E to provide credits on SSJID customer electricity bills.

I-33

As detailed in the comment letter on behalf of PG&E submitted by Mr. George Soneff on January 17, 2012, a program of direct payments or bill credits to assist customers in reducing their electricity costs is viable, efficient, and would avoid the construction and litigation-related uncertainties faced by SSJID's takeover effort. PG&E could, with SSJID support, apply for CPUC approval of a program under which SSJID would fund bill credits to SSJID customers. Such application could be processed concurrently with any other efforts SSJID seeks to implement. Moreover, the benefit to customers is likely to be larger with a bill credit, because SSJID will have avoided spending millions on litigation and construction for its takeover plan; and public debt will be avoided because in a year when SSJID does not have cash to subsidize bill credits, it will simply not give them.

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Mr. Soneff explains that as a legal matter, there is no prohibition on SSJID using its funds to reduce its customers' electricity costs. The Draft EIR ignores the broad provisions of the Irrigation District Law (IDL) granting irrigation districts the power to set rates and fees. SSJID is expressly empowered by statute to provide electricity to its customers, and may make use of third parties in order to do so. (Water Code § 22115; *see also Turlock Irrigation Dist. v Hetrick*, (1999) 71 Cal. App. 4th 948, 953)

I-33 cont.

Mr. Soneff also rebuts the Draft EIR's assertion that a credit program would be an illegal gift of public funds. A public entity's transfers, distributions, or refunds of public funds are *not* considered gifts if they are used for a public purpose that is within the public entity's jurisdiction. The use of SSJID's excess funds to reduce its customers' electricity bills would therefore be lawful under the *Atlantic Richfield* and *Golden Gate* decisions.

I-34

Accordingly, the use of SSJID's excess funds to reduce electricity bills is lawful because it is within the Board's power and is not an unconstitutional gift of public funds. As to the facts, the Draft EIR dismisses this use of SSJID funds on the shaky premise that it would somehow reduce rates but not costs. The exact same criticism could be leveled at SSJID's takeover plan. The criticism that "[b]ecause PG&E's prevailing rates would continue to occur, the bill credit alternative would lower the effective cost of power to customers, but it would not lower the overall rates charged by PG&E" is simply incomprehensible. (*See* Draft EIR p. 6-32.) Under both scenarios the only relevant metric is the same: the customer will be paying less for electricity. Given that the Bill Credit alternative is feasible, would achieve most of the project's objectives, and "would avoid project related adverse environmental effects" (Draft EIR p. 6-32) it should be analyzed in detail in the Draft EIR.

c. The Draft EIR Should Analyze a Reduced Size Alternative

I-35

The Draft EIR should also consider an alternative that reduces the geographic size of the proposed service area for retail electric service. There is no legal mandate that requires SSJID, if it provides any service, to provide such retail electric service to the entire area within its jurisdiction. Providing retail electric service to a smaller geographic area may reduce the project's physical impacts on the environment as compared to the proposed project. Even if such an alternative does not entirely avoid any significant impacts, it may substantially reduce those impacts. Most EIRs contain a reduced sized alternative, as this is a longstanding and traditional means of reducing project impacts. This EIR is unusual in excluding such an alternative from analysis. Here, a reduced size alternative could reduce potentially significant impacts identified by the EIR such as the conversion of farmland, air quality impacts, the loss of special status species and degrading the existing visual environment with permanent infrastructure.

9. Improper Baseline

The Draft EIR uses an improper baseline for at least a portion of its analysis. The Draft EIR explains that to "understand the potential environmental effects attributable to the project, this analysis identifies reasonably foreseeable actions for providing future municipal services in comparison with actions for the expected continuation of providing existing services." (Draft EIR

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p. 1-7.) This is improper. The Draft EIR must compare the environmental effects of its project with the “real conditions on the ground . . . rather than the level of development or activity that could or should have been present according to a plan or regulation.” *Communities for a Better Env. v. S. Coast Air Quality Mgmt. Dist.* (2010) 48 Cal. 4th 310, 321. The Draft EIR must be revised to compare the impacts of SSJID providing retail electric service with the existing physical environment, not against the anticipated future activities of PG&E or MID.

I-36 cont.

10. Improper Deferral of Mitigation

The Draft EIR contains several improperly deferred mitigation measures. “Deferral of the specifics of mitigation is permissible where the local entity commits itself to mitigation and lists the alternatives to be considered, analyzed and possibly incorporated in the mitigation plan. [Citation.] On the other hand, an agency goes too far when it simply requires a project applicant to obtain a biological report and then comply with any recommendations that may be made in the report. [Citation.]” *Endangered Habitats League v. County of Orange* (2005) 131 Cal.App.4th 777 (rejecting mitigation measure that “does no more than require a report be prepared and followed, or allow approval by a county department without setting any standards.”)

I-37

Improperly deferred mitigation measures include Mitigation Measure 3.5-4 which requires a “Paleontological Monitoring and Treatment Plan” without identifying any performance standards or potential components of the plan. Likewise Mitigation Measure 3.4-1a includes an undefined “Worker Environmental Awareness Program.” These mitigation measures should be revised to include specific performance standards and possible components of the plans or programs.

I-38

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Thank you for this opportunity to comment on the Draft EIR. Based on the comments above, PG&E believes that the Draft EIR must be revised and recirculated in order to comply with CEQA. Please feel free to contact me if you have any questions.

I-39

Sincerely,


Michael Zischke

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Comment Set J, PG&E's May 11, 2012 Submission

PG&E's May 11, 2012 Submission to LAFCo Concerning Two Siemens Reports

After several years of refusals by SSJID to disclose to PG&E and the public the Siemens severance and inventory reports it paid for with public dollars, we appreciate LAFCo's efforts to finally make these reports available for our review. The reports are flawed, which is to be expected because Siemens did not have access to many of the facilities it wished to study, and because – it appears – it was constrained to propose only the cheapest solutions.

Below we briefly discuss some of the flaws we see. We also suggest reasonable steps LAFCo can take through its approval-conditioning authority to rectify the flaws. SSJID's refusal to consent to the conditions would be a basis – along with the many bases we and others have already pointed out – for LAFCo to deny SSJID's application to enter the retail electric business by acquiring PG&E's facilities. PG&E will bring to LAFCo's attention additional problems we spot as review of SSJID's takeover plan continues.

We also wonder whether SSJID has withheld Siemens' reports because they do not support allegations we have heard from SSJID for years – namely, that PG&E's electric distribution system serving customers in southern San Joaquin County is unreliable and poorly designed. Where Siemens states a value judgment about the current system, it is favorable to PG&E: Its February 2010 report finds that "PG&E has made significant improvements to the network and expected quality of service since our 2004 review" (page 4-1) and "the system in its current condition (2008) is in good operational condition, although there are some areas that performance could be improved in order to create greater flexibility to deal with emergency conditions" (page 6-4). Since 2008, PG&E has installed features that increase flexibility, and plans more. The flexibility-to-deal-with-emergency-conditions point is important because, as we discuss below, Siemens' severance plan will *reduce* the flexibility PG&E will have to serve its remaining customers.

PG&E's COMMENTS ON SIEMENS' SEVERANCE PLANS

We have two Siemens reports. The February 2010 report discusses the inventory of PG&E facilities SSJID plans to acquire and a plan to sever those facilities from the remainder of PG&E's system. The report assumes Modesto Irrigation District will take over service to PG&E customers outside SSJID's boundaries to the south but within San Joaquin County. We also have a July 2011 Siemens report (which is in the form of a slide presentation) that studies options for PG&E to continue to serve those southerly customers. Regarding the southerly customers, we only comment on the July 2011 report, and LAFCo should only consider plans which provide for them to remain with PG&E. Modesto Irrigation District service plans proposed by SSJID and discussed in Siemens' February 2010 report should be disregarded because such plans require an agreement from MID that does not exist, and also because any such agreement would (a) be unenforceable by LAFCo, (b) subject customers to a government agency in which they have no representation or right to vote and with no ability to opt out, and (c) violate antitrust laws. LAFCo should assume that all present PG&E customers outside SSJID

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Comment Set J, cont. PG&E's May 11, 2012 Submission

will remain with PG&E, and that SSJID must construct (or pay to construct) all facilities necessary for PG&E to continue to serve them without increased cost, at a level at least equal to the level they now enjoy.

J-1 cont.

Also, to avoid adding a level of complexity, we only comment on Option 3, the preferred alternative in Siemens' July 2011 report.

Siemens' reports, and therefore our comments, rest on a fundamental assumption that is nowhere discussed – namely, that SSJID's boundary is the middle of the paved surface of all relevant roads. Siemens assumes that poles and other equipment on SSJID's side of a road are within SSJID and that poles and other equipment on the non-SSJID side of a road are outside the district. This may be true in all cases, and therefore not a concern. But if it is not true, then Siemens' severance plans may need adjustment beyond what we mention here.

I. SIEMENS' SEVERANCE PLAN DEGRADES RELIABILITY FOR PG&E'S REMAINING CUSTOMERS

A. Distance from substations. Some customers remaining with PG&E will be farther away from a substation than they are now. Since faults anywhere between where a line originates at a substation and the customer's premises knock out power to the customer, the farther a customer is from the origin of a line, the more the customer is subject to outages on the line. Siemens agrees that customers who are long distances from substations experience reduced reliability (page 4-39, discussing the Escalon circuits). Customers remaining with PG&E will suffer reduced reliability unless SSJID pays for facilities which will permit PG&E to serve its remaining customers with the same level of reliability that those same customers enjoyed prior to SSJID taking PG&E's facilities in the SSJID area. One example is the need for SSJID to provide a back tie for customers along French Camp Road through an express feeder through Manteca, a function currently served by PG&E's Manteca 1705 circuit. We see no evidence that Siemens has accounted for these costs. SSJID has not submitted any analysis of how it proposes to protect the reliability of service to PG&E's remaining customers.

B. Switchability. In general, Siemens' plan changes PG&E's reliable and flexible circuit design with multiple switchable lines to a system that relies on a few non-switchable main lines. For example, customers along River Road, customers on SSJID's northeast side, customers north of SSJID along Escalon-Bellota, Lone Tree, Steingul, Henry, Kelly, Norton and Van Allen roads will suffer more frequent and longer outages because under the Siemens plan the number of circuits to which their service can be switched will be reduced or eliminated. Customers served by PG&E's Vierra 1701, Vierra 1702, Vierra 1707, Ripon 1704 and Avena 1701 circuits all will experience the adverse effects of removal of mainline back ties.

In a number of places where PG&E customers now enjoy the reliability of loop feed or switchable multiple feed service, Siemens proposes to use a non-switchable single line, also referred to as a radial feed. Radial feeds will reduce service to the affected customers and because of more frequent outages, increase costs and reduce revenues to PG&E. PG&E's remaining customers are entitled to reliability equal to or exceeding the level they enjoyed prior

Comment Set J, cont. PG&E's May 11, 2012 Submission

to the taking of PG&E's property by SSJID, and SSJID is required to provide PG&E with facilities (or funds to construct facilities) sufficient to provide equal reliability. Loop-fed customers (two or more switchable sources of power) enjoy more reliable service since upon failure of a single component, power can be switched to another line until the failed component can be repaired or replaced. Thus, they suffer fewer and shorter outages. Siemens proposes to serve some of these customers radially (one source of power), which will result in reduced reliability since failure (or offline maintenance) of a single component will result in loss of service until that component can be repaired or replaced.

J-1 cont.

PG&E does not have loops or multiple feeds to every customer. Such enhanced designs tend to develop gradually as a distribution system is built out and upgraded to improve reliability. Customers in southern San Joaquin County where PG&E has served for decades now benefit from their longevity – but SSJID will disturb the benefit they enjoy by severing lines at approximately 100 locations and reducing the number of circuit ties that can serve customers, wiping out years of progress. Only by installing (or paying to install) replacement circuit ties can SSJID enable PG&E to maintain the level of service PG&E customers now enjoy.

C. **Pole intensity.** Siemens' plan will result in many more poles for vehicles to hit, and more double, triple and even quadruple circuit poles where each vehicle impact will have greater consequences. These problems could be eliminated by undergrounding the proposed new circuits, but Siemens' cost estimates do not include the higher cost of undergrounding.

II. SIEMENS' REPORTS DO NOT ESTIMATE OVERALL SEVERANCE COSTS. WHERE COSTS ARE MENTIONED, THEY ARE UNDERSTATED

A. Neither Siemens report estimates the costs SSJID will incur to sever the acquired facilities from the remainder of PG&E's system, and restore PG&E's ability to serve its remaining customers, under Siemens' present plans and preferred alternative. We still have not seen any study of such costs from SSJID, and we doubt LAFCo has either. SSJID's financial analyses of its takeover plan, and PA Consulting's report, include severance cost numbers, but how those numbers were arrived at is largely undisclosed, and in any event, they are now obsolete. All such cost numbers were based, we believe, on a planned level of cooperation with Modesto Irrigation District that has not materialized, and on erroneous equipment and line loading assumptions.

B. The Economic Analysis Assumptions in Siemens' July 2011 report (slide 59) do not estimate severance costs. The assumptions are for the limited purpose of comparing options ("relative costing"), so Siemens only mentions cost elements it believes will differ between the options: "conductor, substation, capacitors and losses." It does not mention all the costs SSJID will incur to construct the proposed facilities. Many, many necessary costs are not mentioned, such as:

- labor and overheads
- construction equipment and consumables
- poles, cross-arms, guys

Comment Set J, cont. PG&E's May 11, 2012 Submission

- pole rentals for underbuilt lines
- protective and sectionalizing equipment (reclosers, fuses, switches, fault indicators, line regulators, SCADA equipment, boosters, transformers)
- engineering
- construction management
- accounting
- mapping
- inspections and testing
- procurement and storage
- traffic controls
- land rights, including staging and laydown areas
- overhead and profit
- contingency
- ITCC on facilities constructed for PG&E
- cutover coordination

J-1 cont.

C. For example, Siemens' July 2011 report lists the cost of aluminum conductors for overhead construction as \$38,438 - \$81,523 per mile, or \$7 - \$15 per foot, in 2009 (slide 59). Conductors are the wires; that's all. We do not believe Siemens intends to imply that for \$7 to \$15 per foot it expects a crew to procure equipment and poles, install new 60-foot poles adjacent to existing shorter poles, install cross-arms and other connectors on the new poles, shift all the existing conductors, transformers and other equipment to the new poles, install three new underbuild conductors on the new poles, add the new conductors' protective and sectionalizing equipment, and remove the old poles. PG&E believes the total cost of underbuild construction is, in fact, several times higher than \$15 per foot. The actual cost is important because Siemens' plan requires it to install thousands of feet of new underbuild circuits.

Also, Siemens assumes capacitors will be installed to maintain voltage. PG&E's standard is to use voltage regulators. The advantage of voltage regulators is that they can respond to both over-voltage and under-voltage situations, whereas capacitors only raise voltage. Voltage regulators are more expensive, but Siemens does not account for this increased cost necessary to maintain the quality of service PG&E's customers currently enjoy.

Comment Set J, cont. PG&E's May 11, 2012 Submission

D. Siemens underestimated the lengths of some circuits. Siemens admits its plan will "likely need to be updated ... may affect overall job costs estimates" (slide 8).

J-1 cont.

III. SIEMENS NEVER MENTIONS THE COST OF RELIABILITY, PROTECTION AND EMERGENCY STUDIES PG&E WILL HAVE TO RE-DO BECAUSE PG&E'S SYSTEM HAS BEEN ALTERED

We assume Siemens does not expect PG&E to serve its customers without plans based on the actual system PG&E operates. Those plans will have to be created once the actual severance plan is implemented.

PG&E's projected summer 2012 loads at the Manteca, Vierra, Ripon and Avena substations are greater than Siemens shows in its Table 4-1 (page 4-3). This means, among other things, that the substations cannot pick up the customer load shifted to them under Siemens' plan.

IV. SIEMENS ALSO NEVER MENTIONS THE FEASIBILITY OR COST OF SEPARATING THE SMART METERS SSJID WILL ACQUIRE FROM PG&E'S COMMUNICATIONS NETWORK

PG&E's SmartMeter network is an integrated communications network that provides reliable, secure radio communications between the meters and PG&E's other facilities, including its Customer Care and billing systems. SSJID's endeavor to separate the meters it will acquire from PG&E's network, and create its own independent network which does not interfere with PG&E's or compromise PG&E's network security, will not be a trivial exercise. SSJID's acquisition also may require that it pay for PG&E to install equipment to restore the communications capability of the network serving remaining customers. We have seen no analysis of this issue at all from SSJID.

V. SIEMENS' PLAN WILL INCREASE PG&E'S LINE LOSSES

Electric power lines suffer losses; that is, the amount of power received at the point of use is less than the amount of power injected at the point of origin. As the point of use gets farther away from the point of origin, line losses increase. Siemens' July 2011 study recognizes the problem of losses, and that they are a relevant consideration in choosing a plan (slides 44 and following). By switching customers along French Camp Road to circuits emanating from Avena substation, Siemens' plan places them farther from the substation that serves them than they are now. To get adequate power to those customers, PG&E will have to inject greater power into the lines, which will add to PG&E's expense. This added operation cost should be paid by SSJID as a cost of its takeover. The same will be true for Ripon customers if PG&E does not receive the new substation bank and two feeders from Ripon substation that Siemens proposes in its Option 3.

Preliminary analysis does not suggest that greater line losses will be suffered by the remaining PG&E customers served by circuits emanating from the Riverbank substation, assuming the same conductor sizes and regulation equipment are used.

Comment Set J, cont.
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VI. AT CERTAIN LOCATIONS, ACTUAL COSTS ARE LIKELY TO BE MUCH GREATER THAN SIEMENS' ESTIMATE

J-1 cont.

In these comments, we mention only a few locations where severance costs are likely to be much greater than any "standard" cost for installing new underbuild lines. We believe the detailed engineering work the severance plan will require is certain to reveal many additional unanticipated issues. Any rough cost estimate that is not supported by detailed engineering should include a large contingency.

VII. SIEMENS' PLAN TO SERVE CUSTOMERS SOUTH OF RIVER ROAD WILL NOT WORK

The present main circuit along River Road serves about 5 megawatts of load south of the road which Siemens apparently missed. These customers will remain with PG&E. Siemens estimates that the total load of customers in that area to the south is only 0.9 megawatts, which is low by a factor of 5. The circuits Siemens proposes to install to allow PG&E to continue to serve those customers cannot serve 5 megawatts, and the voltages Siemens estimated are incorrect.

Also, customers in the area now have multiple tie lines. Under Siemens' plan customers north of the road who will be served by SSJID will retain this flexibility, but customers south of the road remaining with PG&E will lose it. SSJID should be required to install sufficient tie lines or other facilities to at least retain the level of reliability south-of-River-Road customers now enjoy.

VIII. SIEMENS PROPOSES ADDING NEW CIRCUITS UNDERNEATH EXISTING LINES, BUT THIS IS A TROUBLESOME SOLUTION

Separate utilities operating separate lines is the preferred solution, for reasons of safety, reliability and serviceability. As an example, imagine a fourth electric circuit added to the poles shown below on River Road east and west of Murphy's Road.

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The poles already host two Modesto Irrigation District circuits (the top two) and a PG&E circuit that will become an SSJID circuit. Siemens proposes to install a fourth circuit that will be owned by PG&E, presumably in the space below the existing three circuits and above the telephone and cable lines that also use the poles. (Siemens' reports do not specify where it proposes each utility's circuits will reside on multi-utility poles.) Electrical workers are very concerned about working around and above other utilities' energized equipment. Conflicts will arise because utilities will be reluctant to de-energize their lines (thus shutting off their customers) for the benefit of a worker from another utility, even though the safety of that worker depends on whether lines are energized, especially lines below the one the worker is working on. The existing three-circuit two-utility situation may not be ideal, but at least LAFCo cannot be

Comment Set J, cont. PG&E's May 11, 2012 Submission

blamed for it because of the circumstances under which MID entered San Joaquin County. Now that LAFCo is given the opportunity to act, it should avoid making the situation worse by approving a plan that adds a fourth circuit owned by a third utility.

J-1 cont.

Incidentally, there may not be enough room on the multi-circuited River Road poles to add a fourth circuit without violating General Order 95 separation requirements.

Other examples:

- At Airport Way, from Woodward to West Ripon Road, where transmission poles are already underbuilt with distribution lines, Siemens proposes to add a new distribution circuit.



- At Airport and Nile, poles already host three circuits, and Siemens proposes to add a fourth.

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J-1 cont.

In addition to the increased danger to utility workers, Siemens' tall-multi-circuited-poles solution will result in longer, costlier outages. When a vehicle hits a multi-utility pole, service restoration is delayed because all utilities with circuits on the pole must send crews to de-energize their own equipment, and crews working on such facilities have to don rubber gloves and take other precautions for which they are paid a premium. Furthermore, 60-foot poles (which Siemens calls for) require crew bucket trucks; an ordinary troubleman's truck does not have a bucket sufficiently tall to work at the top of such poles. We do not believe SSJID has budgeted for sufficient crew bucket trucks to work the many 60-foot poles it will be responsible for, and MID has not agreed to raise its circuits to such heights.

In case LAFCo thinks vehicles hitting poles is not a problem, we observe that since 2006, when SSJID began its quest to take over PG&E's facilities, vehicles have hit poles 11 times along River Road alone. Nothing suggests that SSJID taking over electrical service will improve driver accuracy.

PG&E's preferred solution is to have separate underground circuits. If SSJID will not voluntarily commit to build separate underground circuits for PG&E, and LAFCo will not

Comment Set J, cont. PG&E's May 11, 2012 Submission

require SSJID to build them as a condition of approval of SSJID's application, then the next-best solution is separate pole lines (at least for PG&E). Admittedly, this solution would result in more poles for cars to hit, but workers would be safer and service restoration would not have to wait until another utility's crew shows up.

J-1 cont.

Shared poles requires that each utility have 24/7/365 phone and personnel response. We question whether SSJID has budgeted for that level of service, and PG&E's remaining customers should not have to depend on the generosity of SSJID's budgeting. LAFCo should require SSJID to demonstrate sufficient resources, and adopt legally-enforceable commitments for that level of service.

PG&E REQUEST: If LAFCo authorizes SSJID to proceed with a plan that allows new circuits for PG&E to be strung on the same poles as SSJID or MID circuits, PG&E requests LAFCo order that any new circuit for PG&E be installed as the lowest electrical circuit on the pole. As noted, this is not the preferred solution—PG&E's preferred solution is that new circuits to serve PG&E's remaining customers be installed underground or on an overhead line which is only for PG&E. But if a separate line will not be required, then PG&E's remaining customers should at least not be required to suffer the increased cost and delay associated with waiting for other utilities to de-energize their lower lines. As between PG&E and SSJID, SSJID is the entity seeking to interject itself into the local electric system, so it should take the more difficult pole position. As between MID and SSJID, PG&E has no preference who takes the more difficult position.

IX. APPARENTLY TO SAVE MONEY, SIEMENS PROPOSES TO ALLOW SSJID TO PUT OFF INTO THE FUTURE CONSTRUCTION WHICH, IN FACT, CANNOT WAIT

The present circuit loading of most or all affected circuits is higher than Siemens assumes, and Siemens' plan will not relieve the loading enough that SSJID will be able to wait to build new substations. We speculate that Siemens made erroneous assumptions about the loading of PG&E's circuits because it has a different philosophy about construction of electric distribution systems than does PG&E. Speaking very generally, Siemens appears to design systems whose circuit loading does not exceed 60 percent of capacity. PG&E, on the other hand, tends to follow different circuit loading criteria, including using emergency ratings. Both designs can work, and both have trade-offs. Siemens' design for SSJID, however, seems to be an attempt to fit an existing PG&E-designed system into a Siemens model, but without sufficient information on the existing system. For example, Siemens would serve the SSJID territory with four substations, while PG&E uses five – but Siemens would not compensate by increasing circuit size. The consequence of Siemens' erroneous assumptions about present circuit loading is that its plan for shifting present and future load from one circuit to another or from one substation to another will not work because the existing circuits cannot absorb the additional load Siemens would transfer to them. There are ways to deal with the problem (such as replacing existing transformers and conductors with different sizes, or building more substations), but all of them would add millions of dollars to the cost of SSJID's project.

As mentioned below in the discussions of specific substations, Siemens assumes PG&E's circuits are presently loaded much less than is the case. This means that in many instances

Comment Set J, cont. PG&E's May 11, 2012 Submission

Siemens' plan to shift loads will not work because it will over load equipment, reducing reliability and creating dangerous conditions. Achieving the "80/60" standard Siemens proclaims will require additional investment that Siemens does not describe or cost out.

J-1 cont.

As one example, Siemens says its planning criteria are that "the transformers at any substation should not be loaded above 90% of rated capacity with all transformers in service and during the permanent outage of one transformer it should be possible to restore service to all loads" (page 5-5). To achieve Siemens' plan at Manteca substation within these criteria, a new transformer bank will be needed *immediately*.

And whereas Siemens recommends converting 17 kV and 4.16 kV equipment that SSJID will acquire "to standardize the voltages within the network and facilitate the formation of Clough Feeders" (page 5-33), the costs of such conversion are not included in Siemens' analysis – but neither, as far as we can tell, are the increased costs SSJID will incur to operate and maintain service in its territory with nonstandardized voltages and without the Clough Feeders.

In prior reports SSJID submitted to LAFCo, it asserted that PG&E's 17 kV facilities were outdated and that SSJID would convert them to 12 kV to upgrade reliability and serviceability. Now, in its February 2010 report, Siemens proposes to delay this conversion, and in fact, proposes that certain 12 kV facilities northwest of Manteca be converted to 17 kV (page 5-10). We find it interesting that 17 kV has suddenly become acceptable.

X. IN THE FOLLOWING LOCATIONS, SIEMENS' PLAN MAY VIOLATE CPUC GENERAL ORDER 95's SEPARATION, HEIGHT, OR OTHER REQUIREMENTS

At South Manteca Road at Perrin Road, distribution lines cross under transmission lines. Siemens proposes raising the distribution poles and lines to add a new circuit, but the new height may be too close to the transmission lines. Raising the transmission lines, or undergrounding the new distribution circuit, may be required.

The same occurs at South Manteca Road at Hutchinson.

The McKinley/Yosemite intersection will be a problem. The intersection currently hosts overhead and underground lines. Any new circuit would have to be underground due to construction constraints, such as lack of space for guy wires.

At Map F-H, distribution lines cross under transmission lines. Installing a new circuit, as Siemens proposes, may require undergrounding, including boring under the railroad.

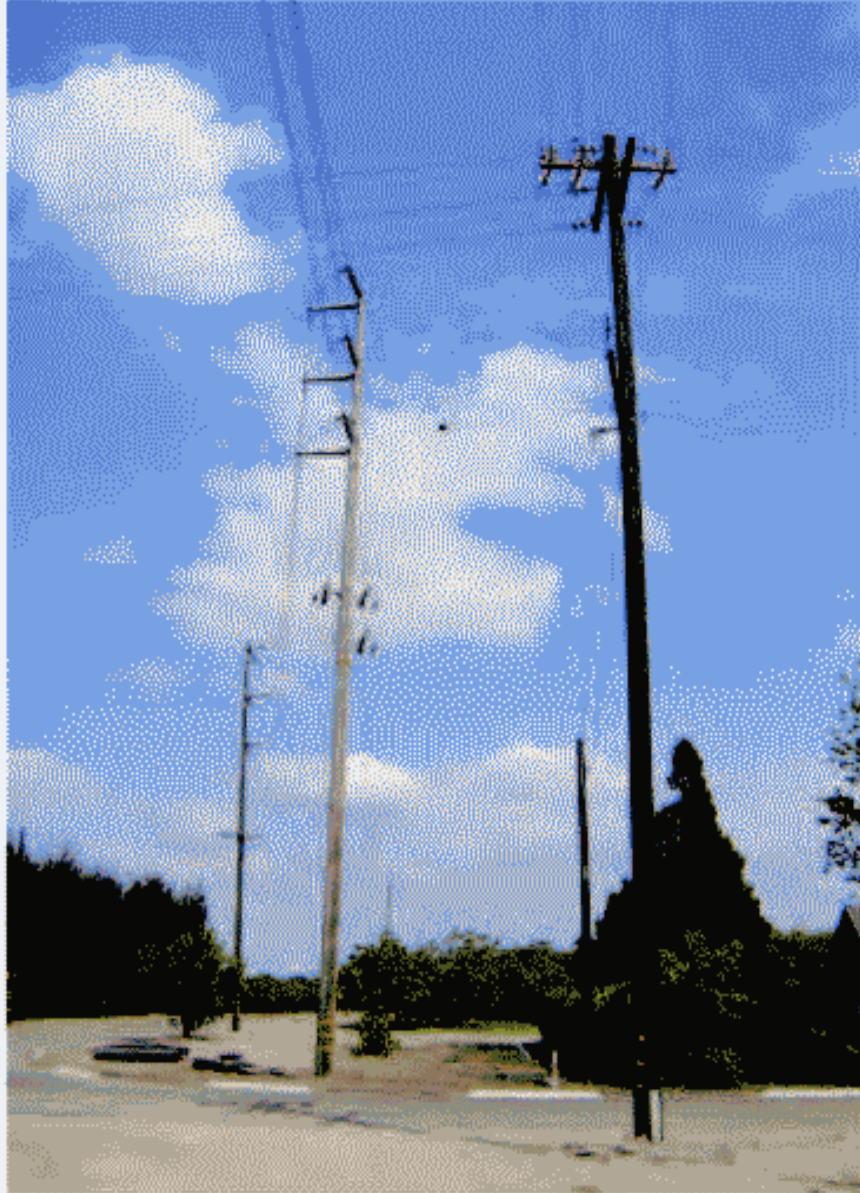
Here are some photos of troublesome areas.

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J-1 cont.

Comment Set J, cont.
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J-1 cont.

Comment Set J, cont.
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J-1 cont.

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J-1 cont.

XI. SIEMENS' PLAN DEGRADES SERVICE FOR REMAINING PG&E CUSTOMERS SERVED BY THE VIERRA AND AVENA SUBSTATIONS

Siemens says: "For Vierra, Avena and Riverbank substations we do not have the complete system, hence an assessment is not possible. This was considered adequate" (6-1). Does this statement cause LAFCo concern? Siemens proposes to tinker with three substations that serve thousands of San Joaquin County customers without the data necessary to assess the results. PG&E and LAFCo must assure, not just hope or assume, that reliable electric service will be provided to customers after the system designed to serve them has been altered. A complete assessment conforming to utility standards is required.

On page 3-29, Siemens admits that the Vierra substation will lose backup capability from the Manteca substation. This is true, but incomplete. Siemens' plan will "island" PG&E's Vierra and Avena substations, depriving them of the circuit ties and substation ties now in place. It will be impossible to route around either substation for maintenance or emergencies without the addition of two new substations in PG&E's service area. PG&E will lose its current ability for the Manteca and Ripon substations to back up Vierra. New substations north and south of Vierra will be necessary.

A substantial amount of load, approximately 40 megawatts, north and west of the Vierra substation will lose their existing back ties. This means that in the event of outages (whether

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unplanned or required for scheduled maintenance) on the Vierra 1702 circuit 85 customers will lose two back ties, one from the east (Manteca 1706) and one from the north (Manteca 1708), and, depending on outage location, PG&E may have no way to energize them. Vierra 1707 will have about 415 customers, approximately 75% of whom will not be able to be energized in the event of a Vierra substation outage. Currently these customers have a Manteca 1706 mainline loop tie at four locations and a Ripon tie at two locations; after severance under Siemens' plan, they would lose their four ties to Manteca and keep only the two to Ripon. The Vierra 1701 circuit has two ties to Manteca 1708 and four ties to Vierra 1706. Siemens' severance plan would cause PG&E to lose two ties to Manteca 1708, leaving 2,684 customers with no way to be energized in the event of a Vierra substation outage. With a Vierra substation outage, of 6,616 customers, PG&E may not be able to energize 98.6%. Siemens' "preferred option" (Option 3) would only enable PG&E to energize the southernmost portion of Vierra 1707, 1.4% of those served.

Siemens acknowledges that "the ability of receiving backup from Manteca during emergencies will disappear" but it claims that this problem "is of lesser importance given that significant load will be transferred out" (3-29). Siemens' phrasing is poignant. Losing multiple back ties to separate substation feeders reduces reliability for PG&E's remaining customers; the problem may be lessened by aspects of Siemens' plan, but it is not eliminated.

Subdivisions in Lathrop (and PG&E's future planned Lathrop substation) have 21 kV service, not 17 kV like Vierra. Lathrop has two 7.5 MVA step-up transformers, so PG&E cannot utilize most of the stranded capacity from Vierra in Lathrop.

Siemens' does not account for several feeder circuits emanating from Vierra substation, including Lines 1707 (within SSJID) and 1703 and 1706. The total number of feeders from Vierra is five, not two.

Along French Camp Road, after severance 285 customers would lose all seven back ties from the Manteca 1705 circuit, leaving no back ties to these customers. Avena 1701 after severance would lose five back ties from Manteca 1705, one back tie from Manteca 1702, three back ties from Ripon 1704 and four back ties from Riverbank. In the event of an Avena substation outage, all customers on the Avena 1701 circuit will remain without power due to the lack of back ties under Siemens' plan.

XII. SIEMENS' PLAN FOR THE RIPON SUBSTATION IS UNCLEAR

SSJID would acquire the Ripon substation but Siemens proposes to install a new transformer bank for PG&E there. This transformer bank, as with all PG&E transmission equipment, will be included in the CAISO balancing area. Apparently, however, Siemens plans to move the rest of the Ripon substation load to the SMUD balancing area. We do not believe two balancing areas will be allowed to operate in the same substation. Physical separation, and separate names, will be required.

Furthermore, as Siemens points out (p. 6-3), under SSJID's takeover plan switching load between the Ripon and Clough substations will be disfavored, so that opportunity to shorten outages will not exist. This situation will reduce reliability for SSJID customers compared with

J-1 cont.

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the switching capability PG&E now has for them.

XIII. SIEMENS' PLAN TO SERVE CUSTOMERS FROM THE RIVERBANK SUBSTATION WILL NOT WORK

At present, PG&E has three feeder circuits to serve customers from Riverbank, plus ties to this region from other feeders. Siemens' plan does not maintain this level of reliability. PG&E uses Riverbank 1713 (along McHenry Road) often as a back tie for scheduled maintenance and emergencies for customers north of SSJID along Escalon-Bellota Road and Lone Tree Road, for customers along Van Allen Road, for customers along River Road, but not for Riverbank customers south of the Stanislaus River. For the city of Riverbank, PG&E currently uses three feeders to provide power. But, with the elimination of the Riverbank 1715 feeder, Siemens would leave only two. Siemens' plan will not work since the two remaining feeders do not have the capacity to serve current load. Siemens' plan will also reduce operational flexibility for PG&E, thus reducing reliability for the city of Riverbank.

Siemens identified three different options to serve remaining PG&E customers south of SSJID territory from Ripon substation and to provide back-up for Vierra and Riverbank feeders, but *none* of the three options work because Siemens seriously underestimated PG&E's load. Siemens underestimated the load served by Riverbank Feeder 1715 by half.

Contrary to Siemens' observation, PG&E's load served from Riverbank (and Avena) has increased since 2004. Thus, the voltage drop under Siemens' plan is much greater than it assumed. If a line were extended from the Ripon substation to back feed the feeder along River Road, it would only help customers fed from Riverbank substation; Siemens provides no plan to tie Ripon and Avena substations. Also, any new line would require line regulators, switches, reclosers and other protective and sectionalizing equipment which Siemens has not accounted for. And the cable Siemens proposes to use is too small to serve the actual load. Finally, along Rossier Road, part of the line is only single phase, so a third conductor (about 1600 feet) will need to be installed to convert to three-phase. This is just one of many severance issues for which Siemens fails to provide necessary details showing how to serve. Many severance points around the northeast edge of SSJID along Victory Road and Kelly Road have a similar lack of details.

In one respect, Siemens' plan is excessive. Siemens' proposed East-2 underbuild along McBride Avenue south of Hall Avenue (page 19) is longer than it needs to be by about 0.44 miles. It only needs to extend to the district boundary, not beyond.

XIV. SIEMENS' PLAN TO HAVE SSJID AND PG&E SHARE TRANSFORMER BUSES IN SUBSTATIONS IS UNACCEPTABLE AND DANGEROUS

PG&E never shares a transmission or distribution bus with another utility. PG&E standard practice, which we believe is common industry practice, is not to have a hard-tie shared bus with another utility without disconnect and circuit breakers separating the bus between utilities.

At PG&E's Manteca substation, Siemens plans for SSJID to take over the distribution facilities and leave the transmission facilities with PG&E. While Siemens plans for SSJID to

J-1 cont.

Comment Set J, cont. PG&E's May 11, 2012 Submission

have a shared substation with PG&E, this is not acceptable for safety reasons. The correct solution is for SSJID to build a fence separating the two utilities.

J-1 cont.

Also, in the transmission section of the substation, Siemens apparently plans for SSJID to install, own and operate one (or more) transformers, circuit breakers, and associated equipment within, next to and on the same bus as the transformers, etc., that will remain with PG&E.

At Ripon substation, Siemens proposes that SSJID share a distribution bus with PG&E without any protective equipment separating the two utilities. This design is risky and dangerous in several respects, and we do not believe it meets acceptable utility practices. The correct solution is for SSJID to construct whatever distribution-level facilities it needs in a separate secured portion of the substation property where the equipment can be operated and maintained with minimal coordination by PG&E. If there is to be a common distribution bus between utilities, it must have disconnect and circuit breakers between transformers.

We also note that Siemens' plan proposes to have SSJID share busses with MID at MID's Clough substation. To date, MID has not agreed to this plan or specified the separations and protections it will require for its employees and service reliability.

XV. THE IMPORTANCE AND COMPLEXITY OF THE MANTECA SUBSTATION REQUIRE A SEPARATE STUDY

PG&E's Manteca substation is located on a large parcel adjacent to Manteca's commercial district, and is surrounded on two sides by residential neighborhoods. Major regional overhead high-voltage transmission lines enter the station, and eight distribution circuits originate at the station which serve 25,340 customers. The substation has undergone significant growth and upgrading in recent years, to the point where the present bus arrangement has reached capacity by PG&E standards. Any new transformer bus – and Siemens' plan requires one – will require major reconstruction if PG&E (and, we believe, utility industry) standards are to be maintained.

There are at least two serious issues with Siemens' design. First, Siemens would have two utilities' transformation equipment intermingled on the same structures. We believe such an arrangement is unusual and highly disfavored in the industry, for worker safety, reliability and operability reasons. We believe utility workers would object to such an arrangement and would work their company's equipment, if at all (and for good reason), only after meticulous time-consuming de-energizing, grounding and switching measures that would require careful coordination and greatly increase the cost of substation operation.

Second, because of the dangers and operability constraints of congested transformation arrangements, Siemens's plan for the Manteca substation does not meet PG&E standards. Siemens did not have access to the substation and could not see all the arrangements or equipment.

With the amount of land available at the substation, we do not believe Siemens' congested arrangement is necessary – though we suspect it may be the cheapest solution for SSJID. We believe LAFCo should require a detailed engineering study of Manteca substation solutions and require that any plan for the substation conform to best utility practices. If there is

Comment Set J, cont. PG&E's May 11, 2012 Submission

any single location where Siemens' plan could falter electrically, or where the expense of construction could have a material impact on the financial feasibility of SSJID's application, it is here.

J-1 cont.

And even without regard to construction standards, utility practices, or worker safety concerns, Siemens's Manteca substation assessment is far off. Siemens' assessment missed Transformer Bank #8 (30 MVA), and placed the feeders in the wrong locations. Siemens' feeder loading estimates (page 4-5) are off by large amounts, as are its estimates of transformer loading and breaker capability. To implement Siemens' plan, it may be necessary to change breakers and transformer banks, not simply change settings.

We are unsure from Siemens' discussion at pages 5-5 to 5-6 of the February 2010 report whether it believes adding a transformer bank at Manteca can be delayed, and if so, how long. Since Siemens' loading estimates and other information about the substation are somewhat off, the decision about when a new transformer is needed will have to be revisited.

XVI. WHILE SSJID HAS REPEATEDLY CLAIMED THAT ITS PLAN IS TO SERVE ALL ELECTRIC CUSTOMERS WITHIN ITS BOUNDARIES, SIEMENS' PLAN LEAVES SOME CUSTOMERS INSIDE SSJID'S BOUNDARIES WITH PG&E

Siemens implies that SSJID may choose not to serve 95 customers inside the southeast corner of SSJID's boundaries along McBride Road south of River Road and Hall Avenue east of Henry Road (page 5-38). We believe that SSJID has included electrical revenues from these customers in its economic estimates, and the potentially excluded customers are SSJID constituents entitled to vote in SSJID Board elections.

For the separation points on Riverbank 1715 east and west of Carrolton Road, Siemens' plan does not provide sufficient details of how to serve either the eight customers within SSJID territory or the 22 outside.

No means for SSJID to serve three customers inside its boundary at Victory Road north of Pleasant Valley Road is provided.

SSJID will be required to continue the main line on Victory Road north of Rossier to serve customers inside SSJID.

XVII. SIEMENS' PLAN APPEARS TO LEAVE SOME CUSTOMERS WHO WILL REMAIN WITH PG&E WITHOUT A MEANS FOR PG&E TO SERVE THEM

PG&E will need 1200 feet of new distribution line (previous SSJID boundary maps indicated 3500 feet) from the north to serve a stranded customer located one tenth of a mile east of N. Ripon Road and a half mile north of Highway 120.

PG&E will need 2800 feet of new distribution circuit to serve 86 customers south of Nile Road now served by a mainline loop from Airport. Currently this mainline loop has a normal open point to the south at Levee, west of Airport and south of Perrin.

To serve 17 customers, PG&E will need 2600 feet of new distribution line from east of

Comment Set J, cont. PG&E's May 11, 2012 Submission

Murphy Road on Milego Road, and 1600 feet of new distribution extension on Milego Road to serve two additional standed customers.

To serve a customer outside SSJID at 12000 E. Moncure Road in Ripon, PG&E will need 4300 feet of distribution line from the south.

Siemens hasn't indicated whether the customer south of River road and Harrold Road is inside or outside SSJID.

* * * * *

PG&E's COMMENTS ON SIEMENS' FEBRUARY 2010 INVENTORY REPORT

Our comments above focused on the severance aspects of Siemens' reports. Here we offer just a few comments on other aspects of the February 2010 report.

1. **Siemens did not do a complete inventory of PG&E's facilities within SSJID.**

Siemens visited a limited sample of the area, observed what it could, and extrapolated that sample. Naturally, it could see little of the underground facilities, and even some important data on aboveground equipment was not observed (such as transformer sizes). Siemens did not have access to PG&E maps and documents, could not go inside substations, and did not climb poles to inspect equipment close up. Its inventory depends on *many* estimates. It claims to be accurate "within several tens of feet" (p. 2-2), a variation that may not seem like much but makes a huge difference in substations and at severance points where for safety, reliability and serviceability reasons energized electrical equipment must be separated by minimum distances. Also, distance errors add up. For example, Siemens misstates the length of Riverbank Feeder 1712 by five *miles*; the feeder is 74 miles long, not 79 as Siemens says (page 4-42). And Riverbank Feeder 1715 is 93 miles long, not 68.75 miles as Siemens says (Id.).

For overhead inventory, Siemens estimated transformer capacity, conductor size and type, and voltage regulator/booster capacity.

The best Siemens could do for an underground equipment inventory was to generate a schematic design of a "feasible" underground grid (p. 2-3). The report does not claim that the "feasible" design is an accurate representation of the actual grid, presumably because Siemens had no basis to conclude that. Siemens estimated cable size and length, and "expected" size of transformer banks. Siemens believes its design is "significantly" in compliance with PG&E's standards (p. 2-10). This begs the question: Where is Siemens' design *not* in compliance with PG&E's standards? We expect Siemens' "feasible" underground design is influenced by its loading criteria, voltage regulation, protection philosophy, substation design – all of which appear to differ from PG&E's – and thus have caused it to infer an underground system that differs from what is actually there.

On four circuits emanating from the Manteca substation, PG&E is in the process of

J-1 cont.

Comment Set J, cont. PG&E's May 11, 2012 Submission

installing "FLISR – Fault Locate & Service Restoration" equipment that automatically switches load from faulted circuits to operating circuits in order to shorten outages. This equipment eliminates the time it takes a troubleman to drive to and physically throw switches. Because customers are out for less time, automatic switching also increases revenue. Siemens' physical inventory, and estimates based thereon, apparently missed this valuable equipment.

J-1 cont.

2. Siemens' inventory estimates are suspect. We list some examples.

- A. On page 3-32, Siemens admits that its inventory errors on the small side, and recommends adding 5-10 percent. The report does not explain why 5-10 percent is a sufficient adder.
- B. Siemens estimated the age of equipment and estimated the number of poles rather than counting them all (p. 2-4). These data are suspect. Siemens concluded that in the SSJID area there were 28.5 poles per mile – whereas PG&E's Stockton Division, which includes the SSJID area, actually has an overall average of 35 poles per mile.
- C. Siemens boldly assumed that pole age equals equipment age, on the assumption any equipment removed from a pole would be salvaged and used elsewhere in the system (p. 3-16). This defies common sense. Equipment is often removed for the express purpose of taking it out of service, and is usually replaced with new rather than salvaged equipment. Furthermore, Siemens' own Table 3-9 shows that PG&E's overhead equipment is newer than its poles.
- D. On page 4-39, Siemens comments on the unsettled Modesto Irrigation District situation: "It appears that MID is picking systematically the most economically attractive loads in the area." "MID has indicated that SSJID could connect to its [Clough] substation upon taking over from PG&E." "This is the base plan as presented in the next section." In fact, however, as LAFCo's executive director James Glaser reported to LAFCo, there is no agreement between SSJID and MID, and MID refuses to disclose to LAFCo the terms on which it would make any agreement with SSJID. MID has not indicated that once SSJID begins to serve MID will (or even legally could) sacrifice its competitive right to continue to try to pick up the most economically attractive loads and leave the unattractive loads for SSJID to serve.
- E. On page 5-44, Siemens discusses "customers that will remain with PG&E but will be connected to SSJID's grid." PG&E cannot be held responsible to serve customers connected to another utility's grid. We do not understand how LAFCo can endorse this aspect of SSJID's plan or how it could be enforced.

3. Siemens does not criticize the design of PG&E's system.

On page 4-1 of its February 2010 report, Siemens acknowledges that "PG&E has made significant improvements to the network and the expected quality of service since our 2004 review."

On page 6-4, Siemens finds that "the system in its current condition (2008) is in good operational condition, although there are some areas that performance could be improved in

Comment Set J, cont. PG&E's May 11, 2012 Submission

order to create greater flexibility to deal with emergency conditions.”

J-1 cont.

4. **Siemens supports PG&E's position on severance.**

PG&E's position on severance is that SSJID must construct (or pay to construct) facilities sufficient to maintain the level of service that customers who will remain with PG&E had before SSJID took over, and compensate PG&E for increased operation and maintenance costs that SSJID's takeover imposes on PG&E. SSJID cannot degrade service to customers it will not serve, and cannot impose on PG&E increased costs to maintain reliable service to those customers. Statements in Siemens' reports indicate that it agrees with PG&E's position. Here are some examples:

- On page 5-1, Siemens concedes that the objective of its severance plan is "maintaining current service conditions for those outside."
- As a standard, on page 4-3 Siemens says voltage at all points in the feeders must be "below 1.05 percent above 95 percent nominal." Interestingly, this criterion is explicitly violated on the southern side of Siemens' severance plan (let alone throughout the plan because, as we mentioned above, Siemens' makes incorrect assumptions about PG&E's line loading).
- On page 8 of the new report, Siemens says it used "the criteria that the load that is located outside SSJID service territory should be supplied with adequate quality of service and maintaining the same degree of N-1 reliability as in the present SSJID severance plan, which in turn is similar or better than PG&E's current quality and reliability."

Of course, we also believe that LAFCo should not allow SSJID to degrade service for customers it will take over.

* * * * *

IF LAFCO APPROVES SSJID'S TAKEOVER PLAN, PG&E URGES LAFCO TO ADOPT THE FOLLOWING CONDITIONS ASSOCIATED WITH SAFETY, RELIABILITY AND SERVICEABILITY OF PG&E'S REMAINING SYSTEM

1. Any new circuit installed for PG&E shall be undergrounded, installed on poles not occupied by the circuit(s) of another utility, or occupy the lowest position of any electrical circuit on poles that carry more than one electrical circuit. SSJID shall pay the costs necessary to comply with this condition, including (if PG&E circuits are to share poles with SSJID circuits) providing 24/7/365 phone and personnel response. SSJID shall promptly de-energize its line(s) on any pole where a PG&E electrical worker needs to work on a PG&E facility. In addition, SSJID shall be required to obtain Modesto Irrigation District's written approval to raise or relocate MID circuits, and to connect to or operate within MID's Clough substation.
2. Circuits to serve PG&E customers that are altered or newly-installed by SSJID shall not be loaded above normal capability per PG&E standards, and shall be capable of maintaining

Comment Set J, cont. PG&E's May 11, 2012 Submission

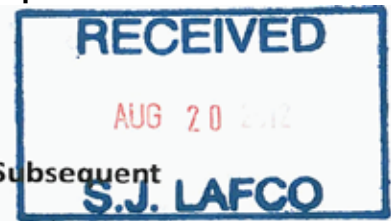
nominal voltage less than 105% and more than 95%. SSJID shall pay the costs necessary to comply with this condition.

3. PG&E shall not be required to share substation transformer busses with another utility. SSJID shall pay the costs necessary to comply with this condition. In addition, SSJID shall be required to commission a written engineering study of solutions and costs at all substations that will be affected by SSJID's takeover, and any solution adopted shall conform to current best utility practices. SSJID shall be required to promptly share the study with PG&E. The study shall not be required at any substation to which PG&E's refuses to provide reasonable access to licensed professional engineers retained by SSJID.
4. SSJID shall not degrade the safety, reliability or serviceability of electrical service provided to customers remaining with PG&E. SSJID shall pay the costs necessary to comply with this condition, including but not limited to (a) installing equivalent multiple and loop feeders for the benefit of customers who now have them (or equivalent reliability designs), (b) making up the cost of additional line losses suffered by PG&E, (c) building new circuits for PG&E's use to PG&E's current standards (for example, installing voltage regulators rather than capacitors), and (d) paying PG&E's reasonable costs to re-do relevant reliability, protection and emergency studies.
5. In the event of a dispute over implementation of these conditions, SSJID shall submit to binding arbitration if PG&E agrees to submit the dispute to binding arbitration. Any arbitration shall be conducted by an arbitrator agreed to by the parties or, if they do not agree, by an arbitrator appointed by the Presiding Judge of the Contra Costa County Superior Court. The parties may agree on the arbitration procedures, but if they do not agree, the arbitration shall be conducted under the Commercial Arbitration Rules of the American Arbitration Association.

J-1 cont.

Comment Set K PG&E's Comments on the Partially Recirculated Draft Subsequent EIR

PG&E's Comments on the Partially-Recirculated Draft Subsequent Environmental Impact Report August 20, 2012



1. PG&E's prior CCA and EIR comments were confirmed by the PRDSEIR's additional analysis.

CCA is environmentally superior to the takeover plan, better accomplishes SSJID's primary goal of a rate discount, and equally or at least partially accomplishes SSJID's lesser goals. Based on our comments already submitted (January 17, 2012 Cox Castle & Nicholson letter to James Glaser), LAFCo should conclude that takeover does in fact entail significant unmitigated adverse environmental impacts, and adoption of the "no project" CCA Alternative would reduce those impacts.

K-1

2. LAFCo should ignore SSJID's statement that it has no interest in pursuing CCA.

LAFCo's task in preparing the EIR is to set forth feasible alternatives and evaluate their impacts on various environmental resources. This information enables decision-makers (here, LAFCo commissioners) to make an informed decision whether to approve a proposed project, approve an alternative, or deny a proposed project. A project proponent is not entitled to have its preferred plan approved just because it does not want to pursue more reasonable, cost-effective, and environmentally-superior alternatives. While saying it is not interested in CCA, SSJID also reserves the right to pull out of the takeover plan, and has said it *will* pull out if it doesn't like the ultimate cost (SSJID Communications Coordinator Troylene Sayler letter June 21, 2010 letter to Gorman Houbein: "We will not take over PG&E's system if we cannot afford to do so"; *Manteca Bulletin* November 21, 2009: Mr. Shields "added, though if the analysis of PG&E system's power comes in higher the district will take a long hard look at its next move even if they prevail at LAFCo"; SSJID Board President Dave Kamper's July 3, 2010 *Stockton Record Op/Ed*: "Either way, if the price doesn't support a 15 percent discount, SSJID will not buy it") or unspecified "changes in the market" (Application at 1-7). So if lack of commitment to proceed is a

K-2

Comment Set K, cont.
PG&E’s Comments on the Partially Recirculated Draft Subsequent EIR

disqualifier, the takeover plan also fails. Just as SSJID can change its mind on takeover, it can change its mind on CCA. Statements by SSJID staff or Board that it is not interested in CCA are not binding on SSJID; just as the SSJID Board’s resolution to file its Application does not bind SSJID to pursue the takeover plan no matter what. Furthermore, just as SSJID secured city resolutions in support of the environmentally-inferior takeover plan by promising rate discounts, it could almost certainly obtain city and County resolutions in favor of a CCA plan with similar discount promises. The cities supported takeover without being offered the CCA choice and its potential for larger, swifter, surer discounts without the risk of prolonged and uncertain litigation, its greater local government and customer choice options, and its lesser impact on their environments.

K-2 cont.

The EIR also should acknowledge SSJID’s concessions that (a) it must obtain the cities’ permission to operate lines in their rights-of-way, and (b) the cities can impose “reasonable conditions” on SSJID’s operation (D.D. Geiger July 19, 2012 & July 30, 2012 letters to Thomas Shephard, Sr.). Since both takeover and CCA require city approval, and takeover may entail difficult conditions, with respect to city approvals CCA must be considered as feasible as takeover if not more so. For the County, CCA requires approval whereas takeover does not, but by allowing SSJID to serve customers in “contiguous” areas CCA may provide an easier path than takeover to deal with the islanding and MID overlap issues.

K-3

3. LAFCo Can and Should Reject the Application Based on the EIR Analysis.

The PRDSEIR concludes that “the Community Choice Aggregation Alternative would be environmentally superior to SSJID’s proposal to acquire the PG&E distribution system because it would avoid all potential impacts related to SSJID’s proposed construction or modification of electric distribution facilities” (PRDSEIR at 2-3, 2-16). However, the PRDSEIR also states that LAFCo is under no obligation under CEQA to reject SSJID’s takeover application based on CCA’s environmental superiority. *Id.* This conclusion is based on the presumption that the takeover project would not result in any

K-4

Comment Set K, cont.

PG&E's Comments on the Partially-Recirculated Draft Subsequent EIR

significant unavoidable impacts. We respectfully disagree. First, as demonstrated in our prior comment letter, the presumption of no significant unavoidable impacts is incorrect, and, as demonstrated herein, there are potentially significant adverse impacts on local public services. For this reason, LAFCo should not approve SSJID's application, because a feasible environmentally-superior alternative exists.

K-4 cont.

Second, whether or not LAFCo agrees with our significance comments, SSJID's stated unwillingness to implement CCA does not constrain LAFCo's discretion to reject the application due to policy reasons identified through the environmental review process. The project's CEQA documentation and PG&E's prior comments have demonstrated that SSJID's implementation of retail electric service would result in environmental impacts, would be disruptive to customers, would result in duplicative facilities (potentially, 66.6 miles of modifications – PRDSEIR at 2-7), and would have serious feasibility issues. Given that CCA can at least equally meet SSJID's stated objectives without the numerous issues raised by a takeover, as a policy matter LAFCo should not approve the takeover project. The environmental review of this project has demonstrated that approving the application would not promote the logical and orderly development of the area, nor result in more effective or efficient delivery of electric service, and the application could be rejected on those policy concerns alone (see Gov. Code §§ 56425(a); 56430(a)(7), (b)).

K-5

4. CCA Better Accomplishes SSJID's Primary Objective.

CCA is not just environmentally superior to, and more feasible than, the takeover plan. It also "would meet most of the project objectives" (PRDSEIR 2-3, 2-12). Analysis shows that CCA is more likely to achieve SSJID's primary objective – rate discounts – than is the takeover plan, with less risk, and more quickly. The takeover plan's rate discounts derive from SSJID's promised infusion of Tri-Dam cash to subsidize them. Rate discounts are more likely under CCA because SSJID will have the same Tri-Dam cash to subsidize CCA as it will have to subsidize takeover, while CCA will avoid large costs the takeover

K-6

Comment Set K, cont.

PG&E's Comments on the Partially-Recirculated Draft Subsequent EIR

plan cannot avoid (among them, construction, severance, equipment, acquisition, litigation, debt payments).

K-6 cont.

The PRDSEIR acknowledges that SSJID could subsidize CCA rate discounts with the same Tri-Dam cash it would have available to subsidize takeover rate discounts (2-12), but it unfairly slants the discussion by asserting that these rate benefits would only be enjoyed by "customers that join the CCA. Customers that opt-out of the CCA program would not receive these potential benefits" (*id.*). First, customers do not actually need to "join" a CCA; they are included in their local CCA unless they opt out. Those who do nothing will receive whatever Tri-Dam cash benefits SSJID's CCA delivers. Second, customers who affirmatively opt-out are exercising a free choice about who will be their energy provider; a choice SSJID's takeover plan does not allow them. They may opt out for any reason sufficient to themselves, including skepticism about takeover's alleged benefits or a preference for PG&E over SSJID or a desire to wait and see, so it is unfair for the PRDSEIR to suggest that opting-out customers are worse off than those who do nothing. Third, under CCA opting-out is not a final decision; customers (including the cities, the County, and individual customers) can opt-out at first and opt-in later. Thus, the PRDSEIR's statement about how the benefits of CCA would be distributed is so incomplete as to be misleading.

5. CCA Avoids Takeover's Problems.

K-7

CCA also avoids some serious problems with the takeover plan. First, because CCA does not require severance of lines that are required to serve customers outside SSJID's boundaries, CCA does not risk cutting non-SSJID constituents off from their electric service, require construction of new lines to allow PG&E to continue to serve them, or require MID to agree to serve them. Second, because CCA does not entail construction of new lines or substations, it does not raise the worker safety and service reliability issues PG&E pointed out in its May 11, 2012 comments on Siemens' severance reports. The

Comment Set K, cont.

PG&E's Comments on the Partially-Recirculated Draft Subsequent EIR

PRDSEIR acknowledges the reality in blunt terms: *“Community Choice Aggregation would avoid potential impacts related to public health and safety that would occur with the SSJID proposal to provide retail electric service, such as potential impacts related to exposure to hazards resulting from construction of new overhead and underground distribution lines and the Jack Tone Substation. ... [CCA] would avoid increasing the number of utilities sharing a single pole and avoid increasing the number [of] utilities involved in responding to line failures or needs to de-energize affected lines. This would avoid potential changes in emergency response practices or exposure to electrocution hazards or fire hazards related to accidental pole or line damage or storm events”* (2-9; italics added).

K-7 cont.

6. CCA Avoids Takeover's Adverse Impacts on Public Services.

The EIR is required to analyze the alternatives' impacts on public services. The PRDSEIR acknowledges (2-10) the potential physical disruptions and risks to existing public utility facilities that takeover entails and CCA avoids, which include potential risks not just to electrical facilities but also to water and telecommunications facilities that are in close proximity to required takeover plan construction.

K-8

Public services may also be impacted by the takeover plan's adverse financial impacts on local government revenues. The PRDSEIR acknowledges that under CCA, “PG&E would continue to pay franchise fees and property taxes” (2-12). But, as shown in recent correspondence to LAFCo concerning Proposition 26, the constitutional ban on gifts of public funds, and LAFCo's conditioning power, it may be impossible for SSJID to implement a takeover plan that maintains local government revenue neutrality. The most recent letter, August 16, 2012 from LAFCo's counsel Neumiller & Beardslee to James E. Glaser, agrees with PG&E that voluntary in-lieu franchise fee and property tax payments by SSJID to the affected cities and County from SSJID's cash reserves and Tri-Dam receipts would be unconstitutional gifts. Neumiller also agrees with PG&E that for SSJID to raise the money for in-lieu

Comment Set K, cont.
PG&E's Comments on the Partially-Recirculated Draft Subsequent EIR

payments from electric rates would require two-thirds voter approval in each jurisdiction, a chancy proposition at best and an impossible feat under SSJID's plan, which is to proceed with the takeover without any local elections. The only probable method Neumiller found to protect local governments' revenues is for LAFCo to adopt specific revenue-protection conditions on any approval of SSJID's application. Tellingly, however, Neumiller found no specific statutory language authorizing such conditions, and each of the Government Code 56886 subsections it finds *might* allow in-lieu payments must receive a broad interpretation for which no legislative history or case authority was cited. Neumiller candidly uses cautionary words throughout its discussion. With respect to 56886 as a whole, it says "may permit" (p. 15) and "it appears that a possible option" (p. 28). Neumiller finds most of 56886's subsections to be irrelevant to the subject of in-lieu payments. Of the subsections that might be relevant, Neumiller is cautious, with one exception. With respect to 56886(a), it says, "An option could be" (id.) and "it could be argued" (p. 16). With respect to 56886(i), it says "appears to provide LAFCo the ability" (p. 16), "However" (id.) and "may be an option" (id.). With respect to 56886(t), it says "it appears" (p. 17) and "However" (id.). These are the only three 56886 subsections Neumiller finds might specifically apply to in-lieu payments.

With respect to 56886(v), however, which Neumiller refers to as "the catch-all provision", Neumiller is not equivocal: it says subsection (v) "provides LAFCo with broad ability to impose additional terms and conditions not clearly outlined under Section 56886. These additional terms and conditions can include other matters that are necessary or incidental to any of the terms specified above and thus, can serve as [the?] subsection where the in lieu franchise fee condition can be placed" (pp. 17-18) and "Lastly, for the same reasons stated above, subsection (v), with its broad provisions may be utilized by LAFCo to place the condition of in lieu property taxes" (p. 18). If Neumiller's interpretation is correct, LAFCo indeed has vast powers to place conditions on any approval of SSJID's application. Subsection (v)'s wording is "Any other matters necessary or incidental to any of the terms and conditions specified

K-8 cont.

Comment Set K, cont.

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in this section", but Neumiller does not identify the "terms and conditions specified" in 56886 to which the in-lieu payment condition would be necessary or incidental. If such identification is not required, then LAFCo has virtually unfettered discretion.

The issue does not end there. Neumiller also candidly identifies the in-lieu payment calculation problems that quickly arise in any discussion of this issue. It recognizes that conditioning approval on a one-time payment by SSJID to the affected jurisdictions is likely to require an amount larger than SSJID could pay (p. 16 – "SSJID would more than likely not have that large sum available in its general fund to make a one-time payment"). And while we agree with this speculation, no method to test it by showing how a one-time payment would be calculated is offered. If 56886 allows LAFCo to impose ongoing perpetual payments on SSJID – which Neumiller does not explicitly say it does – Neumiller recognizes the difficulty of calculating such payments but offers no solution. None of this is criticism; it may not be Neumiller's responsibility to offer calculation methods. But LAFCo needs calculation methods to adopt conditions, and the PRDSEIR should reveal and discuss calculation methods in order to determine the feasibility of the conditioning approach to resolving the takeover plan's impact on public services. Neumiller does sometimes refer to the conditions requiring an annual payment of a "set amount" (pp.2, 28), but fails to discuss the fact that PG&E's franchise fee and property tax payments are not set amounts, and historically have usually risen year-to-year. Thus, within a year of the takeover, local governments entitled to receive from SSJID a set annual amount equal to PG&E's most recent annual payments would have already not been made whole.

Finally, if Neumiller is correct that 56886 allows LAFCo to condition approval of SSJID's takeover plan on in-lieu payments, this will require condition language. Again, none is offered. If the calculations will require cooperation from the State Board of Equalization or PG&E, how can that cooperation be guaranteed? By what means will the affected local governments enforce their rights to in-lieu payments if SSJID doesn't pay or a dispute as to calculation arises?

K-8 cont.

Comment Set K, cont.

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Importantly, revenue neutrality has from the beginning been cast by SSJID as a condition for approval of its takeover plan (Application at 1-12). Without revenue neutrality, local public services will suffer. Local services funded from general fund revenues will be hit, because it is general fund revenues (franchise fees and property taxes) that the takeover plan eliminates. City and County general funds are the funding source for the most important local public services, police and fire. So, the PRDSEIR must estimate the fiscal and consequential societal damage to local public services if LAFCo cannot or fails to adopt enforceable conditions, but it does not. How many police officers are eliminated? How will fire response times increase? Capitol Matrix Consulting has supplied LAFCo with the amounts of local general fund revenues PG&E's electric service contributed last year, but the EIR fails to say how much of those revenues will be lost or how the takeover plan will replace them. With the minor exception of CCA power supplied to government accounts (which is not subject to franchise fees), CCA protects revenue neutrality.

K-8 cont.

7. CCA is More Feasible than Takeover.

The EIR is required to analyze "potentially feasible" alternatives (2-4). CCA is more potentially feasible than takeover. CCA requires resolutions from municipal governing bodies that have already approved resolutions for SSJID to provide retail electric service, and the County, LAFCo approval, and SSJID's voluntary decision to proceed. After that, all that needs to happen is customers being given an opportunity to opt out (a choice not afforded them under the takeover plan) and SSJID arranging for power supplies. Takeover, on the other hand, requires LAFCo approval and acquisition of PG&E's facilities either by negotiated purchase (which PG&E can decline) or eminent domain litigation, which is expensive, time-consuming, unpredictable, and does not guarantee SSJID's success. Even after all that, SSJID reserves the right to pull out of the takeover plan. SSJID's reservation is a conclusion that the takeover plan may NOT be feasible. Assuming that it does move forward, takeover also entails

K-9

Comment Set K, cont.

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permission agreements, debt issuance, substantial construction both inside and outside SSJID's territory, hiring and training workers, contracting for power, establishing customer service, metering, billing, and (potentially) local elections.

The PRDSEIR's description of PG&E's response to CCA (2-6, third full paragraph) is outdated; it doesn't cite any PG&E conduct or statements since 2009, which is before any CCA was in operation and before irrigation districts had the authority to become aggregators. Over the last two years, PG&E has been working with the Marin Energy Authority, the state's only CCA program to date, to resolve any issues that have developed as a result of this first fully-implemented CCA program. In a May 2011 article in the *Marin Independent Journal*, MEA Executive Director Dawn Weisz acknowledged that "PG&E has been working with us in a pretty proactive way to resolve issues as they come up." The story also stated that "Weisz said she isn't worried PG&E will attempt to unfairly influence the decision of the customers the authority is contacting."

Sonoma County is also considering creating its own CCA. The *Santa Rosa Press Democrat* interviewed PG&E President Chris Johns on the possibility, and in a December 19, 2011 article stated "Pacific Gas & Electric Company will not get in the way of Sonoma County's efforts to form a public power agency, company president Chris Johns pledged. In an interview with *The Press Democrat*, Johns said the company would not engage in a publicity campaign to undermine the county's study of whether or not to become a public power supplier to local residents and businesses."

And if the PRDSEIR is going to discuss past opposition, it should also report the fact that PG&E supported – and SSJID opposed – the original effort to enact legislation authorizing irrigation districts to offer CCA. In any event, a party's prior political statements about CCAs in general, as opposed to comments on relative impacts and feasibility in the context of a particular project and proposed alternatives, whether those prior comments be for or against public consideration of CCA in general, are

K-9 cont.

Comment Set K, cont.
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not relevant to a CEQA analysis of the environmental consequences of a proposed project and feasible environmentally-superior alternatives to that project.

K-9 cont.

8. CCA has Local Control Advantages Compared to the Takeover.

K-10

In the face of mounting evidence raising serious questions about the takeover plan’s ability to deliver rate discounts and protect local government revenues, SSJID has recently placed more emphasis on its “local control” objective. In some respects, the CCA alternative provides just as much local control as the takeover proposal, while in other respects it provides greater local control, so overall the CCA alternative does more to achieve local control.

With respect to energy, which is about half of a customer’s entire electric service cost, CCA and takeover provide exactly the same degree of local control. Under both alternatives, SSJID will be responsible to secure energy for its customers. It will have the option to buy power on the wholesale market, enter into long-term power purchase contracts, build generating stations, or any combination of its choice. CCA and takeover will be subject to the same state-established renewable portfolio standards, and both can combine with the Renewable Power Alternative (PRDSEIR at 2-2). Tri-Dam power, or cash from sales of Tri-Dam power, is equally available to subsidize either alternative. Since “local control” of energy is equal under CCA and takeover, CCA significantly achieves the local control objective. In fact, many entities that have pursued or are now pursuing CCA have cited local control as their primary objective.

In addition, CCA offers several important types of local control that the takeover plan lacks. These local control opportunities are especially important for LAFCo to consider because they offer choices to individual cities within SSJID, to San Joaquin County, and to individual customers both within and without SSJID, that takeover does not allow. SSJID seems to think of “local control” as all its own, for its Board to exercise, and never seems to think that control or choice exercised by others in San

Comment Set K, cont.

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Joaquin County who are affected by its electric service count to LAFCo. LAFCo can think more broadly. The PRDSEIR briefly hints at this CCA local control advantage (2-11: "Implementing Community Choice Aggregation would provide customers the choice to have the CCA purchase power on their behalf"), but should more fully lay out the choices CCA affords which takeover prohibits.

- First, each city within SSJID, and San Joaquin County, may opt out of CCA by not approving a resolution asking SSJID to take it on, or may make CCA available to its constituents via resolution but opt not to place the city's own electric demand in the CCA (as certain cities and agencies in Marin County have done), or may opt not to enter CCA at the outset but opt in later (as certain other cities in Marin County have done). Takeover, on the other hand, is all or nothing, once and for all, for all electric service customers, including cities and the unincorporated County area, within SSJID.
- Second, in jurisdictions where CCA has been approved, individual customers may opt out of CCA, or opt out for a time and opt in later, or opt out after a period of time as a CCA customer. All these individual choices are barred under the takeover plan: under the takeover plan, PG&E's present customers in SSJID will be switched to SSJID whether they want to be switched or not, and will not be able to switch out again, and SSJID will take over all aspects of their electric service, not just energy. And, if SSJID has its way, these customers will not be able to vote on any aspect of SSJID's takeover plan.

SSJID often responds to questions about takeover's lack of individual customer choice by saying that those within SSJID can vote SSJID Board members out of office, but it never says what exit procedure is available once SSJID takes over. The City of Hercules, which has a money-losing municipal electric utility, has recently studied means to exit the business. The only exit procedure Hercules found is via two-thirds vote of the city council (changing two-thirds of the SSJID Board via elections takes a minimum of four years), followed by two-thirds vote of the Hercules electorate. If

K-10 cont.

Comment Set K, cont.

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these supermajority votes are achieved, they are followed by a bidding procedure that does not guarantee a bidder will step forward to take over the money-losing electric service, or guarantee a bid that will not dramatically raise rates to pay off debt, reconfigure the system, etc. If SSJID has a less risky exit path, it hasn't identified it and the PRDSEIR does not reveal it.

- Third, the border-area takeover scenario that SSJID prefers ("MID to commercialize these loads" – see, for example, Application Figure 7-16) requires shifting a number of electric customers who reside *outside* SSJID to Modesto Irrigation District service, without providing those customers, who are not even SSJID constituents and do not vote in SSJID Board elections, an opportunity to opt out of MID service or ever to vote in MID Board elections or run for a seat on MID's Board. A similar no-choice-no-vote-no-representation scenario has spawned litigation, LAFCo protests and hard feelings among City of Patterson customers who were switched from PG&E to Turlock Irrigation District service and have no ability to escape the irrigation district or vote or run in its elections. SSJID is aware of this problem, yet continues to promote its "MID to commercialize these loads" severance plan that would create the same situation here. These affected customers may not be SSJID constituents, but they are San Joaquin LAFCo constituents who deserve this Commission's protection. Moreover, MID has not agreed to take on these customers.
- Fourth, CCA allows a gradual approach: establishing CCA service would not prevent a later full or partial takeover by SSJID, or a later SSJID competitive construction plan, whereas SSJID's takeover plan would prevent local CCA service later (PRDSEIR at 2-6: "Under the proposed project, in contrast, the CCA program would no longer be available to other jurisdictions within the SSJID territory").

K-10 cont.

Comment Set K, cont.

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9. SSJID's Response on Local Control.

SSJID's rhetoric about local control is exaggerated. As a retail electric service provider, SSJID will have very little more control over its business than PG&E does, and SSJID's customers will have very little more control than PG&E's customers do. Electric operations conform to the laws of physics, which are the same for SSJID as they are for PG&E. Electrical equipment is engineered and manufactured nationally or internationally; SSJID will have no greater choices among transformers, wires, poles, bucket trucks, etc., than PG&E does – and SSJID may have fewer choices, because it will buy in much smaller quantities than PG&E does. SSJID's decision to enter the retail electric business by acquiring PG&E's assets means it will be stuck with PG&E's prior design and equipment choices (which will be a restriction but not a problem, since according to SSJID's consultant Siemens, PG&E's local system "is in good operational condition" (Siemens February 2010 report at 6-4)). The mutual aid and joint pole agreements SSJID will enter are the same agreements PG&E and neighboring electric utilities operate under. SSJID's reliability and safety will be compared with PG&E's; it will have little flexibility to deviate from the same standards against which PG&E is measured. It may proclaim a commitment to provide more reliable service than PG&E (although it seems to have dropped this proclamation since its consultant's latest report found "PG&E has made significant improvements to the network and expected quality of service since our 2004 review" (Siemens February 2010 report at 4-1)), but spending more on reliability will undermine its ability to provide the 15% rate discount it has so loudly and longly proclaimed.

That is not all. The millions of dollars of debt SSJID will incur to enter the electric business will bear terms dictated by the same financial markets PG&E accesses, and which are centered far from San Joaquin County. The debt terms will require SSJID to maintain rates high enough to pay annual debt service and a cushion above that amount, so SSJID's ability to lower rates will be restricted (Application at 8-7: "Based on advice from bond counsel, SSJID has assumed that SSJID will be required to meet a

K-11

Comment Set K, cont.

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debt service coverage ratio of at least 1.25 in order to maintain its current AA credit rating"). The labor markets SSJID will depend on for qualified electric utility workers are the same labor markets PG&E, MID, etc., tap – except that SSJID will be restricted from hiring talent in those markets if it refuses to pay competitive wages and benefits. The high voltage transmission system over which SSJID must transmit its power (since very little will originate in the district itself) is the same transmission system other utilities use – except that those utilities also own parts of the system and are familiar with its characteristics and requirements. We could go on, but think the point is made: the ways in which a small electric utility can operate differently from its neighbors by exercising "local control", and the ways its customers could "have a say in what they pay" (the new slogan on SSJID's billboards) are limited, and it may be at some disadvantages. SSJID talks about local control, but it has never provided LAFCo with an independent analysis of what it would actually do differently versus what it would do the same, and whether those differences are worth the financial risks associated with the proposal.

There are two primary features of retail electric service over which SSJID could exercise meaningful local control that any customers would care about. The first is rate design; the second is the suite of public purpose programs SSJID would offer. The overall amount of revenues SSJID will have to collect in rates will be determined by its costs, the subsidy cash it can devote from Tri-Dam (which is not within its control and which, according to the reports from Raftelis and PA Consulting, will have already been committed at a level representing all or nearly all the Tri-Dam cash SSJID can ever hope to have), and its bond covenants (which are beyond its control). But how SSJID divides that revenue requirement among customers will be within its discretion, and in this respect SSJID could vary significantly from the rate design the CPUC approves for PG&E. The same is true for power costs under CCA. SSJID's Board could choose to favor certain customers over others in a way different from the CPUC's allocation; for example, SSJID could charge agricultural customers less. The obvious problem with such favoritism, however, is that if one customer class is charged less, another must be charged more, because the total

K-11 cont.

Comment Set K, cont.

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amount of revenues rates must raise is known and fixed. We can confidently predict that SSJID's Board and Staff will put in many more hours of rate-setting work when they have 38,000 electric customers and 3,300 water customers than they do now, when they only have 3,300 water customers, if they choose to exercise their rate design discretion.

K-11 cont.

The preceding paragraph is beside the point, however, because SSJID has abandoned its rate design discretion: it has promised to provide equal discounts off PG&E's rates to each class (Application at 6-6: "SSJID plans on using the same rate design structure that is currently being used by PG&E for customers within SSJID's service territory"; *Manteca Bulletin* April 23, 2011: "SSJID General Manager Jeff Shields noted the irrigation district is committed to accepting every existing rate class . . ."). Thus, SSJID's rate design will be designed by the CPUC.

Regarding Public Purpose Programs, the April 15, 2012 Capitol Matrix Accounting letter describes in detail how the programs SSJID intends to offer (Application at 6-1 to 6-3) are vastly inferior to those offered by PG&E. And PG&E's programs are almost entirely available to CCA customers.

10. CCA Meets Most Project Objectives.

K-12

The PRDSEIR concedes that this is true: "Although this alternative would not meet all project objectives and would not implement SSJID's plan to provide electric service, which is based on SSJID's purchase of the distribution system from PG&E, the Community Choice Aggregation Alternative would be environmentally superior to SSJID's proposal to acquire the PG&E distribution system because it would avoid all potential impacts related to SSJID's proposed construction or modification of electric distribution facilities, and *it would meet most of the project objectives*" (2-3; italics added). This general statement is supported when we examine the project's stated objectives (listed as eight bullet points on PRDSEIR 2-1 to 2-2) one-by-one.

Comment Set K, cont.
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- “To comply with the Cortese-Knox-Hertzberg Local Government Reorganization Act (CKH) Act of 2000 by providing an up-to-date description of SSJID facilities and services and an evaluation of existing and future service conditions (*i.e.*, Municipal Service Review).” CCA fully accomplishes this objective.
- “To include all of the City of Manteca city limits within the SSJID Sphere of Influence to accurately reflect services provided and identify a uniform service provider.” CCA will not affect LAFCo’s accurate determination of SSJID’s Sphere of Influence or identification of service providers. And the CCA alternative actually better accomplishes this objective than SSJID’s takeover plan: as LAFCo knows from SSJID’s Municipal Service Review, SSJID’s takeover plan would create a messy, complex arrangement of electric distribution service territories within SSJID and the surrounding areas of southern San Joaquin County, with “competitive zones” and “noncompetitive zones” occupied by various combinations of PG&E, MID and SSJID. CCA avoids these complexities because it would not change the present arrangements where PG&E provides distribution service everywhere in the area and MID provides selective distribution service in a portion of the area. SSJID’s CCA service would allow customers to choose between SSJID and PG&E for energy, but it would still be distributed and billed by PG&E as before.
- “To annex an 80-acre island that is not served by SSJID within the current SSJID territory for the purpose of providing irrigation services to this area at the request of the property owner and retail electric service, if separately approved.”
Accomplishing annexation and serving irrigation water to the 80-acre island are not affected by CCA. The electric service alternatives analysis is the same for the 80-acre island as for the whole SSJID territory.

K-12 cont.

Comment Set K, cont.

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- “To reduce electric rates and the cost of electric service within SSJID’s existing territory.” Although listed fourth, this objective is the first, and has always been SSJID’s primary, justification for pursuing the authority to provide retail electric service. Rates reduction is the objective SSJID focuses on in its local advertising campaign; everyone who drives around southern San Joaquin County sees the billboards, which until recently talked only about the “save with SSJID” objective. SSJID has not, however, submitted any economic analysis comparing electric rates under SSJID CCA service to electric rates under SSJID distribution service. We believe any credible analysis which uses the same subsidy assumptions for CCA and takeover will conclude that CCA can achieve comparable or larger rate discounts, and more quickly and more certainly, than takeover can. CCA will avoid years and millions of dollars of construction, litigation and debt that takeover requires; and every dollar of Tri-Dam revenue subsidy that SSJID has promised to devote to takeover can be devoted to CCA. One more thing: this objective is worded to suggest that electric rates and cost of electric service are different, although they are lumped together in one objective. Customers care only about rates. Nor has SSJID submitted any analysis showing how it will achieve lower costs than PG&E. There is no reason to think SSJID can buy power or build power plants or buy equipment or vehicles for less than PG&E, or that it can hire equally-qualified electrical workers while offering to pay them less. SSJID may avoid certain costs PG&E has, primarily taxes and fees, but these cost savings mean cost increases to the local government agencies that count on the money from PG&E and will have to replace it somehow unless LAFCo finds a legally-enforceable way to require SSJID to make local governments whole. SSJID will have certain costs PG&E does not have

K-12 cont.

Comment Set K, cont.
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(paying off bonds issued to finance the takeover and severance construction, start-up costs such as setting up new billing and metering hardware and software, developing rate schedules, policies and procedures, hiring and training an electric workforce), and SSJID will have scale and local experience disadvantages compared to PG&E. Finally, if the PRDSEIR will rely on a conclusion about electric service costs, it must be supported by factual support, of which we see none so far.

- “To coordinate local water conservation, energy efficiency, and demand management programs.” There is not much discussion regarding how this objective would result in specified benefits, but it seems to be a red herring argument. CCA is fully compatible with demand management. CCA exceeds takeover’s local water conservation benefits (if any) because it does not require the water consumption that takeover’s construction and added equipment will require.
- “To distribute the economic benefits of SSJID’s ownership of hydroelectric generating facilities to the communities in the SSJID territory by expanding local services to boost local employment, foster local demand for goods and services, and direct revenues from publicly-owned electric generating facilities into the local economy.” To the extent that SSJID claims its provision of retail electric service will achieve these objectives, they are equally or better achieved by CCA, and there is no evidence to the contrary in the record. For example, SSJID has not submitted any study of how its retail electric service will employ more local residents than does PG&E. SSJID has not proposed that LAFCo condition approval on local hiring or define “local” to prevent SSJID from hiring employees outside its territory or outside LAFCo’s jurisdiction. Takeover does not “expand local services” – retail electric service is already provided throughout the local area by PG&E, and in part of the

K-12 cont.

Comment Set K, cont.

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local area by MID. SSJID's plan is a substitution plan, not an expansion plan. Similarly, SSJID has not submitted evidence showing that its provision of retail electric service will "foster local demand for goods and services" greater than PG&E's service does. PG&E's local service is provided primarily by employees working out of PG&E's service yard in Manteca (and, to a lesser extent, PG&E's service yard in Oakdale), supported by employees in surrounding communities such as Stockton and Tracy. For big jobs and in emergencies, PG&E may call in company crews or contractors from outside the local area, but SSJID has not shown it will act differently in such cases (except that it will not have out-of-area reserve forces on staff). We seriously doubt that SSJID has a secret local source of qualified electrical workers that PG&E is not aware of and does not tap when appropriate. Rather, its Application shows it does not: "At start-up and for several years, SSJID will outsource some of the functions to other publicly-owned utilities and private contractors . . ." (6-1). Finally, "direct revenues from publicly-owned electric generating facilities into the local economy" simply restates SSJID's plan to use Tri-Dam revenues to subsidize electric rate discounts. As shown above, CCA achieves this objective as well or better than takeover, because as much Tri-Dam revenue as is available can be used to subsidize the CCA rates SSJID will charge, and none of the revenues will need to be diverted to pay off acquisition and construction debt or to operate and maintain physical facilities. SSJID's application does not promise that SSJID will build new generating facilities in its territory, and even if that is its long-term plan, the generation or revenues from such facilities could be as well utilized in the CCA enterprise as in the takeover enterprise.

K-12 cont.

Comment Set K, cont.

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- “To transfer responsibility and accountability for local electric resource policies and practices within SSJID’s existing territory from PG&E to locally elected public officials accountable to voters in the communities SSJID serves.” Ironically, this is precisely the argument CCA proponents make to support CCA.
- “To increase local influence over and accessibility to retail electric customer service, and increase local influence over energy resource policies.” The takeover plan does not increase local accessibility to retail electric customer service: everyone in SSJID’s territory who wants electric service has it, and all PG&E customers have access to PG&E through multiple means. SSJID has not proposed to provide electric service to people PG&E does not serve, nor questioned PG&E’s legal “obligation to serve.” We concede that takeover has some more room than CCA to permit “local influence over ... retail electric customer service” because takeover will entail a wider range of service provided by SSJID than will CCA – but we believe the extra room is not large enough to change the ultimate conclusion that CCA is the overall preferable alternative and is overall better on local influence objectives. The portion of retail electric customer service not covered by CCA is the physical operation, maintenance and construction of facilities (OM&C), public purpose programs and design of rates to recover the costs of those activities. PG&E already necessarily performs its OM&C locally, and since SSJID proposes to take over PG&E’s physical facilities its ability to operate them differently will be very limited. SSJID’s financial plan does not budget to underground lines that are now overhead, or to move lines from their present locations, or to change the voltages at which those lines operate. The new indebtedness SSJID will incur to pay for the facilities and new construction will limit SSJID’s room to make significant physical changes, which

K-12 cont.

Comment Set K, cont.

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are costly. PG&E already responds to service needs at all times of the day and night, already operates a **free** multi-language 24-hour Emergency and Customer Service Center (call 1-800-PGE-5000) that dispatches personnel as needed around-the-clock, already operates local offices and service centers, and already provides voice responses and written materials in multiple languages, so SSJID's room to "increase local influence over retail electric customer service" is both limited and, as far as we can tell from SSJID's sketchy submissions, not budgeted. The functionality of SSJID's website does not even touch PG&E's. With respect to the design of rates to recover OM&C costs, SSJID has disavowed any intent to change PG&E's design. "[L]ocal influence over energy resource policies" is identical to the preceding objective.

K-12 cont.

11. Summary of PG&E's Comments.

The Partially-Recirculated Draft Subsequent Environmental Impact Report has no real analysis of the primary issue presented by the feasible alternative it addresses: whether CCA would allow SSJID to accomplish its primary objective of a rate discount in a larger, quicker and surer way than the takeover plan would allow. The PRDSEIR also does not present any evidence that allows decision-makers to judge this feasible alternative's ability to accomplish SSJID's secondary objective of local control of electric service. The fact that these issues are not analyzed, and the argument that they may not be necessary or proper subjects for EIR analysis, shows that the PRDSEIR is not LAFCo's best guide for its consideration of SSJID's Application. The PRDSEIR's usefulness is in its showing that the feasible CCA alternative is the environmentally-preferred alternative, and is environmentally superior to SSJID's takeover plan. Therefore, a reasonable approach for LAFCo to follow is to favor CCA over takeover if CCA's overall accomplishment of SSJID's objectives is at least equal or uncertain, as has been shown by non-EIR evidence in LAFCo's record (only some of which is referenced here). In CEQA terms, LAFCo

K-13

Comment Set K, cont.

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should find that the full Subsequent EIR, including the PRDSEIR, (a) identifies CCA as a feasible and environmentally-superior alternative to takeover, and (b) does not show that takeover better attains SSJID's objectives than CCA. Furthermore, while CEQA may not *require* LAFCo to reject the proposed project because there is an environmentally-superior potentially feasible alternative that meets most of the project's objectives, LAFCo decision-makers may, and should, find that the CCA alternative is "actually feasible" and deny SSJID's application for that reason (PRDSEIR at 2-4 (in determining "actual feasibility", "agency decision-makers ... are permitted to balance competing policy considerations in reaching their decision")). This would be a worthier course than following the PRDSEIR's implied suggestion that LAFCo not explain its decision because it doesn't have to (2-16: "nothing in CEQA would require LAFCo to justify its decision not to approve or pursue any other alternatives, even if they are both feasible and environmentally-superior to the proposed project").

Finally, SSJID using Tri-Dam revenues to subsidize a CCA enterprise is the most direct and logical way for SSJID to accomplish its often-stated objective of sharing with its constituents the benefits of its hydroelectric investments. SSJID's hydroelectric investments are investments in electric generation, which is CCA's focus. SSJID's hydroelectric investments are unrelated to investments or expertise in electric distribution, or operation, maintenance and construction of distribution facilities, or electric customer service. Colloquially, SSJID has cheap power; CCA lets it offer cheap power. At the same time, the CCA alternative avoids the many pitfalls and risks of takeover, including potential loss of local government revenues, preclusion of customer choice, litigation, foreclosure of alternatives, construction, adverse environmental impacts, safety and reliability concerns, and border area service difficulties.

K-13 cont.

C.5 Responses to Comments from PG&E

Responses to Comment Set I – Cox, Castle & Nicholson LLP on behalf of PG&E

- I-1 The comment claims that the Draft Subsequent EIR has an unstable and incomplete project description that results in an inadequate disclosure of the environmental impacts.
- Responses to specific concerns of the stability and completeness of the Project Description (Draft Subsequent EIR, Section 2), and the adequacy of disclosure, are provided in Response I-6 to Response I-12.
- I-2 The comment claims that the Draft Subsequent EIR has a piecemealed project description that results in improper analysis of the additive impacts.
- This Final Subsequent EIR includes an updated Executive Summary table that shows the total effect with the combined impacts of the four actions, including the Border Area Service Plan (see Section B.2 of this Final Subsequent EIR, Revised Table ES-2, Summary of Impacts and Mitigation Measures).
- Responses to the concerns of a piecemealed project and analyzing the additive impacts of the project are provided in Response I-13 to Response I-15.
- Additional information to clarify the additive impacts of the Border-Area Service Plan (Mitigation Measure 3.9-4a) is provided in Response I-9 and Response I-23.
- I-3 The comment claims that enforceable mitigation measures should be provided for impacts related to the potential future SSJID headquarters and impacts related to providing retail electric service inside the Sphere of Influence, but outside SSJID's existing territory, in Area D and Area E.
- Responses to specific concerns surrounding a headquarters facility are provided in Response I-12, Response I-21, and Response I-22, and full responses to the concern of providing electric service in Area D and Area E are provided in Response I-17 to Response I-20.
- I-4 The comment claims that the analysis of impacts associated with Area D and Area E is overly conclusory.
- Responses to specific concerns of the analysis associated with Area D and Area E are provided in Response I-17 to Response I-20.
- I-5 The comment claims that the "Draft EIR does not contain a reasonable range of alternatives," and that the Draft Subsequent EIR includes "a legally incorrect conclusion that SSJID does not have legal authority to provide electric service as a Community Choice Aggregator."
- A Partially Recirculated Draft Subsequent EIR was published in July 2012 and provides new information regarding a potentially feasible project alternative (Community Choice Aggregation). Section 2 of the Partially Recirculated Draft Subsequent EIR replaces the original discussion of the environmentally superior alternative in Draft Subsequent EIR Section ES.4, Alternatives Evaluated, and the environmental analysis of alternatives provided in Draft Subsequent EIR Section 6.7.4, Community Choice Aggregation Alternative and Section 6.8, Comparison of Alternatives

and Environmentally Superior Alternative. Responses to the particular points are provided in Response I-24 to Response I-35.

- I-6 The comment reflects dissatisfaction with the scope of the Project Description (Section 2 of the Draft Subsequent EIR), and this concern recurs throughout the comments. Additional clarifying information on the scope of SSJID's proposal can be found in Response I-9, Response I-12, and Response I-17.

The comment quotes passages from a leading early CEQA court case on the subject of the need for an "accurate, stable and finite project description" (*County of Inyo v. City of Los Angeles* [1977] 71 Cal.App.3d 185). However, the Project Description in the Draft Subsequent EIR regarding SSJID's proposal does not suffer from the same flaws the court found in the EIR at issue in the *County of Inyo* case. In *County of Inyo*, an EIR drafted by the City of Los Angeles referred to the project in question differently in different parts of the document. The project that the city was supposed to be analyzing, pursuant to a prior court order, was a proposal to increase the city's extraction of groundwater from the Owens Valley for *export to Los Angeles*. The document that resulted, however, did not focus its analysis on that proposal. Rather, the city's EIR first incorrectly defined the project to include only the extraction of groundwater for use *on city-owned lands located in Inyo and Mono Counties*. In other parts of the document, though, the city defined the project far more broadly. At one point, it was defined, in the court's words, as "*one part of the larger operation of the Los Angeles Aqueduct System*." (Emphasis added.) Later, the project was treated as *the whole of the Los Angeles Aqueduct System*. The primary harm caused by "the incessant shifts among different project descriptions" was that the inconsistency confused the public and commenting agencies, thus vitiating the usefulness of the process "as a vehicle for intelligent public participation." (*Id.* at p. 197.) The court added that "[a] curtailed, enigmatic or unstable project description draws a red herring across the path of public input." (*Id.* at pp. 197–198.)

In the Draft Subsequent EIR for the SSJID Plan to Provide Retail Electric Service, Sphere Plan, MSR, and Annexation, the "project" at issue — though consisting of multiple elements — is described consistently throughout the Draft Subsequent EIR. The EIR addresses the following discrete actions, which, taken together, constitute the CEQA "project" being addressed in the Draft Subsequent EIR:

- ¾ Adoption of a Sphere Plan and Municipal Services Review,
- ¾ Adoption of SSJID's expanded Sphere of Influence,
- ¾ Approval of SSJID's proposal to annex an approximately 80-acre island within the District's existing boundary, and
- ¾ Approval of SSJID's proposal to expand its existing services to provide retail electric service.

Nowhere does the Draft Subsequent EIR describe the proposed project as consisting of anything other than these four actions to be undertaken by SSJID and LAFCo. By focusing on these four actions, the EIR avoids reader confusion of the kind that resulted from the flaws in the EIR at issue in the *County of Inyo* litigation. Because this comment provides no concrete examples of how, allegedly, the Project Description is flawed, the following responses address specific allegations of inadequacy below (as in Response I-9, Response I-12, Response I-17, and elsewhere).

- I-7 The comment claims that a minimum of 300 severance locations would require modification, according to a PG&E estimate of SSJID separation from 2009 (prepared by Black & Veatch). The comment misrepresents the analysis, which states “Every point where the electric distribution system crosses the boundary (at some 300 locations) requires a plan to sever the facilities between the SSJID and PG&E and to reintegrate facilities severed.” Section 2.4 of the Draft Subsequent EIR Project Description discloses the solutions that SSJID designed for the exact purpose of separating and reintegrating the systems, especially along the boundary. Section 2.4.1 of the Draft Subsequent EIR (Project Characteristics) classifies the various modifications as either those needed to address boundary issues or those internal to the SSJID territory (see Table 2-2, Table 2-3, and Table 2-4), and the modifications for the boundary issues were designed for the purpose of addressing all the points where the system crosses the boundary.

The solutions to address the severance appear in the Draft Subsequent EIR Project Description (Section 2.4), which is the design provided by SSJID. The Siemens (February 2010) study that is the basis for the SSJID retail electric service project design identifies over 30,000 individual services, and a small fraction of these would occur along the territory boundary where approximately 16 miles of total modifications would be necessary (as shown in Draft Subsequent EIR Table 2-2). For service on the territory boundary as few as one single customer or as many as dozens of customers can be separated with each modification shown in the Draft Subsequent EIR Project Description (Table 2-3). In portions of the PG&E/MID competitive service area, SSJID proposes to avoid the need to construct severance-related modifications by entering into service agreements (Section 2.4.3), although such agreements are not yet in place (as disclosed by Impact 3.9-4 with Mitigation Measure 3.9-4a, Border-Area Service Plan).

The 2009 PG&E analysis of SSJID separation (prepared by Black & Veatch) is a separate and independent assessment of how the system would need to be modified, and although some design differences would be inevitable, the SSJID design is the basis of EIR study. The new underbuilds and new sections of the electric distributions facilities that are shown in the Draft Subsequent EIR Table 2-2, Table 2-3, and Table 2-4 (with locations in Draft Subsequent EIR Figure 2-2) and analyzed throughout the EIR. The SSJID design represents the foundation for the physical and operational separation, and creating the severance generally involves a disconnection and reconnection of the circuits with sometimes multiple service points. By including over 30,000 individual services as part of its design, the EIR Project Description does not “minimize the scope of work involved in separation” as asserted by the comment.

- I-8 The comment suggests that severance locations should be specifically identified for impact analysis, especially for visual resources. The Draft Subsequent EIR in Figure 2-2 shows the locations of all modifications, including new underbuilds and new overhead sections, and Figures 2-3 to 2-6 detail the modifications. These figures give the reader an overview of the amount of work proposed for the SSJID territory and surroundings. Specific modifications are described narratively in Draft Subsequent EIR Table 2-3. The example provided in the comment, underbuild along French Camp Road, is both shown on Draft Subsequent EIR Figure 2-2 and described in detail in Table 2-3, including the length of work, about 5.27 miles total of new under-build along French Camp Rd and Dudley Rd, and the type of work, replacement of 154 poles with new 60 ft. poles and 6 new 45 ft. poles, including replacement of an overhead crossing of Highway 99 (SR 99), to take loads inside boundary. The severance locations are therefore fully described. Aside from the new underbuilds and new sections described throughout the Draft Subsequent

EIR, creating each severance involves a rewiring of the circuits on the poles, which would not affect visual resources at any specific location.

The comment also suggests that the SSJID territory may contain “more sensitive” visual resources, without suggesting any particular location or type of location that should be treated as “more sensitive”. Sensitive visual resources are defined as aesthetically pleasing or interesting features (trees, mountains, rock outcroppings, historic structures), as well as scenic vistas or specially designated scenic areas (scenic byway, scenic corridor, etc.). Sensitive visual resources that occur in the project area (see Draft Subsequent EIR Section 3.11) are along Highway 99 north of South Austin Road, and near the Stanislaus River area and Caswell Memorial State Park, outside the SSJID territory. Impacts to unique or sensitive visual resources by the plan to provide retail electric service are addressed in Impact 3.11-1 of the Draft Subsequent EIR (Degrade a scenic vista, highway, or resource).

The methodology described in Draft Subsequent EIR Section 3.11.2.1 ensures objectivity in the conclusions on aesthetic impacts. Following recognized professional practice, and as noted in Section 3.11.2.1, the degree of impact and significance is generally arrived at as a function of two considerations: overall visual sensitivity of the landscape; and the severity of the visual change. The sensitivity is a function of the existing visual quality of the project landscape setting, and impacts to landscapes of high visual quality are more likely than impacts to settings of poor quality. The response of viewers to visual change depends on the anticipated level of visual contrast and dominance, as well as potential for blockage of scenic views. Visibility of a project feature per se is not typically identified as a significant impact. Rather, a substantial level of visual change, experienced by a landscape with a high level of sensitivity to visual change, is normally recognized as a prerequisite to significant visual impact, except under unusual circumstances. The Draft Subsequent EIR addresses the combined considerations of both visual sensitivity and visual change in Impact 3.11-3 (Degrade existing visual character with permanent infrastructure) in finding the impact less than significant with mitigation.

See also Response I-10 for information on how this Final Subsequent EIR (in Section B.4) includes additional information to clearly delineate how visual resources would be affected by implementing the project with the Border-Area Service Plan, including photo-simulations of the additional overhead distribution facilities in Final Subsequent EIR Figures B-2b, B-3b, and B-4b.

- I-9 The comment claims that substantial additional impacts would occur with the Border-Area Service Plan, and that these impacts would be the true extent of the project if SSJID cannot avoid the need to build the Border-Area Service Plan. The comment asserts that the impact analysis should be based on the Project Description including construction of the Border-Area Service Plan that would occur with Mitigation Measure 3.9-4a.

This comment raises concerns on the scope of SSJID’s proposal for the border areas (Project Description, Draft Subsequent EIR Section 2.4.3). The proposal that LAFCo must consider identifies approximately 1,500 customers outside SSJID’s service territory where SSJID would use the PG&E/MID competition zone to have MID provide electric service, pending service agreements that have not yet been established. The Draft Subsequent EIR (Impact 3.9-4) discloses that SSJID may be able to implement agreements with PG&E or MID to serve these customers outside the territory, but “if SSJID cannot implement a service agreement with either PG&E or MID, then these customers would be in jeopardy of having no retail electric service provider” (Draft Subsequent EIR, p. 3.9-16). As a result, the Draft Subsequent EIR does not hide “the true extent of the

foreseeable impacts of the project by drawing a figurative line between the scope of the project if certain speculative agreements are reached with PG&E and/or MID and the scope of the project if such speculative agreements are not executed.”

The EIR identifies and recommends implementation of the Border-Area Service Plan (through Mitigation Measure 3.9-4a) if SSJID is unable to implement a service agreement with either PG&E or MID to serve these customers. Although SSJID proposes to implement service agreements as part of the Project Description (Section 2.4.3), these agreements are not yet in place. Accordingly the Draft Subsequent EIR concludes the potential loss of service would be a significant impact and recommends implementing the Border Area Service Plan as mitigation if service agreements are not obtained.

The Draft Subsequent EIR discloses and analyzes the environmental impacts related to the Border-Area Service Plan in the EIR Attachment to Section 3.9. In response to this comment that requests clarification of impacts, the discussion of environmental impacts due to implementing the Border-Area Service Plan is expanded and revised in this Final Subsequent EIR (Section B.4).

The expanded discussion of impacts related to the Border-Area Service Plan in Section B.4 of this Final Subsequent EIR clearly delineates how each specific impact statement would be affected by implementing the project with the Border-Area Service Plan, and this information is summarized in an updated Executive Summary table (Section B.2 of this Final Subsequent EIR).

Because SSJID expects to rely on service agreements that do not exist at this time, the EIR appropriately separates its analysis of the applicant’s proposed project from the impacts of a *different* scenario that SSJID is *not proposing* (*i.e.*, constructing system modifications under the Border-Area Service Plan). Given a project applicant’s discretion in fashioning the project it wants to *propose*, this approach to EIR analysis is proper even though the different scenario is one that *might occur*, if decision-makers, choose to approve the applicant’s project as proposed or with modifications like those in Mitigation Measure 3.9-4a.

The Draft Subsequent EIR analyzes impacts of the proposed project throughout Section 3.1 through 3.13, Section 5, and Section 7 and 8, and analysis of a possible “Border-Area Service Plan” is included in an Attachment to Section 3.9 (pp. 3.9-21 to 3.9-35). This latter analysis is not “hidden.” The impact analysis for the Border-Area Service Plan is separated from the remaining analyses of the proposed project because SSJID proposes to avoid constructing electric facilities under the Border-Area Service Plan by entering into future wholesale distribution and metering agreements with either PG&E or MID (Impact 3.9-4). The Border-Area Service Plan would be required if and only if the LAFCo decision-makers, in taking action on the proposed electric ser-

vice plan, choose to impose Mitigation Measure 3.9-4a to reduce the potentially significant yet avoidable impact of leaving no clear electric service provider for approximately 1,500 customers.¹

CEQA Guidelines, § 15126.4, subdivision (a)(1)(D), provides that:

If a mitigation measure would cause one or more significant effects in addition to those that would be caused by the project as proposed, the effects of the mitigation measure shall be discussed but in less detail than the significant effects of the project as proposed. (*Stevens v. City of Glendale* (1981) 125 Cal.App.3d 986.)

The Draft Subsequent EIR, in the Attachment to Section 3.9, discloses impacts in compliance with this requirement, which on its face implies that the analysis of proposed mitigation measures should be *separate* from the remaining analysis in an EIR. The same language expressly states, moreover, that the analysis at issue may appropriately be “in less detail than the significant effects of the project as proposed.” The discussion of the impacts of implementing Mitigation Measure 3.9-4a includes Draft Subsequent EIR Figure 3.9-1 and addresses all of the following subjects: Land Use, Agriculture, and Recreation; Air Quality; Biological Resources; Cultural Resources; Geology, Soils, and Paleontology; Public Health and Safety; Hydrology and Water Quality; Noise and Vibration; Socioeconomics, Public Services, and Utilities; Transportation and Traffic; Visual Resources; Greenhouse Gas Emissions; and Energy Conservation. Each of these topics is addressed in considerable detail – sufficient to support approval of Mitigation Measure 3.9-4a if the LAFCo decision-makers determine that the measure is feasible and necessary in light of the Project Purpose and Objectives (in Section 2.2, Draft Subsequent EIR, pp. 2-1 to 2-2) and other relevant factors.

Although the comment reflects dissatisfaction with the scope of the Project Description, the impact analysis discloses what could occur by implementing the Border-Area Service Plan . Because the application filed by SSJID proposes to rely on agreements with PG&E or MID that do not yet exist, the EIR process identified the potential need for the Border-Area Service Plan after SSJID filed its application. While it is not SSJID’s proposal to build the Border-Area Service Plan, it could become SSJID’s last resort. The environmental review identified this possibility, and the EIR properly describes the environmental effects of implementing the Border-Area Service Plan as mitigation to the proposed project (CEQA Guidelines §15126.4(a)(1)(D)).

¹ Notably, the inclusion of mitigation measures within an EIR does not, by itself, bind lead agency decision-makers to later adopt and carry out such measures. In *Native Sun/Lyon Communities v. City of Escondido* (1993) 15 Cal.App.4th 892, the court noted that mitigation measures:

[A]re *suggestions* which may or may not be adopted by the decision-makers. There is no requirement in CEQA that mitigation measures be adopted. The adoption of mitigation depends, among other matters, upon economic and technological feasibility and practicality.

(*Id.* at p. 908 (emphasis added) (quoting *No Slo Transit, Inc. v. City of Long Beach* (1987) 197 Cal.App.3d 241, 256).) “Not until project approval does the agency determine whether to impose any mitigation measures on the project.” (*Laurel Heights Improvement Assn. v. Regents of University of California* (1988) 47 Cal.3d 376, 401.) As with project alternatives, proposed mitigation measures, as set forth in an EIR prepared by agency staff and consultants, should be “potentially feasible.” Agency decision-makers (here the LAFCo Commissioners) will determine whether such proposals are “actually feasible.” (*California Native Plant Society v. City of Santa Cruz* (2009) 177 Cal.App.4th 957, 999.)

The comment claims that SSJID is proposing to rely upon “speculative agreements,” but the comment does not claim this part of SSJID’s proposal to be infeasible. SSJID expects to establish the agreements with either PG&E or MID. Because no agreements currently exist, the scope of the Project Description, the environmental review and the impact analysis of the Border-Area Service Plan focus on what could occur if SSJID fails to successfully establish its proposed agreements.

This Final Subsequent EIR (Section B.4) includes an expanded analysis to reiterate for ease of the reader that the potential impacts of the Border-Area Service Plan would be in addition to those of the proposed project. The potential impacts of the Mitigation Measure 3.9-4a (Border-Area Service Plan) are originally disclosed in Draft Subsequent EIR Section 3.9, Socioeconomics, Public Services, and Utilities. Table 3.9-8, Proposed Electric Distribution Circuit Modifications with Border-Area Service Plan (Draft Subsequent EIR p. 3.9-22) clearly notes the total scope of the project with the Border-Area Service Plan. The expanded analysis in this Final Subsequent EIR includes Figure B-1, which is a map of the proposed project with the Border-Area Service Plan mitigation measure. No other change to the EIR is necessary.

- I-10 The comment claims that the analysis of the Border-Area Service Plan is cursory and disintegrated to hide impacts from the public such as the visual impacts. The comment requests a photo-simulation of the visual impacts of having two circuit systems on separate poles in an agricultural visual environment to provide an example of the impact from duplicate circuits. The comment claims that a revised analysis would reveal significant and unavoidable visual impacts.

As noted in Response I-9, the application filed by SSJID and the Draft Subsequent EIR Project Description (Section 2.4.3) describe SSJID’s proposal to use agreements with PG&E or MID to avoid installing duplicate distribution lines, which would avoid the need to build the Border-Area Service Plan. Because the agreements are not currently in place, the Draft Subsequent EIR recommends implementing the Border-Area Service Plan (as Mitigation Measure 3.9-4a), and discloses the impacts of enacting the mitigation. The impact analysis is not “cursory and disintegrated” because it immediately follows introduction of the mitigation. Nor was the level of detail provided legally insufficient. Notably, the comment cites no legal authority for the proposition that an adequate analysis must have included “photo-simulations of the visual impacts of having two circuit systems, on separate poles, in an agricultural visual environment where visual receptors do not have the expectation of the type of industrialized view that is created by constructing duplicative power lines.” Nothing in CEQA requires photo-simulations, even for analyses of impacts of proposed projects, much less for analyses of impacts of mitigation measures. CEQA states that if the effects of a mitigation measure would cause effects in addition to those that would be caused by the project, the effects of the mitigation measure shall be discussed but in less detail than the significant effects of the project as proposed (CEQA Guidelines §15126.4(a)(1)(D)).

The narrative discussion of visual impacts of Mitigation Measure 3.9-4a in Draft Subsequent EIR Attachment to Section 3.9 is complete and straightforward. Nevertheless, this Final Subsequent EIR (in Section B.4) includes additional information to clearly delineate how visual resources would be affected by implementing the project with the Border-Area Service Plan. The expanded analysis includes Final Subsequent EIR Figure B-1, which shows an overview of the proposed project with the Border-Area Service Plan mitigation measure. The expanded analysis also includes photo-simulations of the additional overhead distribution facilities in Final Subsequent EIR Figures B-2b, B-3b, and B-4b. The analysis notes that the affected areas are not on scenic

highways and do not include recognized scenic vistas. The simulations show the potential permanent project-related views for residents and travelers along the roadways. As disclosed in the Draft Subsequent EIR, although replacement poles and additional overhead lines would lead to *some* additional level of visual degradation compared with the current setting, this additional information does not change the conclusion that that such degradation would not be substantial.

Additional information regarding the photo-simulations requested by this comment is provided in Response I-8, which elaborates on the approach to determining degradation of visual character, and how this impact remains less than significant including the Border-Area Service Plan as mitigation.

- I-11 The comment requests that the impact analysis be revised so that it does not rely on SSJID entering into agreements with PG&E or MID. As noted in Response I-9, the application filed by SSJID and the Draft Subsequent EIR (Section 2.4.3) describes SSJID's proposal to use such agreements to avoid installing duplicate distribution lines, and because the agreements are not yet in place, the EIR recommends mitigation if SSJID is unable to implement the agreements.

The comment contends that because implementing the Border-Area Service Plan is not part of the Project Description, but instead is treated as a potential outcome of a mitigation measure, the Project Description is therefore "curtailed, enigmatic or unstable," and "draws a red herring across the path of public input." The reasons are set forth at length in Response I-9 and Response I-10.

- I-12 The comment claims that the EIR improperly excludes the potential future headquarters from the whole of the action and that instead it is addressed as a foreseeable project for purposes of the cumulative impact analysis.

This comment is part of the concern that the project description is unstable. The comment claims that the EIR uses an artificial segmentation of the project that minimizes the project's contribution to cumulative impacts and avoids proposing enforceable mitigation measures for the headquarters. Similar to the concern addressed in Response I-6, the comment reflects dissatisfaction with the scope of the Project Description on the subject of a potential headquarters facility.

The comment takes the view that, as a matter of law, the EIR must treat SSJID's *possible* new future headquarters as *part of* the proposed project. The comment asserts that, by analyzing the impacts of such a possible future project in a chapter separate from those analyzing the impacts of the proposed project, the EIR falls short of meeting its analytical obligations under CEQA.

As lead agency, LAFCo cannot control what SSJID, the project applicant, chooses to propose. Although the Draft Subsequent EIR does not treat a potential future SSJID headquarters as part of the proposed project, the EIR nevertheless includes a lengthy analysis of the potential impacts of such a possible *future* project should SSJID pursue a headquarters. The Draft Subsequent EIR (Section 4) comprehensively and adequately addresses the possible types of impacts and likely mitigation.

The Draft Subsequent EIR explains as part of the scope of the Project Description (p. 2-49) and this Final Subsequent EIR (Section B.3) clarifies that SSJID would rent existing property or rely on existing contractor yards as a base for electric utility staff and equipment storage. Additionally,

"[a]dministrative functions for the provision of retail electric service (*e.g.*, accounting, human resources) would be handled at rented facilities as needed and at the existing SSJID headquarters in Manteca." (Draft Subsequent EIR, p. 4-1.) Should SSJID rent or lease space at an "existing commercial property" or an "existing contractor yard," there would be no environmental impacts associated with new construction as SSJID would merely become a tenant in an approved and previously-developed commercial or industrial area. Its occupancy of space already approved and available in the real estate market would be no different than that of a private business that similarly might rent space from a private landlord in a commercial or industrial complex.

The comment claims that the need for the headquarters is driven by the additional 70 employees that would be hired to provide retail electric service and the need for space for service vehicles and equipment and therefore must be analyzed as part of the whole of the action. The comment is concerned that renting existing facilities is not included in the Project Description and that no potential rental facilities are identified.

The Draft Subsequent EIR Project Description (Proposed Activities for Operation, Section 2.6.4) identifies the need for an additional 70 full time experience electric utility staff and the need to rent property or rely on contractor yards as a base for electric utility staff and equipment storage (under the heading, Employment, p. 2-49). As such, the Draft Subsequent EIR Project Description identifies rented facilities as part of the whole of the action.

Eligible rental properties that potentially meet the needs of SSJID are available at Spreckels Park (236 acres) and Manteca Industrial Park (103 acres). Section B.3 of this Final Subsequent EIR, revises Section 2.6.4 of the Draft Subsequent EIR to include potential light industrial rental facilities that would be available for SSJID to rent. Additional detail on the viability of SSJID's proposal to rent or lease existing facilities is provided in Response I-21, and additional detail on how the Draft Subsequent EIR identifies the impacts or mitigation for the potential future headquarters appears in Response I-22.

Despite the availability of such rental and lease opportunities in the local real estate market, SSJID has been candid in acknowledging the *possibility* that its elected officials – including some perhaps not yet on its Board of Directors – might someday prefer to have SSJID build its own headquarters complex. Recognizing this possibility, which may or may not come to pass, Section 4 of the Draft Subsequent EIR examines the impacts of such a headquarters at a programmatic level (emphasis added to quoted text):

SSJID has for some time been contemplating, as an alternative arrangement, the possible need for expanding or relocating its headquarters. A new headquarters for SSJID is not part of the proposed project addressed in this EIR, and SSJID has not committed to building any new headquarters. However, it is possible that the approval and implementation of the retail electric service plan would increase the likelihood that someday SSJID might choose to build such a facility as one strategy for handling the additional employees SSJID will take on over the long term in providing electrical service pursuant to the proposed project, as well as providing its existing services.

For this reason, this EIR conservatively treats the headquarters as a reasonably foreseeable consequence of SSJID expanding its existing services to provide retail electric service. Because there are no plans for such a facility at this time, however, the analysis in this section necessarily involves a certain degree of forecasting and the analysis is necessarily pro-

grammatic. *If and when SSJID decides to pursue new headquarters, it would need to undertake project-level environmental review of that action.* At that time, formal mitigation measures would be developed.

Two of the points made in the quotation set forth above are worth emphasizing. The first is that the potential headquarters concept addressed in the Draft Subsequent EIR was necessarily generalized, as “there are no plans for such a facility at this time.” The second point is that, if and when SSJID does propose and pursue such a facility, SSJID itself will have to “undertake project-level review.” This means that interested members of the public would have another opportunity to offer their input prior to SSJID making any final decisions about the location and character of a new headquarters complex. The particular site-specific environmental effects of such a proposal can be fully analyzed at the time, and carefully tailored mitigation measures can be developed.

In conservatively choosing to include a detailed analysis of a future project that might never happen, the Draft Subsequent EIR reflects the principles set forth by the California Supreme Court in *Laurel Heights Improvement Assn. v. Regents of University of California* (1988) 47 Cal.3d 376, 396. In that case, the court announced a two-part legal test for when an EIR for a proposed project must include analysis of *either* a “future expansion” of the proposed project *or* some “other action” that might be a *consequence* of the proposed project. According to the court,

an EIR must include an analysis of the environmental effects of future expansion or other action if: (1) it is a reasonably foreseeable consequence of the initial project; and (2) the future expansion or action will be significant in that it will likely change the scope or nature of the initial project or its environmental effects.

As this formulation makes clear, there are at least two potential categories of actions that might be reasonably foreseeable *consequences* of a proposed project. The first is a “future expansion” of the project itself; and the second is an “other action” of some kind. Unlike a “future expansion,” which presumably should be folded into the definition of a “proposed project,” such “other action” need not be considered a part of the project at issue, as long the effects of the “other action” are addressed in the EIR, as is the case here. The key to the court’s formulation is the concept of *causation*. It is entirely possible for a future action of some kind to be “a reasonably foreseeable consequence” of a proposed project without such future action being a *part* of the initial proposed project. Importantly, moreover, something can be “reasonably foreseeable” without being certain to occur.

The comment insists that a future new SSJID headquarters is so certain to occur that, as a matter of law, it must be treated as part of the proposed project that is the subject of the Draft Subsequent EIR. Instead, the analysis recognizes that “[i]f and when SSJID decides to pursue new headquarters, it would need to undertake project-level environmental review of that action. At that time, formal mitigation measures would be developed.” (Draft Subsequent EIR, p. 4-1.) Regardless of the likelihood of SSJID developing a headquarters, the Draft Subsequent EIR conservatively includes a lengthy environmental analysis to disclose impacts, where knowable, and likely feasible mitigation.

In summary, the potential future headquarters is not part of SSJID’s proposal. Although the comment debates the likelihood that someday SSJID might choose to build such a facility, the Draft Subsequent EIR conservatively treats the headquarters as a reasonably foreseeable consequence of SSJID expanding its existing services to provide retail electric service. Because there

are no plans for such a facility at this time, however, the analysis in the EIR for the future headquarters necessarily involves a certain degree of forecasting and the analysis is necessarily programmatic.

The comment finally claims that projects associated with the Sphere Plan and MSR are not treated as part of the whole of the action. As noted in Draft Subsequent EIR Section 2.3.1 Sphere Plan and Municipal Services Review, the MSR is not a plan that commits LAFCo or SSJID to any particular course of action; rather, it is a review of existing and planned services provided within a particular area. The projects identified in the comment, the Division 9 Project and Phase II of the South County Water Supply Program, were considered in the MSR but as activities that had already undergone CEQA, were previously approved, but not yet operational. Because they had not been built at the time of publication of the Notice of Preparation of this Subsequent EIR, they are not considered part of the existing environmental setting (CEQA Guidelines, § 15125(a)) but rather considered foreseeable and evaluated in the cumulative impacts analysis.

- I-13 The comment claims that the EIR analysis of the four separate actions is piecemealed and obfuscates the disclosure of additive impacts. The comment reflects a concern that the total impact of the project is hidden, with four separate actions, and that an integrated analysis would reveal a need for additional mitigation on all proposed activities.

In the scoping period that ended April 15, 2010, PG&E commented that LAFCo must prepare a “unified EIR” describing the complete set of SSJID-related actions (see Draft Subsequent EIR Section 1.8). Accordingly, and in the effort to avoid a potentially-piecemealed analysis, LAFCo chose to prepare a single Subsequent EIR to address the four actions efficiently (as described on Draft Subsequent EIR p. 1-3).

Letters to the LAFCo Executive Officer (dated September 25, 2009 and November 19, 2009) made on behalf of PG&E, attacked SSJID’s then-proposed Sphere Plan and Municipal Service Review, which at the time were subject to review separately from SSJID’s application to provide retail electrical service within its boundaries. The comments “respectfully request[ed] that LAFCo independently evaluate these important CEQA compliance issues, and not follow the ‘project-chopping’ CEQA approach that has apparently been developed by SSJID.” Later comments (dated March 30, 2010 and April 15, 2010) recommended that LAFCo include all of the approvals at issue in “an updated EIR” building on the EIR certified by San Joaquin County in 2006 for SSJID’s original application to provide retail service and that “LAFCo Must Prepare a Unified EIR Fully Describing the Overall Project.”

The single Draft Subsequent EIR released by LAFCo for this project in November 2011 is a comprehensive update of the 2006 Final EIR certified by San Joaquin County, and it also addresses the potential impacts of the Sphere Plan and Municipal Service Review, the proposal to expand SSJID’s existing Sphere of Influence, and a proposal for SSJID to annex an approximately 80-acre island within SSJID’s existing boundary. This approach reflects the recommendations made on behalf of PG&E in the various 2009 and 2010 comments.

In the present comment on the Draft Subsequent EIR, the complaint insists that the analysis is not sufficiently “integrated,” and contends that, despite the fact that all of the actions are addressed in a single EIR, the document is “impermissibly chop[ping] up its analysis to hide the true impacts of the project.” The Sphere Plan and Municipal Service Review are *informational* documents that, rather than authorize the construction or implementation of any environmen-

tally impacting activities, merely assess the extent to which a service provider such as SSJID will be able to meet its obligations should its Sphere of Influence be expanded. Unlike the proposal to provide retail electrical service within SSJID's boundaries, these two components of the larger "project" would not directly lead to new physical construction, such as the erection of new electric distribution poles or other structures. The proposed annexation of an existing, approximately 80-acre island within SSJID's existing territory deals with SSJID's existing irrigation services, which are separate from retail electric service.

The comment claims that impacts due to the provision of retail electric service to Area D and Area E and development of the potential future headquarters should be synthesized as part of an integrated analysis. In claiming that the analysis is piecemealed, the comment gives land use as an example of how the EIR describes the potential impacts, where knowable, and likely feasible mitigation for activity related to annexation of Area D and Area E (as throughout Draft Subsequent EIR Section 3) or a new headquarters for SSJID (as Draft Subsequent EIR Section 4). The Draft Subsequent EIR provides this disclosure while clearly acknowledging that implementing the retail electric service plan does not include any immediate plan to provide electric service to Area D or Area E, which are outside SSJID's existing territory (Section 2.3.1 and Section 2.3.4) and that "a new headquarters for SSJID is not part of the proposed project" (Draft Subsequent EIR p. 4-1). Response I-17 to Response I-19 address in more detail the adequacy of disclosure of foreseeable impacts related to future annexation of Area D and Area E; and Response I-21 and Response I-22 address in more detail the adequacy of disclosure of impacts related to the potential future headquarters.

To address the concern that separate treatment of project components segregates the analysis, this Final Subsequent EIR adds clarifying information to disclose that the four separate actions being contemplated by SSJID and LAFCo would not cause impacts that overlap or compound. Neither the MSR nor the Sphere Plan commit to any course of action or approve any course of action. The Draft Subsequent EIR describes that the Sphere Plan and MSR are not approvals of SSJID's existing or planned services (p. 2-7; p. 3.0-1), and that future proposals stemming from adoption of the MSR and the proposed SOI may need to undergo appropriate project-level environmental review before SSJID acts on them (p. 1-9; p. 2-11). The Executive Summary of the Draft Subsequent EIR (p. ES-8 to ES-17) shows that "No Impact" would occur with LAFCo action on the Sphere Plan or MSR. Impacts related to LAFCo action on the 80-acre annexation and the retail electric service proposal would have little potential to overlap or compound (Draft Subsequent EIR Section 2.3.3, 3rd paragraph, p. 2-12).

With Section B.2 of this Final Subsequent EIR, the Executive Summary has been updated to tabulate total effect with the combined impacts of the four actions, including the impacts of the proposal to annex an approximately 80-acre island, and the retail electric service proposal with implementation of the Border-Area Service Plan (as Mitigation Measure 3.9-4a).

- I-14 The comment notes that SSJID would not acquire PG&E's existing Vierra or Avena Substations, which are outside the SSJID territory. This information is consistent with the SSJID design that is the basis of EIR study. The EIR Project Description reflects the SSJID design that appears in the Siemens February 2010, Distribution Network Inventory and Severance Issues Report, which includes the electric distribution facilities that are shown in Draft Subsequent EIR Table 2-2, Table 2-3, and Table 2-4 (with locations in Figure 2-2). The comment is correct in that EIR shows that SSJID would not acquire the Vierra or Avena Substations.

PG&E reviewed the Siemens Inventory and Severance Report and provided additional comments in a submittal to LAFCo dated May 11, 2012.² LAFCo requested that Siemens review its earlier design work in light of PG&E's additional comments. In response, Siemens provided an updated analysis that examined options for providing backup service to PG&E Feeders after SSJID acquires the Manteca Substation (June 2012), and this technical report is included with this Final Subsequent EIR as Attachment 1.³ The Siemens June 2012 report describes alternative solutions to the engineering issues raised by PG&E in its May 11, 2012 review (see Comment Set J).

PG&E's comments assert that in order for PG&E to reliably serve its existing customers, two new substations would be needed in the surrounding PG&E territory (a New Lathrop Substation and a New South of Vierra Substation). These recommendations appear in a PG&E estimate of SSJID separation from 2009 (prepared by Black & Veatch; p. 54, December 2009). Installing a new Lathrop substation bank would allow PG&E to replace a connection to Manteca that would be acquired by SSJID, and installing a new substation bank south of the existing Vierra Substation would allow PG&E to replace connections to Manteca and Ripon circuits that would be acquired by SSJID.

In contrast to the comment and the 2009 report prepared by Black & Veatch, the SSJID design developed by Siemens (February 2010 and June 2012) did not identify any need for two new substations in the PG&E territory. Neither of the substation recommendations in the Black & Veatch report would be triggered by the SSJID system modifications in the vicinity of Avena Substation.

The Siemens June 2012 analysis provides alternative solutions to issues raised by PG&E to provide backup to customers that will remain with PG&E after the separation. This Final Subsequent EIR incorporates the Siemens June 2012 recommendations as optional components of the Project Description (shown in Section B.3 of this Final Subsequent EIR, as revisions to Draft Subsequent EIR Table 2-3). Adding these optional solutions to the EIR does not constitute "significant new information" for the purpose of requiring recirculation because the components would be minor additions that would be only optionally built, depending on final engineering. No significant environmental impacts would result from the changes nor would there be a substantial change in the severity of any impact, and no additional mitigation would be necessary.

See also Response I-7 for additional information on potential design differences between the 2009 PG&E analysis of SSJID separation and the SSJID design that is the subject of the EIR.

- I-15 The comment claims that the conclusions are flawed regarding the project's contribution to cumulative impacts because of how the analysis approaches the four actions. The comment contends that the proposed project is "piecemealed."

Response I-13 addresses the basis of using the "unified EIR" to disclose the impacts of the four SSJID-related actions and to avoid a potentially-piecemealed analysis. With Section B.2 of this Final Subsequent EIR, the Executive Summary has been updated to tabulate total effect with the

² The document titled "PG&E's May 11, 2012 Submission to LAFCo Concerning Two Siemens Reports" is included in this Final Subsequent EIR (Section C, Responses to Comments, Comment Set J).

³ Siemens PTI. 2012. Options for providing backup service to PG&E Feeders once SSJID acquires Manteca substation. Prepared for SSJID by Siemens Power Technologies International, Nelson J. Bacalao. June 2012. (Included as Attachment 1 of this Final Subsequent EIR.)

combined impacts of the four actions, and this information does not change the conclusions regarding cumulative impacts. Additional detail on the total effect of the four actions, including the clarifying information found in this Final Subsequent EIR, is also found in Response I-13.

Additional information to clarify the additive impacts of the Border-Area Service Plan (if required by Mitigation Measure 3.9-4a) is provided in Response I-9 and Response I-23.

- I-16 The comment states that CEQA requires that the public have reasonable access to documents that make the basis of an EIR. The comment asserts that the lead agency and SSJID failed to provide any access to two reports commissioned by SSJID and authored by Siemens (dated February 2010 and July 2011). These Siemens reports are the engineering analyses that are summarized for public review in the Draft Subsequent EIR. The Siemens reports are used by Project Description (Draft Subsequent EIR Section 2) that identifies the full design of the retail electric service plan and the description of the Border-Area Service Plan (Draft Subsequent EIR Attachment to Section 3.9).

The SSJID retail electric service project design that is the basis of EIR study appears in the Siemens February 2010, Distribution Network Inventory and Severance Issues Report, which includes the electric distributions facilities that are shown in Table 2-2, Table 2-3, and Table 2-4 (with locations in Figure 2-2). The second engineering analysis of the facilities needed for Mitigation Measure 3.9-4a (Border-Area Service Plan) appears in the Siemens July 2011 report.

After receiving the January 17, 2012 comment letter noting PG&E's inability to obtain the Siemens reports, LAFCo provided a copy of the two documents to the commenter on March 8, 2012, with a statement that an additional 45 days (until April 22, 2012) would be provided for PG&E to comment on the information found therein. LAFCo committed to respond in writing, as part of the Final Subsequent EIR, to any significant environmental issues raised by PG&E in any additional (timely) comments it chooses to submit. On April 5, 2012, LAFCo offered PG&E until May 11, 2012 to enter comments on the two Siemens reports. PG&E provided its comment letter on May 11, 2012 (see Comment Set J).

This Final Subsequent EIR Section A.3 (Areas of Controversy, Comments on Retail Electric Service Project Design) summarizes the points where PG&E disagrees with the engineering analyses of the Siemens reports. Responses to the comments made by PG&E on the Siemens reports are provided in Responses to Comment Set J.

This Final Subsequent EIR (Attachment 1) provides the engineering analysis that SSJID commissioned from Siemens June 2012 as a response to PG&E's May 11, 2012 comments. The Siemens June 2012 report provides an analysis of options for providing backup service to PG&E feeders emanating from the Manteca Substation, and this third engineering analysis identifies system modifications that are now incorporated into the Project Description in the Final Subsequent EIR Section B.3.

See also Response I-14 for additional information on the proposed design that is the subject of the EIR.

- I-17 The comment claims that the Draft Subsequent EIR does not propose enforceable mitigation measures for impacts to Area D and Area E and that the EIR should be revised to include mitigation for all the project's impacts and provide the public with the opportunity to comment on the effectiveness of the mitigation.

The Draft Subsequent EIR Project Description, Section 2.3.1 and Section 2.3.4, shows that SSJID's design for implementing the retail electric service plan does not include any immediate plan to provide electric service to Area D or Area E, which are outside SSJID's existing territory. Additionally, Draft Subsequent EIR Section 2.3.4 states that no specific construction proposal for Area D and Area E is under consideration at this time and that specific proposals, including annexations, may need to undergo project-level environmental review. Similar to the concern addressed in Response I-6, the comment is dissatisfied with the scope of the Project Description that includes no proposal to annex or provide electric service in Area D or Area E.

The comment claims that the Draft Subsequent EIR does not propose specific mitigation measures *now* for *possible* annexations that could occur 10 and 30 years from now. In effect, the comment argues that this EIR should formalize today a review of potential annexations although annexing Area D or Area E are not part of the proposed project and such annexations will require their own more focused CEQA review, potentially decades from now. The Draft Subsequent EIR shows that SSJID has not proposed the *annexation* of either area, and conservatively discloses the potential impacts, where knowable, and likely feasible mitigation for activity related to annexation of Area D and Area E (as throughout Draft Subsequent EIR Section 3).

The comment also likens a Sphere of Influence, which merely identifies areas likely to be annexed to an agency's service area someday, to a General Plan, which is a legislative document setting forth binding policies that govern and regulate the gradual build-out of a city or the unincorporated area of a county. The analogy does not apply.

As the Draft Subsequent EIR explains (p. 3.1-10),

This impact analysis discusses the potential project-specific impacts associated with the plan to provide retail electric services and identifies mitigation measures for potentially significant impacts. This represents a project-level assessment of the updated plan and also a programmatic-level assessment of foreseeable consequences of the retail electric service plan such as the expansion of SSJID's retail electric service to Area "D" or Area "E" (see Figure 2-2 in Chapter 2, Project Description), which are outside SSJID's existing territory, but within its current and proposed SOI. However, SSJID has no immediate plans to annex areas within Area "D" or Area "E" or to provide retail electric service in these areas. If the current proposal for retail electric service is approved and the areas are annexed in the future, SSJID would likely expand this service to Area "E" within 10 years and to Area "D" within 30 years. Mitigation measures that apply to the proposal for retail electric service would likely also apply to the future expansion of electric service within the SOI. Approval of the proposed project, however, would not commit SSJID to exactly these mitigation measures for possible future annexations because considerations may arise within 30 years that would make the near-term measures obsolete or outdated. Specific proposals for annexations or service beyond SSJID's existing territory may need to undergo the project-level environmental review process and other required approvals should SSJID decide to pursue such an annexation or service expansion in the future.

This approach is practical because any attempt today to identify mitigation to be carried out in 2022 or 2042 would lead at best to guesses leading to formulations that might prove to be wrong and impractical when finally implemented. This approach is also legally defensible. Here, the project does *not* include any proposal to annex Area D or Area E. Nor does the project include any proposal to extend SSJID's existing Sphere of Influence to include Area D, which is

already within SSJID's sphere. For these reasons, the Draft Subsequent EIR provides a program-level review of possible future LAFCo actions annexing those areas. Unlike a general plan, which, with its binding policies, functions like a "constitution for all future development,"⁴ a sphere of influence has no such function. "A sphere of influence is a *flexible planning and study tool* to be reviewed and amended periodically as appropriate."⁵ Indeed, spheres merely identify a local agency's "probable physical boundaries and service area," which *may* ultimately be annexed to an agency's service area or territory. (See Gov. Code, § 56076.) *Annexation* is the event that actually brings an area into a service area or territory. (See Gov. Code, § 56017.) According to the California Supreme Court, "a LAFCO approval of an annexation is an irrevocable step" that could culminate in reasonably foreseeable effects on the environment.⁶ The same is not true of a sphere of influence.

Impacts that may occur after future annexations are appropriately considered at a programmatic level. Because future annexations will be subject to CEQA, and here will require their own site-specific CEQA documents when the time comes, the Draft Subsequent EIR properly declines to propose *at the program level* of CEQA review specific mitigation measures that would be implemented, *if ever*, after *project level* environmental review has been conducted for the annexations. The analysis describes the likely applicability of mitigation for impacts due to expanding electric service into Area D and Area E, in light of the consideration that successful annexation is neither proposed nor a certain outcome at this time. Absent any specific proposal to annex and to provide electric service in Area D or Area E, the EIR declines to identify enforceable mitigation.

All mitigation measures identified in this EIR would be enforceable to the provision of retail electric service inside SSJID's existing territory, as proposed and as shown in the project design (Draft Subsequent EIR Figure 2-2). This Final Subsequent EIR (Section B.4) clarifies that the EIR mitigation measures would also be enforceable and applicable to implementation of the Border-Area Service Plan (Final Subsequent EIR Figure B-1). Because this EIR addresses the impacts of providing retail electric service inside SSJID's existing territory, the EIR mitigation would apply to any project activities, should any occur in Area D or Area E, even though SSJID does not propose to serve those areas.

I-18 The comment claims that the analysis of impacts associated with providing electric service to Area D and Area E is overly conclusory and lacks meaningful information.

The suitability of the programmatic analysis used in the Draft Subsequent EIR is described in detail in Response I-17. The EIR provides the reader with meaningful information by noting that Area D and Area E are without a specific construction proposal because SSJID can only provide electric service in these areas after future annexation that may need to undergo another project-level review. The Draft Subsequent EIR describes the likely applicability of mitigation for impacts due to expanding electric service into Area D and Area E only after disclosing the impacts and mitigation associated with the specific construction proposal for customers inside the existing territory. These disclosures illustrate the potential scope of the impacts, where knowable, and give examples of appropriate mitigation should SSJID decide to pursue a future annexation in Area D or Area E.

⁴ See *Leshar Communications, Inc. v. City of Walnut Creek* (1990) 52 Cal.3d 531, 540.

⁵ *City of Agoura Hills v. Local Agency Formation Commission* (1988) 198 Cal.App.3d 480, 490 (emphasis added).

⁶ *Bozung v. Local Agency Formation Commission* (1975) 13 Cal.3d 263, 278, 279.

- I-19 The comment asserts that SSJID should determine the infrastructure improvements that would be required to provide retail electric service in Area D and Area E, and that construction and operation of those electric distribution system modifications should be considered at the same level of detail as the proposed distribution system modifications.

The comment suggests that SSJID should develop a design for segregating the customers of electric service in Area D and Area E, and that SSJID should now have a specific design for providing retail electric service in these areas. In order to do so, SSJID would need to conduct an engineering analysis of the existing distribution system in these areas.

The Draft Subsequent EIR (Figure 2-2) shows that Area D and Area E are inside the Sphere of Influence but outside SSJID's existing territory. The powers of an irrigation district include the authority to provide electric service within an irrigation district's existing territory. Throughout the Draft Subsequent EIR (as introduced in Section 1.5.1), the project-level review is provided because the locations and timing of construction expected to occur are known for the proposal to provide retail electricity service within the existing territory. Because SSJID does not have authority to provide electric service outside its existing territory, SSJID did not propose to do so. Likewise, SSJID did not provide any engineering analysis or design of the distribution system modifications that might be needed for SSJID to bring electric service to Area D and Area E.

Because SSJID has no immediate plans to annex these areas (see Draft Subsequent EIR p. 2-8 and Response I-17), any design to provide near-term electric service to these areas would require reevaluation after SSJID requests and gains the legal authority to serve within the annexation(s). While it would be feasible for SSJID to develop a specific design for modifying the electric distribution system to serve Area D and Area E, such an exercise would have little meaning without a viable proposal for the annexations.

- I-20 The comment claims that the Draft Subsequent EIR should analyze the anticipated electricity demand and the GHG emissions profile of the energy supply that would be used to serve Area D and Area E.

The Draft Subsequent EIR (pp. 2-50 to 2-51) describes SSJID's proposed power supply and commitment to renewable energy. Comprehensive analysis of the GHG emissions profile of SSJID's energy supply is provided in Draft Subsequent EIR Section 3.12 (pp. 3.12-16 to 3.12-18), and this analysis applies to all energy procured for SSJID retail electric customers, regardless of the customer location. Possible future annexations would not change the GHG emissions profile of SSJID's energy supply, and impacts would be as described in the Draft Subsequent EIR.

See also Response I-17.

- I-21 The comment claims the Draft Subsequent EIR fails to analyze the new headquarters and claims that the Project Description provides no detail on the location, size, or availability of rental facilities that would be used as a base for electric utility staff and equipment.

The Draft Subsequent EIR Project Description (Section 2.6.4) identifies the need for an additional 70 full time experience electric utility staff and the need to rent property or rely on contractor yards as a base for electric utility staff and equipment storage (under the heading, Employment, p. 2-49). SSJID would rent an existing location in Manteca zoned either Business Industrial Park Zoning District which allows for light industrial uses as well as warehouses of limited size or Light Industrial Zoning District, which provides for industrial parks, warehouse, distribution centers,

light manufactures, public and quasi-public uses, and similar and compatible uses. Vacancy rates for previously-developed and built commercial real estate in Manteca provide ample opportunity for SSJID to rent or lease the space needed (less than 7 acres) for outdoor storage of supplies, trucks, and other equipment. Specifically, SSJID could select from properties at Spreckels Park (236 acres) and Manteca Industrial Park (103 acres). Asking prices for industrial property sales and rents in the Stockton, Tracy, and Modesto markets (the nearest cities with aggregated data)⁷ are presently below their levels of 2009, when SSJID filed its application to LAFCo, indicating an abundant supply for the region. The specific rental property is unknown at this time.

In order to provide the reader with clarifying information regarding the viability of the rental facilities, the Project Description has been revised in this Final Subsequent EIR as follows.

Section 2.3.4 Updated Plan to Provide Retail Electric Service

[...]

SSJID also anticipates creating approximately 70 new electric utility employee positions, in addition to its current utility staff, and proposes to work with other publicly owned utilities and private contractors to assure cost-effective operations. SSJID expects to rent existing commercial property or rely on existing contractor yards as a base for electric utility staff and equipment storage. To enhance reliability and emergency response, SSJID expects to enter into Mutual Aid Agreements with MID, the Turlock Irrigation District (TID), Trinity Public Utility District, and SMUD. SSJID has joined the California Utility Emergency Association (CUEA).

Section 2.6.4 Operation of Retail Electric Service Facilities

[...]

Employment. SSJID currently has 86 full-time employees for routine operations and maintenance, construction, billing and collection for irrigation water and drainage services and wholesale power sales. The addition of retail electric service would result in SSJID initially hiring about 70 additional full time experienced electric utility staff to supplement its existing staff. SSJID expects to initially rent ~~commercial~~ property zoned as light industrial (M-1) or business industrial park (BIP) or rely on contractor yards as a base for electric utility staff and equipment storage. Potential rental opportunities that may meet the needs of SSJID exist at the Spreckels Park development located at the northwest corner of State Highways 99 and 120 in Manteca with a total of 236 acres zoned for light or heavy industrial uses and the Manteca Industrial Park and Southeast Manteca Area with a total of 103 acres primarily zoned industrial park. Additional industrial areas are located at the west Manteca area off Yosemite Avenue and at the Pacific Business Park in the northwest Manteca areas; however, industrial sites along the western portion of Manteca are less preferred as they would be located further from SSJID potential customers.

Additional contract personnel would be hired for start-up operations, as needed. SSJID may also contract with MID for specific support service during the initial start-up period. For example, SSJID may initially have MID administer the Public Benefits Program to ensure

⁷ Industrial property market trend data is available at: http://www.loopnet.com/Stockton_California_Market_Trends. Accessed November 4, 2014.

implementation of important efficiency and renewable investments. SSJID has become a member of the California Utilities Emergency Association (“CUEA”) whose members would provide mutual assistance to SSJID during periods of emergency. SSJID will also sign mutual aid agreements with individual electric utility providers. SSJID would adjust its organization based on its actual operational experience with the goal of optimizing economic and operational efficiencies, improving response time, reducing the number and duration of outages, and improving overall customer service satisfaction. Administrative functions for the provision of retail electric service (*e.g.*, accounting, human relations) would be handled at rented facilities as needed and at SSJID’s existing Manteca office.

See also Response I-12 for additional clarification on SSJID’s proposal for support facilities.

- I-22 The comment states that the analysis for the headquarters in the EIR reflects an artificial segmentation of the project that avoids proposing enforceable mitigation measures for the headquarters, and that the Draft Subsequent EIR should be revised and recirculated to describe potential locations for potential new headquarters with a commitment to mitigate any impacts related to the headquarters.

As noted in Response I-21, the Draft Subsequent EIR Project Description (Section 2.6.4) identifies the need to rent property, which demonstrates that the activity is not artificially divided from the project. This aspect of SSJID activity would occur at existing buildings, previously-developed and entitled, and this Final Subsequent EIR includes additional detail to show that existing facilities are available at the Spreckels Park development located at the northwest corner of State Highways 99 and 120 and the Manteca Industrial Park and Southeast Manteca Area.

This comment raises concerns on the scope of what SSJID proposes, and the concerns are similar to those addressed in Response I-6 and Response I-12. The comment asserts that SSJID should propose one or more specific sites for a potential headquarters, even when the Project Description shows that SSJID proposes a different approach. Given the proposal to rent existing facilities, the Draft Subsequent EIR (in Section 4) discloses the potential impacts, where knowable, and likely feasible mitigation related to SSJID’s possible future decision to build a new agency headquarters. The Draft Subsequent EIR need not formulate precise mitigation measures for SSJID’s possible future decision to build a new agency headquarters, which – if it is ever pursued – would also be subject to its own site-specific CEQA review.

In conclusion, the analysis of the potential future headquarters provided in the Draft Subsequent EIR (Section 4) is limited to the proposal before LAFCo, and it provides decision-makers with a forecast and programmatic description of impacts, reflecting the scope of consequences of the potential LAFCo action. Accordingly, the description of impacts related to the headquarters is not sufficiently detailed to justify the formulation of formal mitigation measures, which may or may not be applicable to a real, concrete proposal, if developed by SSJID in the future. As described in the Draft Subsequent EIR: no headquarters is proposed by SSJID; the current potential LAFCo action would not authorize construction of such a facility; and SSJID or another lead agency would need to undertake project-level environmental review for any decision it makes to pursue new headquarters (Draft Subsequent EIR, p. 4-1) as opposed to the use of an existing entitled development.

- I-23 The comment is concerned that the Draft Subsequent EIR inconsistently shows potential impacts related to utility system disruptions and that implementing EIR Mitigation Measure 3.9-4a, with the Border-Area Service Plan, would result in impacts that should be disclosed in more detail.

The Draft Subsequent EIR Project Description (Section 2.4.3) and the analysis of Impact 3.9-4 illustrates the potential impacts of the proposal before LAFCo, namely, that approximately 1,500 customers outside SSJID's service territory could be adversely affected by a change in service provider. Because the EIR identifies a potentially significant impact, it recommends implementation of the Border-Area Service Plan (as Mitigation Measure 3.9-4a) to serve these customers. The Border-Area Service Plan is not part of the project as proposed and is analyzed separately as mitigation.

See also Response I-9 and Response I-10, which introduce the expanded discussion of impacts related to implementing the project with the Border-Area Service Plan in Section B.4 of this Final Subsequent EIR.

- I-24 The comment claims that the "Draft EIR does not contain a reasonable range of alternatives," and that the five alternatives described and analyzed in the Draft Subsequent EIR are not meaningful. The following response addresses the broad concern of a reasonable range of alternatives, then this response addresses concerns of whether specific alternatives are meaningful.

Concerns on the range and number of alternatives (found in Comments I-24 through I-35) are based on an erroneous notion that CEQA requires a lead agency to include EIR analysis of any and all potential alternatives that would either lessen significant effects of proposed projects or meet most stated project objectives. In fact, CEQA does not impose such an enormous burden on lead agencies.

"There is no ironclad rule governing the nature or scope of the alternatives to be discussed other than the rule of reason." (CEQA Guidelines, § 15126.6, subd. (a).) "An EIR need not consider every conceivable alternative to a project." (*Id.*) It is always possible that a project opponent suggests a particular permutation of a project different from those analyzed in an EIR, but this possibility does not by itself render inadequate the range of alternatives discussed in an EIR. Rather, the "responsibility to provide an adequate discussion of alternatives" lies with the lead agency, not project opponents. (*Laurel Heights Improvement Assn. v. University of California Regents* (1988) 47 Cal.3d 376, 405-406; see also *Citizens of Goleta Valley v. Board of Supervisors* (1990) 52 Cal.3d 553, 569 (*Goleta II*) [same].)

A leading case on how a lead agency should approach the creation of a reasonable range of alternatives is *California Native Plant Society v. City of Santa Cruz* (2009) 177 Cal.App.4th 957, 988 (*CNPS*). There, the Court of Appeal began by noting that the substantial evidence standard of judicial review applies to the questions of whether an EIR includes a reasonable range of alternatives, and whether a lead agency's analysis should have included an additional alternative championed by a project opponent. The court emphasized that "[w]e judge the range of project alternatives in the EIR against a 'rule of reason.' *The selection will be upheld, unless the challenger demonstrates 'that the alternatives are manifestly unreasonable and that they do not contribute to a reasonable range of alternatives.'*" (Emphasis added.)

In addressing whether an additional alternative should have been included, the *CNPS* court further stated: "[i]n assessing the claim that the exclusion of [certain potential] alternatives

renders the EIR defective, the question is whether the range of alternatives is ‘unreasonable in light of the omitted alternatives.’” (*Id.* at p. 992 [emphasis added; citation omitted].)

Nothing in a later case from the same appellate court, *Watsonville Pilots Assn. v. City of Watsonville* (2010) 183 Cal.App.4th 1059 (*Watsonville Pilots*), changes these principles (regarding Comment I-31). The *Watsonville Pilots* decision does not expressly or impliedly distinguish *CNPS*, much less repudiate the clear holding of the latter case that the adequacy of an alternatives analysis is subject to the deferential “substantial evidence” standard of judicial review. (*Ibid.*) The court in *Watsonville Pilots*, however, did carefully scrutinize the respondent city’s administrative record to determine whether the city’s decision to exclude the alternative at issue was based on substantial evidence. The court found the city’s record to be lacking. (*Id.* at pp. 1087-1090.) In finding the subject EIR to be inadequate for failing to include a “reduced development alternative,” the court concluded that “[t]he administrative record provides no justification” for failing to include the omitted alternative. (183 Cal.App.4th at p. 1090 [emphasis added].) This lack of any justification was crucial, given that a reduced development alternative would have satisfied 10 out of 12 project objectives and would have reduced the severity of many of the significant effects of the project. (*Id.* at pp. 1089-1090.) *Watsonville Pilots*, then, cannot fairly be understood to *hold* that, as a matter of law, a lead agency must always analyze in depth each and every conceivable alternative that arguably meets most of the project objectives set forth in an EIR. Rather, each situation must be assessed and judged in light of its own facts.

CEQA case law is also clear that where the alternatives analyzed in the EIR allow for a wide range of choices with varying degrees of environmental impact, the EIR may support an agency’s ultimate approval of a hybrid alternative proposal whose features and impacts occur within the analytical continuum created by two “bookend alternatives.” For example, “no project” might represent a low-impact bookend while “the proposed project” could represent a higher-impacting bookend.

This last principle is illustrated in the seminal case of *Village Laguna of Laguna Beach v. Board of Supervisors* (1982) 134 Cal.App.3d 1022, 1028-1029, which involved an EIR for a proposed land use plan with 20,000 housing units. The EIR included alternatives with 7,500, 10,000, and 25,000 housing units, respectively. Given the range of choices embodied in these points on a decision-making continuum, the Court of Appeal rejected an argument demanding an additional alternative assuming development of “‘some number’ of dwelling units between the 10,000 authorized by the prior land use element and the 20,000 proposed by the company.” After noting that “there are literally thousands of ‘reasonable alternatives’ to the proposed project,” the court emphasized that “[t]he statutory requirements for consideration of alternatives must be judged against a *rule of reason*,” and concluded that “[t]his EIR should ‘not become vulnerable because it fails to consider in detail each and every conceivable variation of the alternatives stated.’” (Emphasis added.) (See also *California Oak Foundation v. The Regents of the University of California* (2010) 188 Cal.App.4th 227, 274, 276 [court upholds EIR using a “mix-and-match” approach to project alternatives, in which components from different alternatives may be substituted for one another]; such an approach was sufficient to “encourage informed decision-making and public participation”]; and *Cherry Valley Pass Acres and Neighbors v. City of Beaumont* (2010) 190 Cal.App.4th 316 [rejecting argument similar to that made in *Village Laguna*, explaining that “[w]hen an EIR discusses a reasonable range of alternatives sufficient to foster informed decision-making, it is not required to discuss additional alternatives substantially similar to those discussed”].)

In summary, an EIR's range of alternatives is legally sufficient despite the fact that plausible additional alternatives could have been included, as long as it was not "manifestly unreasonable" for the lead agency to exclude analysis of additional alternatives. Comments made on behalf of PG&E have failed to make such a showing with respect to a "Bill Credit alternative" (Responses I-33 and I-34) or a "Reduced Size alternative" (Response I-35). The Draft Subsequent EIR originally declined to include a detailed environmental analysis of implementing a Community Choice Aggregation program. In the judgment of LAFCo staff and counsel, new statutory language (Public Utilities Code Sections 331.1 and 366.2) that became effective January 1, 2012 indicates that SSJID could become a Community Choice Aggregator. LAFCo published a Partially Recirculated Draft Subsequent EIR to provide new information regarding the Community Choice Aggregation alternative in July 2012. This information demonstrates that the EIR includes a legally sufficient "reasonable range of alternatives."

The comment also broadly suggests that every alternative in an EIR must "substantially lessen *the significant environmental effects* of . . . [proposed] projects." (Emphasis added.) The comment however errs, specifically, in suggesting that each alternative must address more than one significant effect of a proposed project, or perhaps all such significant effects. Under CEQA Guidelines Section 15126.6, "[a]n EIR shall describe a range of reasonable alternatives to the project . . . which would feasibly attain most of the basic objectives of the project but would avoid or substantially lessen *any* of the significant effects of the project[.]" (Emphasis added.) Thus, an alternative may be legitimate under CEQA even if it is focused on only one particular significant effect. The decision as to which significant effect to address in an alternative is a matter of lead agency discretion. Moreover, because, at the time a Draft EIR is published, agency staff and consultants have no way of knowing whether agency decision-makers will ultimately adopt the proposed mitigation measures or alternatives,⁸ the fact that a proposed mitigation measure would reduce an otherwise significant effect to a less than significant level does not mean that a project alternative may not also address the very same impact. "[A]lternatives and mitigation measures have the same function – diminishing or avoiding adverse environmental effects. * * * [A]lternatives are a form of mitigation."⁹ "Not until project approval does the agency determine whether to impose any mitigation measures on the project."¹⁰

The comment then questions whether the alternative in Draft Subsequent EIR Section 6.5 ("Adoption of Only Sphere Plan and MSR") is meaningful, with the concern that ". . . , the Sphere Plan and MSR Only alternative is simply a duplicate No Project Alternative because the Draft EIR takes the position that the adoption of the Sphere Plan and MSR cannot have any environmental impacts." This comment on the Draft Subsequent EIR asserts that "Adoption of Only Sphere Plan and MSR" is somehow a duplicate No Project Alternative. The comment seems to ignore the explanation that LAFCo would *act by approving* the Sphere Plan and MSR, and the comment also ignores that the No Project Alternative must address "the impacts of *not approving* the proposed project." (CEQA Guidelines, § 15126.6, subd. (e)(1) [emphasis added].) The fact that the Sphere Plan and MSR Only Alternative will have impacts similar to, or even the same as, those of the No Project Alternative does not make the alternatives identical or indistinguishable for legal purposes. This alternative ("Adoption of Only Sphere Plan and MSR") serves its intended pur-

⁸ *Laurel Heights Improvement Assn. v. Regents of University of California* (1988) 47 Cal.3d 376, 401.

⁹ *Laurel Heights Improvement Assn. v. Regents of University of California* (1988) 47 Cal.3d 376, 403.

¹⁰ *Ibid.*

pose because the alternative is a combination of actions by LAFCo that would avoid all of the potentially significant environmental effects associated with the project.

See Response I-13 for more detail on the rationale for preparing the “unified EIR” with an integrated analysis of the four separate actions being contemplated by SSJID and LAFCo.

- I-25 The comment questions whether two alternatives analyzed in Draft Subsequent EIR Section 6.4 and Section 6.5 are meaningful. The comment characterizes the alternatives described in Section 6.4 (Adoption of Only 80-acre Annexation) and Section 6.5 (Adoption of Only Sphere Plan and MSR) as not representing “a modification of any project component, but instead [being] simply permutations of yes and no votes by LAFCo of the agenda items that will be before it when it considers the project.”

See Response I-13 for more detail on the rationale for preparing the “unified EIR” with an integrated analysis of the four separate actions being contemplated by SSJID and LAFCo. Providing an integrated analysis of the four separate actions results in the existence of alternatives whereby only some, but not all, of the components could be approved. These alternatives in Section 6.4 (Adoption of Only 80-acre Annexation) and Section 6.5 (Adoption of Only Sphere Plan and MSR) serve the purposes of CEQA because they describe a combination of actions by LAFCo that would avoid one or more of the potentially significant environmental effects associated with the project.

There is no legal authority for the assertion that “the Draft EIR should focus on alternatives to the project components themselves that would substantially reduce environmental impacts.” In response to this, the following governing authority dictates the opposite. In general, the alternatives included in an EIR need only relate to the proposed project *as a whole*, not to its various parts; the lead agency therefore need not analyze specific alternatives to such parts. Thus, in a case in which an applicant sought approval for a tentative subdivision map, the subject EIR was not required to analyze alternatives to the proposed grading plans and the location of an access road. (*Big Rock Mesas Property Owners Association v. Board of Supervisors* (1977) 73 Cal.App.3d 218, 227; see also *Al Larson Boat Shop, Inc. v. Board of Harbor Commissioners* (1993) 18 Cal.App.4th 729, 744–744 (EIR for a “port master plan” was not inadequate for failing to discuss alternatives to the specific sites for six planned subsequent individual projects that would carry out policies in the master plan); *A Local & Regional Monitor v. City of Los Angeles* (1993) 16 Cal.App.4th 630, 642, fn. 8 (“the EIR is not deficient because it does not describe alternatives to excavation trucks because the statutes do not require alternatives to various facets of the project”); *No Oil, Inc. v. City of Los Angeles* (1987) 196 Cal.App.3d 223, 234–238 (while the EIR for an oil pipeline had to contain a discussion of the pipeline’s environmental effects, its discussion of alternatives need not discuss every potential route the pipeline may take).

- I-26 The comment questions whether the alternative analyzed in Draft Subsequent EIR Section 6.2 is meaningful by claiming that the Louise Avenue Substation Site Alternative would not substantially lessen the impacts of the project. The analysis of the Louise Ave Substation Site Alternative in Section 6.2 discloses that the alternative substation site would be within a property controlled by SSJID. Because the location represents a viable alternative to the proposed Jack Tone Substation location, analysis of this alternative is meaningful.

The impact analysis for the Louise Ave Substation Site Alternative provides legitimate information to the CEQA process and demonstrates the validity of this alternative despite increasing

impacts in certain categories. The analysis in Draft Subsequent EIR Section 6.2 demonstrates that the substation alternative would reduce impacts in four categories, which justifies inclusion of the alternative. CEQA Guidelines Section 15126.6, subdivision (a), requires that an alternative “avoid or substantially lessen *any* of the significant effects of the project[.]” (Emphasis added.)

Response I-24 provides more detail on the range and number of alternatives analyzed.

- I-27 The comment questions whether the alternative analyzed in Draft Subsequent EIR Section 6.3 is meaningful by claiming that Renewable Energy Choice Alternative would make no alteration in the physical impacts of the project and would not substantially lessen the impacts of the project.

The impact analysis for the Renewable Energy Choice Alternative provides legitimate information to the CEQA process because the Draft Subsequent EIR shows that it could reduce the severity of impacts in at least two areas: air quality (Section 6.3.2) and greenhouse gas emissions (Section 6.3.12). (See Draft Subsequent EIR, p. 6-41 [Table 6-4]; see also p. 6-13 [“Since some customers would choose the renewable energy option if it were offered, emissions of air pollutants from power generating facilities providing electricity to the interconnected transmission system that serves SSJID would likely be reduced, at least minimally, compared to the proposed project. As with the proposed project, impacts related to air quality would be less than significant with mitigation.”].)

Response I-25 and Response I-26 provide more information on the relevant considerations that justify inclusion of an alternative for analysis, and Response I-24 provides more detail on the range and number of alternatives analyzed.

- I-28 The comment requests inclusion of a Community Choice Aggregation (CCA) Alternative for full environmental analysis, and claims that this alternative should not be excluded from a full analysis. The comment notes that implementing a CCA program would avoid environmental impacts because it would avoid SSJID acquiring or modifying PG&E’s facilities.

The comment asserts that the Draft Subsequent EIR was incorrect to decline detailed analysis of establishing a CCA as a potentially feasible alternative. The Draft Subsequent EIR originally declined to include a detailed environmental analysis of implementing a CCA program. However, since the publication of the Draft Subsequent EIR, in the judgment of LAFCo staff and counsel, new statutory language (Public Utilities Code Sections 331.1 and 366.2) that became effective January 1, 2012 indicates that SSJID could become a Community Choice Aggregator.

Accordingly, the analysis of the Draft Subsequent EIR was revised with the July 2012 Partially Recirculated Draft Subsequent EIR to include a detailed analysis of establishing a CCA. The changes replace the original discussion of the environmentally superior alternative in Draft Subsequent EIR (Section ES.4, Alternatives Evaluated), and the environmental analysis of alternatives provided in Draft Subsequent EIR (Section 6.7.4, Community Choice Aggregation Alternative and Section 6.8, Comparison of Alternatives and Environmentally Superior Alternative).

Regarding the “environmentally superior” alternative, the conclusion made by the Draft Subsequent EIR (Section 6, Alternatives to the Proposed Project) remains unchanged. The Environmentally Superior Alternative is the No Project Alternative; however, the CEQA Guidelines provide that if the No Project Alternative is the environmentally superior alternative, the EIR shall identify the environmentally superior alternative among the remaining alternatives. Because the proposed project would involve LAFCo action on SSJID’s application to provide retail electric ser-

vice, along with the Sphere Plan and MSR, the proposed SOI expansion, and the proposed 80-acre annexation, alternatives that reject SSJID's proposal to provide retail electric service would be environmentally superior to approval of the proposal to provide electric service.

The Partially Recirculated Draft Subsequent EIR clarifies that alternatives that do not implement SSJID's proposal to provide retail electric service would be environmentally superior when compared to the proposed project. Although establishing a CCA program is not part of the application before LAFCo (Partially Recirculated Draft Subsequent EIR, p. 2-7), the Community Choice Aggregation Alternative would meet most of the project objectives, and the Community Choice Aggregation Alternative would be environmentally superior to SSJID's proposal to acquire the PG&E distribution system because it would avoid all potential impacts related to SSJID's proposed construction or modification of electric distribution facilities (Partially Recirculated Draft Subsequent EIR, p. 2-16). Because Community Choice Aggregation is included for full analysis, no other change to the EIR is necessary.

- I-29 The comment claims that the fact that local agencies within or contiguous to SSJID have not adopted local resolutions seeking CCA is not a credible objection to studying CCA in detail as a viable alternative. The comment claims that local implementation of a CCA program could occur long before SSJID would be able to complete the acquisitions needed to implement its proposed project. The comment forecasts that local resolutions to form a CCA could easily be adopted.

As noted in Response I-28, the analysis of the Draft Subsequent EIR has been revised with the Partially Recirculated Draft Subsequent EIR (July 2012) to include a detailed analysis of establishing a CCA as a potentially feasible alternative. Specific details regarding implementation of a CCA program, such as the timeline for implementation, are not known at this time. The ultimate feasibility of this alternative, moreover, is not a determination to be made in this document. The definitive determination of feasibility must be made on the record as a whole based on many factors including economic, environmental, legal, social, and technological factors (see CEQA Guidelines Section 15364). As such in this case, the feasibility of the CCA may be based on a number of factors, including (1) the consistency of the CCA with the project objectives set forth in the Draft Subsequent EIR, (2) the ability to identify a project sponsor for CCA, (3) local interest and public support, (4) political support or opposition, (5) economic considerations, and (6) policy considerations of importance to LAFCo. The Partially Recirculated Draft Subsequent EIR discloses the foreseeable environmental impacts.

- I-30 The comment claims that the assessment of SSJID achieving "local control" as embodied in the project objectives (Section 2.2, Draft Subsequent EIR) is flawed with respect to implementing a CCA program. The comment also notes that mainly due to CPUC oversight: "different operation is highly unlikely, given that the safety rules are not different, the equipment is not different, and the training and performance of employees to operate that equipment is not different," indicating that the proposed project would not be likely to cause notable changes to system reliability or utility disruptions. Substantial changes in the day-to-day operation of the system are not anticipated.

The July 2012 Partially Recirculated Draft Subsequent EIR (pp. 2-12 and 2-16) clarifies how the Community Choice Aggregation Alternative could provide a level of local control that would in part satisfy SSJID's objectives regarding electric services (Partially Recirculated Draft Subsequent EIR, p. 2-12). Accordingly, the Partially Recirculated Draft Subsequent EIR includes a detailed

environmental analysis of establishing a CCA and provides additional detail on how operation of a CCA would differ from implementing SSJID's plan to provide retail electric service.

- I-31 The comment asserts that Section 6.7.4 of the Draft Subsequent EIR incorrectly eliminates detailed analysis of establishing a CCA because an alternative can only be eliminated if it fails to meet "most of the basic project objectives." The comment also asserts that implementing a CCA would support local control because customers can choose to opt out of the CCA.

The Partially Recirculated Draft Subsequent EIR includes a detailed environmental analysis of establishing a CCA and clarifies how the alternative may affect local influence, responsibility, accountability, economic benefits, and coordination of policies. Based on this information, the EIR states that the alternative would in part satisfy SSJID's objectives (Partially Recirculated Draft Subsequent EIR, p. 2-12), although the comment letter from SSJID disagrees with this conclusion (see Comment Set L).

While the Partially Recirculated Draft Subsequent EIR includes an analysis of the Community Choice Aggregation Alternative as potentially feasible, the ultimate feasibility of this alternative is not something that is determined in this document since CEQA mandates only that the EIR consider a reasonable range of *potentially* feasible alternatives. A more definitive determination of the feasibility of this the Community Choice Aggregation Alternative must be made by the LAFCo commissioners themselves, and would likely be based the entire record and in light of many factors, including economic, environmental, legal, social, and technological factors. In the context of this project, those factors would likely include (1) the consistency of the CCA with the project objectives set forth in the Draft Subsequent EIR, (2) the ability to identify a project sponsor for CCA, (3) local interest and public support, (4) political support or opposition, (5) economic considerations, and (6) policy considerations of importance to LAFCo.

The Partially Recirculated Draft Subsequent EIR (p. 2-6) describes how implementing a CCA would give local individual customers the option having their power supply determined by the CCA, or customers could opt out and leave the power supply decisions to PG&E. The CCA would replace PG&E's rates for procurement of the power supply (purchasing generation), but all other electricity rate components would remain set by PG&E. See also Response K-10 for additional information on how Community Choice Aggregation could provide a level of local control.

- I-32 The comment asserts that implementing a CCA program would result in a direct cost reduction by including SSJID's low-cost power as part of the overall power supply or in an indirect cost reduction by using some of the net proceeds from the Tri-Dam to offset the cost of power. The comment also claims that a CCA program could be implemented with the Renewable Energy Choice Alternative (Draft Subsequent EIR Section 6.3) to implement an environmentally superior alternative and avoid all construction impacts.

The analysis of the Draft Subsequent EIR has been revised with the Partially Recirculated Draft Subsequent EIR (July 2012) to include a detailed analysis of establishing a CCA. As noted in the Partially Recirculated Draft Subsequent EIR Section 2.5, the CCA would replace PG&E's rates for procurement of the power supply (purchasing generation), but all other electricity rate components would remain set by PG&E. In implementing a CCA program, SSJID could decide to apply its revenues from publicly-owned electric generating facilities to subsidize the cost of the power supply and reduce this portion of electric rates for customers that decide to join the CCA (Partially Recirculated Draft Subsequent EIR, p. 2-12). As noted by the comment, implementing

Community Choice Aggregation would provide customers the choice to have the CCA purchase power on their behalf, and a CCA could purchase additional renewable energy.

Because LAFCo must consider the environmental consequences of alternatives, the July 2012 Partially Recirculated Draft Subsequent EIR includes a detailed analysis of establishing a CCA. As noted by the comment, the alternative would eliminate all impacts related to the proposed electric system construction activities; only construction impacts related to the 80-acre annexation would occur at less-than-significant levels. As described in Response I-28, and in the Partially Recirculated Draft Subsequent EIR (Section 2.7.1), alternatives that do not implement SSJID's proposal to provide retail electric service, such as implementing a CCA program, would be environmentally superior when compared to the proposed project.

- I-33 The comment asserts that Section 6.7.2 of the Draft Subsequent EIR incorrectly eliminates detailed analysis of establishing a Cash Payment or Bill Credit program. The comment contests the conclusion shown in the Draft Subsequent EIR (pp. 6-33 to 6-36) that such a program would not be lawful by describing direct payments or bill credits as viable and efficient. The EIR describes a Cash Payment or Bill Credit Alternative as a potential "no-build" alternative to avoid SSJID acquiring or modifying any of PG&E's facilities.

The comment outlines a process where PG&E could apply to the CPUC to develop a program of bill credits to SSJID customers. According to the comment, SSJID would not implement any part of the proposed plan to provide retail electric service, and cash from SSJID would be used to subsidize bill credits. However, the comment provides no example of any similar program run by any investor-owned utility such as PG&E or ever historically contemplated by the CPUC.

The Draft Subsequent EIR (pp. 6-33 to 6-36) discusses why cash payments and bill credits could not be implemented. LAFCo counsel also provided a legal opinion and analysis and determined that the EIR properly rejects these as alternatives.¹¹ In summary, if LAFCo does not approve the SSJID electric service proposal, SSJID could not alternatively implement a cash payment or bill credit program because of: the limited powers of irrigation districts under California Government Code; and limitations in the California Constitution on transfers of public funds.

Although the commenter on behalf of PG&E may believe that a cash payment or bill credit program is feasible, this does not mean that the EIR must come to the same conclusion. In *California Native Plant Society v. City of Santa Cruz* (2009) 177 Cal.App.4th 957, 981, 999-1000, the Court of Appeal explained that the ultimate arbiter of "actual feasibility," as opposed to "potential feasibility," is an agency's decision-making body (here, the LAFCo commissioners):

the issue of feasibility emerges at two distinct points in the administrative review process: first, in the EIR, and next, during project approval. Significantly, different considerations and even different participants may come into play at each of the two phases, as the following discussion illustrates.

* * *

While it is up to the EIR preparer to identify alternatives as potentially feasible, the decision-making body "may or may not reject those alternatives as being infeasible" when it comes to project approval. Rejection by the decision-makers does not

¹¹ Neumiller & Beardslee. Letter to James E. Glaser, Executive Officer, LAFCo. Re: Acquisition and Operation by SSJID. November 21, 2011.

undermine the validity of the EIR's alternatives analysis. Like mitigation measures, potentially feasible alternatives "are suggestions which may or may not be adopted by the decisionmakers." [Citations.]

* * *

When it comes time to decide on project approval, the public agency's decision-making body evaluates whether the alternatives are *actually* feasible. While staff may draft the necessary findings, the decision-making body is responsible for the ultimate determination of feasibility, which cannot be delegated. [Citations.]

At this final stage of project approval, the agency considers whether "[s]pecific economic, legal, social, technological, or other considerations . . . make infeasible the mitigation measures or alternatives identified in the environmental impact report." (§ 21081, subd. (a)(3).) Broader considerations of policy thus come into play when the decision-making body is considering actual feasibility than when the EIR preparer is assessing potential feasibility of the alternatives.

As discussed in Section 6.7.2 of the Draft Subsequent EIR, the EIR concludes that neither providing cash payments to utility customers within SSJID's territory nor payments to PG&E on behalf of such customers as consideration for PG&E providing electric utility bill credits to such customers would be lawful, and therefore the cash payment/bill credit alternative would not be feasible.

On the subject of the general legal principles applicable to a lead agency's choice of alternatives for inclusion in an EIR, see Response I-24 above.

- I-34 The comment claims that the credit program would not be an illegal gift of public funds because the use of SSJID's excess funds to reduce its customers' electricity bills is a public purpose that is within the public entity's [SSJID's] jurisdiction. The EIR concludes that using SSJID funds in this way provides no eligible function or service.

As noted in Draft Subsequent EIR Section 6.7.2, the purposes for which irrigation districts are formed are set forth in the California Water Code and are limited to providing certain specified functions and services. These include constructing, owning and operating facilities to provide irrigation,¹² drainage,¹³ electric,¹⁴ flood control,¹⁵ and rock, sand and cement services.¹⁶ Providing cash payments to PG&E electric customers or payments to PG&E on behalf of such customers would not appear to serve any of these *specific* public purposes for which irrigation districts may be formed. The commenter may disagree with this analysis, but as noted in the Draft Subsequent EIR (p. 6-35), absent constructing, owning, or operating the facilities, transferring surplus revenues from SSJID to PG&E customers in the form of cash payments or to PG&E as consideration for PG&E providing bill credits to its electric customers in SSJID's territory would violate the prohibition against gifts of public funds.

¹² California Water Code §§ 22075-22079.

¹³ California Water Code §§ 22095-22099.

¹⁴ California Water Code §§ 22115-22124.

¹⁵ California Water Code § 22160.

¹⁶ California Government Code § 55500.

- I-35 The comment requests analysis of a “reduced size alternative” with a suggestion that SSJID could provide electric service to a smaller area than across its entire jurisdiction. The comment speculates that providing electric service over a smaller geographic area may reduce the project’s physical impacts.

The comment states that this EIR is unusual in that it does not analyze the impacts of a “reduced size alternative” without offering a suggestion of how the retail electric service area should be reduced and without suggesting which customers should be excluded from SSJID’s service. The proposed project is unique and does not lend itself to a traditional alternatives analysis such as with a land use development project. The availability of potential alternatives is somewhat limited and the comment does not offer any new alternatives that should be considered.

Developing an alternative electric distribution system that only serves certain customers would increase the duplication of facilities, as described in Draft Subsequent EIR Section 6.7.1, Duplicate Electric Distribution Facilities Alternative. Such a design would leave three electric service providers within the SSJID territory by adding a partial SSJID system to the existing territory already shared by PG&E and MID (MSR Figure 4-7).

The Draft Subsequent EIR (Table 2-3 and Table 2-4) describes the various electric distribution system modifications and construction activities necessary to address boundary issues and to separate the proposed SSJID system from the existing PG&E system. The Draft Subsequent EIR Project Description (Section 2.4, p. 2-14) also illustrates that acquiring the existing facilities from PG&E avoids the need for SSJID to construct duplicate facilities associated with multiple service providers in the territory (see MSR Figure 4-7 for the existing service areas). Approximately one-half of the construction would be necessary to address the boundary issues (Draft Subsequent EIR Table 2-2). To design an alternative that would serve a smaller geographic area would require developing new service area boundaries. The “reduced” SSJID electric boundaries may or may not fit the configuration of the existing circuits, which could increase the amount of construction necessary to address boundary issues.

The Draft Subsequent EIR identifies mitigation throughout Section 3 to reduce each potentially significant impact to a less than significant level. Because a third service provider could readily increase the need for duplicate facilities and the amount of construction for SSJID boundary issues, a reduced size alternative would not necessarily avoid any physical impacts, nor would it avoid the need for mitigation identified in the Draft Subsequent EIR.

On the subject of the general legal principles applicable to a lead agency’s choice of alternatives for inclusion in an EIR, see Response I-24 above.

- I-36 The comment identifies a portion of the Draft Subsequent EIR introduction that describes how the baseline is considered in the analysis. In asserting that the analysis used an improper baseline, the comment cites one page (Draft Subsequent EIR Section 1.4.3, p. 1-7) of the document. The text excerpt states that “[t]o understand the potential environmental effects attributable to the project, this analysis identifies reasonably foreseeable actions for providing future municipal services in comparison with actions for the expected continuation of providing existing services.”

Although the comment suggests that this passage describes a future condition, the passage does not do so. The key words here are “*continuation* of providing *existing* services.” This demonstrates that the analysis did not use as its baseline a hypothetical future condition of the kind

forbidden by CEQA case law. The text shows that certain “existing services” (i.e., existing conditions) would be continued. This assumption is not inconsistent with the use of existing conditions as the baseline for assessing impacts. In *Communities for a Better Environment v. South Coast Air Quality Management Dist.* (2010) 48 Cal.4th 310, 320 (*CBE*), the California Supreme Court held that, in general, CEQA documents should assess projects’ impacts based on a comparison of post-project conditions against “existing conditions.” But the court emphasized that “[n]either CEQA nor the CEQA Guidelines mandates a uniform, inflexible rule for determination of the existing conditions baseline.” Rather, an agency enjoys the discretion to decide, in the first instance, exactly how the existing physical conditions without the project can most realistically be measured, subject to review, as with all CEQA factual determinations, for support by substantial evidence.” (Emphasis added.) Here, the EIR treats “existing conditions” as current conditions assumed to continue into the future. Nothing in this approach is at odds with the principles laid out by the Supreme Court in its *CBE* decisions.

This Final Subsequent EIR clarifies the passage in Draft Subsequent EIR Section 1.4.3, Baseline Practices Already in Effect, and to be consistent with the presentation in Draft Subsequent EIR Section 2.3.1, Sphere Plan and Municipal Services Review, Section 1.4.3 is revised as follows.

Incremental Environmental Impacts. A substantial portion of the environmental effects of providing future municipal services will be in response to the existing commitments of the providers. Adoption or approval of the MSR, expanded Sphere of Influence, annexation, and/or retail electricity plan would only lead to an incremental change. To understand the potential environmental effects attributable to the project, this analysis identifies ~~reasonably foreseeable actions for providing future municipal services in comparison with~~ actions for the expected continuation of providing existing services. Activities that are previously approved and are operational are part of the existing environmental setting and the baseline for environmental analysis.

- I-37 The comment asserts that two mitigation measures from the Draft Subsequent EIR are improperly deferred. Mitigation Measure 3.5-4a includes preparing a Paleontological Monitoring and Treatment Plan, under certain circumstances, and the comment is concerned that the mitigation does not include specific performance standards or identification of components of the plan, and that this is deferred mitigation.

Mitigation Measure 3.5-4a would require a qualified paleontologist to follow the technical standards that apply to his or her profession in order to formulate a Paleontological Monitoring and Treatment Plan, and this would not qualify as “improperly deferred mitigation measures.” CEQA allows lead agencies to defer the formulation of detailed mitigation measures in some instances. Such deferral is appropriate where the eventual final mitigation plan must satisfy environmentally protective “performance standards” built into a mitigation measure as adopted. (See CEQA Guidelines, § 15126.4, subd. (a)(1)(B).) Even so, however, not all legally adequate mitigation measures need to have performance standards built into them. For example, in *Oakland Heritage Alliance v. City of Oakland* (2011) 195 Cal.App.4th 884, the Court of Appeal upheld as adequate certain mitigation measures that required further, site-specific, design-level geotechnical reports. These reports were to determine how each specific building in the project area would have to comply with various building code requirements, including those dealing with seismic concerns. This approach did not constitute impermissible deferral, the court said, because the EIR’s discussion of the applicable code section, combined with other information in

the EIR, demonstrated that relevant code standards could be feasibly achieved and would be sufficient to mitigate impacts to less than significant levels. (*Id.* at pp. 898-899, 906-910.)

Mitigation Measure 3.5-4a does not defer mitigation for any potential impacts to paleontological resources. Mitigation Measure 3.5-4a requires proper treatment of paleontological resources because SSJID would hire a vertebrate paleontologist that would be qualified to the Standard Guidelines established by the Society of Vertebrate Paleontology (SVP, 1995), which have standard procedures for assessment of paleontological resources to further evaluate the sensitivity of the area underlying ground disturbance. If the paleontologist determines there is moderate, high, or unknown paleontological sensitivity a qualified paleontologist under the Standard Guidelines established by the Society of Vertebrate Paleontology would design a worker education program and Paleontological Monitoring and Treatment Plan as necessary. The Society of Vertebrate Paleontology has established procedures for worker education programs and a Monitoring and Treatment Plan; see Standard Procedures for the Assessment and Mitigation of Adverse Impacts to Paleontological Resources (SVP, 2010).

The treatment of paleontological discoveries as required by Mitigation Measure 3.5-4a would preserve the value of the resources for the information and knowledge they can yield when properly analyzed by knowledgeable scientists. Mitigation Measure 3.5-4a would require a qualified paleontologist to follow the technical standards that apply to the profession in order to formulate a Paleontological Monitoring and Treatment Plan. This plan will assure that any fossils encountered during construction activities will be properly analyzed for the information they can contribute to human scientific knowledge. This end result would achieve the standard of avoiding destruction of the resource, because it would provide an increase in human understanding of that resource, which is different from the end result that more typical *ecological* result that most CEQA mitigation measures try to achieve.

- I-38 The comment notes that Draft Subsequent EIR Mitigation Measure 3.4-1a includes providing a Worker Environmental Awareness Program. The comment asserts that the mitigation does not include specific performance standards or potential components of the program, and that this is deferred mitigation.

Mitigation Measure 3.4-1a requires – among many other things – providing a Worker Environmental Awareness Program as a training mechanism under the guidance of a defined cultural resources specialist, which provides a foundation for avoiding impacts to cultural resources. The comment fails to put this component of Mitigation Measure 3.4-1a into context as it is part of many substantive standards built into the remainder of the measure.

Mitigation Measure 3.4-1a requires a Cultural Resources Treatment Plan with a number of procedures including a Worker Environmental Awareness Program. The mitigation measure specifically dictates that the Worker Environmental Awareness Program must be prepared by a cultural resources specialist whose training must conform to the U.S. Secretary of Interior’s Professional Qualifications Standards (Title 36, Code of Federal Regulations, part 61) and who meets the Professional Qualifications Standards mandated by the California Office of Historic Preservation. The mitigation measure notes that the Worker Environmental Awareness Program sets out the performance standard of training construction personnel in proper identification and treatment of cultural resources, particularly buried resources.

For reasons similar to those identified in Response I-37, Mitigation Measure 3.4-1a is legally valid. For the training component of this complex mitigation measure, when taken as a whole, the intended end result is increased knowledge within the minds of construction workers, as opposed to a particular result on the landscape itself. More importantly, Mitigation Measure 3.4-1a does not rely exclusively on workers' improved understandings as the sole strategy for protecting various cultural resources. Rather, the measure when taken as a whole lays out a series of standards to be applied and environmental end results to be achieved. In focusing on a single piece of the measure, the comment ignores the context in which it occurs and ignores the full strategy for protecting cultural resources shown in the measure.

- I-39 The comment asserts that the Draft Subsequent EIR must be revised and recirculated. LAFCo prepared a Partially Recirculated Draft Subsequent EIR in July 2012. The Partially Recirculated Draft Subsequent EIR provides new information regarding a potentially feasible project alternative, revises the environmentally superior alternative in the Draft Subsequent EIR, and replaces the environmental analysis that was in the Draft Subsequent EIR, Section 6.7.4 (Community Choice Aggregation Alternative).

Recirculation of other portions of the Draft Subsequent EIR is not required. CEQA requires a lead agency to recirculate an EIR when significant new information is added to the EIR after public notice is given but before certification. New information added to the EIR is not considered "significant" unless the EIR is changed in a way that deprives the public of a meaningful opportunity to comment upon a substantial adverse environmental effect of the project or a feasible way to mitigate or avoid such an effect (CEQA Guidelines §15088.5). This Final Subsequent EIR does not present "significant" new information; it presents the revisions made necessary by all the comments on the Draft Subsequent EIR. As noted in the Draft Subsequent EIR, and clarified in the Final Subsequent EIR with these responses to comments, the Project Description includes the actions that are proposed and sufficient detail for evaluation and review of the environmental impact (CEQA Guidelines §15124). No other change to the EIR is necessary.

Responses to Comment Set J – PG&E’s May 11, 2012 Submission

J-1 PG&E’s May 11, 2012 submission contains a technical review of two reports from February 2010 and July 2011 that are used as references in the Draft Subsequent EIR Project Description and Mitigation Measure 3.9-4a, Border-Area Service Plan (the Siemens reports). The comment gives PG&E’s assessment of the engineering analyses prepared by Siemens Power Technologies International (Siemens PTI) for SSJID. The EIR relies on these studies from SSJID for the proposed Retail Electric Service Project Design (Section 2.4 of the Draft Subsequent EIR), while noting that SSJID expects to continue further engineering analysis in order to refine its plans (Draft Subsequent EIR, p. 2-15). This response focuses on addressing potential environmental issues raised by PG&E as part of this review of the Siemens reports.

The **February 2010** Siemens report details the proposed retail electric service project design. The February 2010 technical report was used as a reference in the Draft Subsequent EIR Project Description and was cited as:

¾ Siemens PTI. 2010. Distribution Network Inventory and Severance Issues Report. Prepared for: South San Joaquin Irrigation District (SSJID). Prepared by: Siemens Power Technologies International, Nelson J. Bacalao. February 2010.

The **July 2011** Siemens report details options for the Border-Area Service Plan of EIR Mitigation Measure 3.9-4a. The July 2011 technical report was used as a reference in the Draft Subsequent EIR analysis of mitigation options for utility system disruptions (Impact 3.9-4 in Section 3.9 and the Attachment to Section 3.9) and was cited as:

¾ Siemens PTI. 2011. Plan to Supply Consumers in the Southern Region of SSJID Outside the Service Territory if MID to Commercialize Option is Unavailable. Prepared by: Siemens Power Technologies International, Nelson J. Bacalao. July 2011.

PG&E’s comments on the Draft Subsequent EIR (Comment Set I) and on the two Siemens reports raised concerns on whether SSJID’s severance plan would negatively affect the reliability of PG&E’s service to customers remaining with PG&E after implementation of SSJID’s proposed retail electric service. PG&E’s comments on the Siemens reports raise the following issues:

¾ Severance would degrade reliability for PG&E’s remaining customers due to an increased distance from substations, a less flexible circuit design, and an increase in pole intensity;

¾ Siemens’ reports understate the severance costs and does not incorporate additional costs that PG&E would incur due to studies or other work;

¾ Severance would increase PG&E’s line losses due to the increased distance to the substations;

¾ Siemens’ plan to serve customers south of River Road would not work;

¾ Adding new circuits underneath existing lines is not a preferred solution for reasons of safety, reliability, and serviceability;

¾ The present circuit loading is higher than Siemens assumes and new substations may be required;

¾ Some intersections of distribution lines and transmission lines may violate CPUC General Order 95;

- ¾ Severance would degrade service for remaining PG&E customers served by the Vierra and Avena substations and PG&E would require two new substations;
- ¾ The severance plan for the Ripon Substation is unclear and would require a physical separation;
- ¾ The severance plan to serve customers from the Riverbank Substation would not work because it underestimated PG&E's load;
- ¾ The severance plan includes SSJID and PG&E sharing transformer busses in the Manteca Substation which is unacceptable, SSJID should build a fence to separate the two utilities;
- ¾ The Manteca Substation would require an additional study;
- ¾ The severance plan appears to leave some customers within the SSJID service territory boundaries with PG&E and some customers who would remain with PG&E without a means for PG&E to serve them;
- ¾ Siemens did not do a complete inventory of PG&E's facilities, underestimated the PG&E inventory, and does not criticize the design of PG&E's system; and
- ¾ PG&E concludes by providing conditions for LAFCo to adopt for the safety, reliability and serviceability of PG&E's remaining system should LAFCo approve SSJID's takeover plan.

The Draft Subsequent EIR includes environmental analysis to address PG&E's concerns regarding system reliability (Section 3.9, Socioeconomics, Public Services, and Utilities); pole intensity (Section 3.10, Transportation and Traffic and Section 3.11, Visual Resources); safety and serviceability (Section 3.9, Socioeconomics, Public Services, and Utilities). The EIR finds that after implementation of the recommended mitigation measures, these impacts would be reduced to a less than significant level.

The PG&E assessment of the Siemens work finds locations where additional facilities would need to be installed to retain PG&E's reliability and flexibility in operating the remaining system. LAFCo requested that Siemens review its earlier design work in light of PG&E's comments. In response, Siemens provided LAFCo with a third study detailing optional construction that could be used to retain PG&E's reliability and flexibility. The **June 2012** Siemens report (provided in Attachment 1 of this Final Subsequent EIR) describes Siemens' solutions to the engineering issues raised by PG&E in its May 11, 2012 review of the proposed project design.¹ The optional construction in Siemens' June 2012 report would result in minor changes to the Project Description that are shown in this Final Subsequent EIR Section B.3, Revisions to the Draft Subsequent EIR.

PG&E's comment asserts that Siemens' reports are flawed, while noting that Siemens "did not have access to many of the facilities it wished to study." In turn, the Draft Subsequent EIR recognizes that: "the proposed construction represents SSJID's best estimate to meet the needs of future growth, but details may change due to unforeseeable circumstances and/or additional engineering analysis" and that "minor changes in the construction proposal" are anticipated and within the scope of impact analysis (Draft Subsequent EIR, p. 2-15). Such minor changes would

¹ Siemens PTI. 2012. Options for providing backup service to PG&E Feeders once SSJID acquires Manteca substation. Prepared for SSJID by Siemens Power Technologies International, Nelson J. Bacalao. June 2012. (Included as Attachment 1 of this Final Subsequent EIR.)

result in no significant environmental impacts, nor would there be a substantial change in the severity of any impact, and no additional mitigation would be necessary.

The comment explains PG&E's opinion that its reliability and flexibility in operating the remaining system would be diminished. The Siemens June 2012 report describes possible solutions to the engineering issues raised by PG&E. The comment claims that with SSJID separation from the Vierra and Avena substations, PG&E would require two new substations. However, as described in Responses I-14 and I-16, Siemens disagrees that two new PG&E substations would be needed. This Final Subsequent EIR describes the optional facilities that Siemens recommends for providing the backup service to address PG&E's reliability concerns (see Section B.3 of this Final Subsequent EIR, as revisions to Draft Subsequent EIR Table 2-3).

This Final Subsequent EIR also notes that construction options, such as undergrounding certain segments or constructing certain segments as a separate overhead distribution line may be required, and that these would be of a design similar to those described for the project (see revisions the Project Description in the Final Subsequent EIR Section B.3). Other modifications that would be minor may include a fence inside Manteca Substation. Additionally, this Final Subsequent EIR includes revisions (Section B.4, Expanded Analysis of the Border-Area Service Plan) to clarify how implementing the Border-Area Service Plan would add a physical separation for the PG&E portion of the Ripon Substation.

Detailed responses to the technical comments made by PG&E on the Siemens reports are not required by CEQA because the comments did not raise environmental issues. The comments made by PG&E on the project design do not directly address adequacy of the EIR or the analysis of environmental consequences of the project. This Final Subsequent EIR (Section C, Responses to Comment Set I) includes detailed responses to PG&E's comments on environmental issues that relate to the project design (see in particular Responses to I-14 and I-16).

PG&E's assessment of the technical issues, such as system reliability, and project costs are noted as areas of controversy. The EIR need not settle disagreements in areas of controversy. The State CEQA Guidelines (Section 15151) require the EIR to include a sufficient degree of analysis to provide decision-makers with information which enables them to make a decision that takes account of environmental consequences. Disagreement among experts does not make an EIR inadequate, but the EIR must disclose for the decision-makers the main points of disagreement among the experts.

Responses to Comment Set K – PG&E’s Comments on the Partially-Recirculated Draft Subsequent EIR

- K-1 PG&E’s comments on the Partially Recirculated Draft Subsequent EIR focus on the additional, potentially feasible project alternative (Community Choice Aggregation Alternative). As noted by the comment, the alternative would eliminate all impacts related to separation of the electrical system for SSJID’s retail electric service because PG&E would continue to own and maintain the facilities for serving retail end-users, and no construction or modification of electric distribution facilities would occur (Partially Recirculated Draft Subsequent EIR, p. 2-13). This makes the alternative environmentally superior when compared to the proposed project (Partially Recirculated Draft Subsequent EIR, Section 2.7.1). After implementation of the recommended mitigation measures, the impacts of the proposed project and any alternatives would be reduced to a less than significant level.
- K-2 PG&E requests that LAFCo decision-makers ignore statements from SSJID that it has no interest in pursuing CCA. As noted elsewhere, the Partially Recirculated Draft Subsequent EIR focuses on the additional, potentially feasible project alternative (Community Choice Aggregation Alternative). The ultimate feasibility of this alternative is not something that is determined in this document since CEQA mandates only that the EIR consider a reasonable range of potentially feasible alternatives. A more definitive determination of the feasibility of the Community Choice Aggregation Alternative must be made by the LAFCo commissioners themselves, and would likely be based the entire record and in light of many factors, including economic, environmental, legal, social, and technological factors (see CEQA Guidelines Section 15364). In the context of this project, those factors would likely include (1) the consistency of the CCA with the project objectives set forth in the Draft Subsequent EIR, (2) the ability to identify a project sponsor for CCA, (3) local interest and public support, (4) political support or opposition, (5) economic considerations, and (6) policy considerations of importance to LAFCo.
- K-3 The comment notes that permission for SSJID’s proposed activities must be provided by the Cities of Manteca, Escalon, Ripon. The Draft Subsequent EIR (Table 1-1) identifies the permits that must be obtained by SSJID, and these may be conditioned by the issuing agencies. The comment claims that implementing SSJID’s electric service plan would not require approval from San Joaquin County, but the Draft Subsequent EIR notes that LAFCo has the discretion to approve or deny SSJID’s proposal. As noted above, LAFCo has determined that the CCA alternative is potentially feasible for purposes of environmental review, and that alternative is analyzed in Partially Recirculated Draft Subsequent EIR. The commenter’s preferences for the CCA, and opinions about the ease of its implementation, are noted and will be forwarded to the decision-makers.
- K-4 PG&E recommends that LAFCo reject SSJID’s proposal based on potentially significant impacts on local public services. The comment claims that the EIR includes a presumption of no significant unavoidable impacts (raised by PG&E in Comment Set I; *e.g.*, see Response I-9 and Response I-23). However, this Final Subsequent EIR includes detailed responses to these claims and reasoned analysis rather than presumption. The potentially significant impacts of the proposed project and any alternatives would be reduced to a less than significant level through the recommended mitigation measures, and CEQA does not mandate approval of “the environmentally superior alternative” (Partially Recirculated Draft Subsequent EIR, p. 2-16) where all significant impacts can be addressed by other means such as mitigation.

K-5 PG&E recommends that LAFCo reject SSJID's proposal due to policy concerns, including environmental impacts, potential disruption to customers, duplicative facilities, and feasibility issues. This EIR discloses the potential project impacts (Draft Subsequent EIR Section 2.4.3 and Impact 3.9-4), identifies the potential disruption to customers, and describes the proposed facilities, and mitigation measures are identified where needed to avoid significant impacts. The EIR also discloses that while avoiding project impacts, implementing the Community Choice Aggregation Alternative would be subject to limitations (Partially Recirculated Draft Subsequent EIR, pp. 2-5 to 2-6). No other environmental comments were raised. The commenter's preferences for the CCA, and opinions about the ease of its implementation, are noted and will be forwarded to the decision-makers.

K-6 The comment claims that SSJID's "primary objectives" would be better accomplished by forming a CCA. The EIR states that the alternative would in part satisfy SSJID's project objectives regarding electric services (Partially Recirculated Draft Subsequent EIR, p. 2-12) although SSJID disagrees with this conclusion (see Comment Set L).

The comment outlines a scenario of CCA customers receiving cash benefits from SSJID's hydroelectric resources, and the EIR analysis is for the environmental impacts of a CCA with possible electric rate reductions that are not quantified but that may be achievable. Potential rate reductions cannot be quantified because there is no detailed CCA implementation plan before LAFCo, and establishing a CCA program is not part of the application before LAFCo. Without a specific CCA proposal that specifies how economic benefits may be distributed, there is no way to assess the potential economic effects. No other environmental comments were raised. The commenter's preferences for the CCA are noted and will be forwarded to the decision-makers.

This comment also states that the Partially Recirculated Draft Subsequent EIR "unfairly slants the discussion" by indicating that customers can decide to join the CCA. However, the Partially Recirculated Draft Subsequent EIR (pp. 2-6 and 2-12) correctly states that customers do not need to join in but rather are provided with the option to opt-out of the CCA. Additionally, PG&E asserts that a customer who decides to opt-out of the CCA does not make a final decision, and that customers can opt-in at a later time. The Public Utilities Code Section 366.2(c)(2) indicates that each customer has a right to opt-out of the CCA and absent such a declaration, that customer would be served by the CCA.

K-7 The comment identifies some of PG&E's concerns on service reliability and impacts to safety (also in Comment Set J), and notes how CCA would avoid these consequences. The EIR describes the potential impacts (Draft Subsequent EIR Impact 3.6-6 and Impact 3.9-4) and concludes that the Community Choice Aggregation Alternative would avoid all potential impacts related to SSJID acquiring or modifying PG&E's facilities. The EIR also describes the potentially significant impacts of the proposed project and concludes that all impacts would be reduced to a less than significant level through the recommended mitigation measures. As noted above, CEQA does not mandate approval of "the environmentally superior alternative" (Partially Recirculated Draft Subsequent EIR, p.2-16) where all significant impacts can be addressed by other means such as mitigation. No other environmental comments were raised. The commenter's preferences for the CCA are noted and will be forwarded to the decision-makers. See also Response J-1.

K-8 The comment identifies some of PG&E's concerns on impacts to public utility facilities (also in Comment Set J), and notes how CCA would avoid these consequences. The EIR describes the potential impacts (Draft Subsequent EIR Impact 3.9-4 and Impact 3.9-5) and concludes that the

Community Choice Aggregation Alternative would avoid all potential impacts related to SSJID acquiring or modifying PG&E's facilities. See also Response J-1.

PG&E states that it may be impossible for SSJID to implement a takeover plan that maintains local government revenue neutrality. However, a takeover plan that maintains local government revenue neutrality, while challenging in many aspects, may be accomplished. Additionally, it is important to note that LAFCo has broad powers with respect to its ability to place conditions under Government Code Section 56886 to in approving a public entity's application. In a decision by the California Attorney General, 89 Ops. Cal. Atty. Gen. 173 (2006), the question arose as to whether LAFCo was able to condition its approval of the incorporation of a city upon voters within the proposed city approving a general tax. The Honorable John. J. Sansone stated that "General taxes *constitute one of a virtually limitless array of factors upon which a LAFCO may condition its approval of a change of organization*"² (at p. 2).

The comment also expresses a concern that the financial effects of the project on local government revenues would be detrimental to the provision of local public services, including police and fire protection. The comment is concerned with whether SSJID's proposal would fully reimburse local jurisdictions. The Draft Subsequent EIR (p. 2-49) discloses that the project may not fully reimburse local jurisdictions, despite the revenue neutrality that is part of SSJID's proposal. Because the proposal of revenue neutrality is not the subject of EIR study, no physical changes to the supply or demand of the public services are foreseeable due to the financial effects of the proposal.

- K-9 PG&E claims that implementing a "CCA is more potentially feasible than takeover." The comment identifies steps related to the SSJID providing retail electric service to end-use customers, as proposed, and compares them with steps to establish a CCA. The information includes recent views on PG&E working fairly with prospective CCA entities. Absent any detailed CCA implementation plan for comparison with the proposed project, it would be speculative to compare the relative ease of forming a CCA. No environmental comments were raised. The commenter's views on the feasibility of the CCA alternative and preferences for the CCA are noted and will be forwarded to the decision-makers. See also Response K-3.
- K-10 The comment claims that CCA would provide advantages in local control that would not occur with SSJID's proposal. The comment notes that each community and each individual customer has the choice to either not enter a CCA or opt out. The comment also notes that SSJID's proposal would preclude forming a CCA in the future. PG&E notes how individuals may choose for CCA participation, which increases individual customer choice in power supply, and that CCA would only be an option within areas served by an investor-owned utility such as PG&E. This information does not contradict the EIR, which states the Public Utilities Code now allows CCA formation by entities like SSJID. The EIR analyzes the impacts of CCA as a potentially feasible alternative to SSJID taking full ownership and operational responsibilities for electric distribution, meaning that CCA would be an alternative to SSJID purchasing generation, metering and delivering electricity to the end-user, responding to customer service concerns, and sending monthly bills (Partially Recirculated Draft Subsequent EIR, pp. 2-5 to 2-6). PG&E's comments that highlight the relative features of CCA programs do not directly address adequacy of the EIR or the analysis of environmental consequences of the project. The commenter's views on the

² See also, *Board of Supervisors v. Local Agency Formation Com.*, (1992) 3 Cal.4th 903, 912 (discussing Section 56844 which was the predecessor of Section 56886).

- feasibility of the CCA alternative and preferences for the CCA are noted and will be forwarded to the decision-makers. See also Response I-31.
- K-11 The comment provides PG&E's opinions on the viability of SSJID's project design, including claims on reliability, rates, and public purpose programs. Detailed responses to the technical comments made by PG&E on the rate design and public purpose programs are not required by CEQA because the comments did not raise significant environmental issues. The comments made by PG&E on the project design do not directly address adequacy of the EIR or the analysis of environmental consequences of the project. The commenter's views on the feasibility of the CCA alternative and preferences for the CCA are noted and will be forwarded to the decision-makers.
- K-12 The comment notes that forming a CCA would meet most project objectives. The EIR states that the alternative is potentially feasible and would in part satisfy SSJID's project objectives regarding electric services. (Partially Recirculated Draft Subsequent EIR, p. 2-12.) The comment goes on to analyze each objective and describe a scenario of CCA customers receiving cash benefits from SSJID's hydroelectric resources. See Response K-6 regarding quantification of potential rate reductions, which would depend on specific CCA implementation plans that have not yet been developed by any public agency or other entity. The environmental analysis does not rely on any conclusions about electric service rates, project costs, or the economic viability of the plan to provide retail electric service, which are noted areas of controversy. The Partially Recirculated Draft Subsequent EIR includes the necessary environmental analysis under the presumption that forming a CCA would meet most project objectives. The commenter's views on the feasibility of the CCA alternative and preferences for the CCA are noted and will be forwarded to the decision-makers.
- K-13 The comment claims that the Partially Recirculated Draft Subsequent EIR contains no analysis of SSJID accomplishing its objective of rate reductions with relative ease through a CCA. PG&E's assessment of project costs is a noted area of controversy. As noted in Response J-1, Response K-12, and elsewhere, the environmental analysis does not rely on any conclusions about electric service rates, project costs, or the economic viability of the plan to provide retail electric service. Similarly, as noted in Response K-3 and elsewhere, there is no detailed CCA implementation plan for comparison with the proposed project, and so it would be speculative to compare the relative ease of forming a CCA. The comments made by PG&E on the relative ease and economic viability of the Community Choice Aggregation Alternative do not directly address adequacy of the EIR or the analysis of environmental consequences of the project. The commenter's views on the feasibility of the CCA alternative and preferences for the CCA are noted and will be forwarded to the decision-makers. As required by CEQA, LAFCo will rely on this EIR in evaluating the environmental impacts of the proposed project. LAFCo of course may look to many other documents, including these comments, and detailed reports submitted by SSJID when finally making a determination merits of approving the proposed project.

C.6 Comments from SSJID Comment Set L, South San Joaquin Irrigation District

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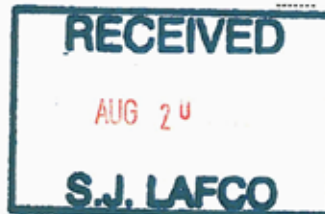
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August 20, 2012

Mr. Jim Glaser, Executive Officer
San Joaquin County Local Agency Formation Commission
509 W. Weber Avenue
Stockton, CA 95203



Re: Comments on Partially Recirculated Draft Subsequent EIR

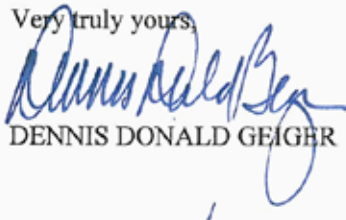
Dear Mr. Glaser:

Enclosed are the comments of South San Joaquin Irrigation District on the Partially Recirculated Draft Subsequent Environmental Impact Report for South San Joaquin Irrigation District's Plan to Provide Retail Electric Service, Sphere Plan, MSR, and Annexation (SCH No. 2005102018), prepared for San Joaquin Local Agency Formation Commission, by Aspen Environmental Group (July 2012).

L-1

If you have any questions, feel free to contact me.

Very truly yours,


DENNIS DONALD GEIGER

Enclosure

cc: South San Joaquin Irrigation District – with Enclosure

Comment Set L, cont. South San Joaquin Irrigation District

SOUTH SAN JOAQUIN IRRIGATION DISTRICT'S COMMENTS TO SAN JOAQUIN LOCAL AGENCY FORMATION COMMISSION ON COMMUNITY CHOICE AGGREGATION AS A PROJECT ALTERNATIVE

L-1 cont.

The Partially Recirculated Draft Subsequent Environmental Impact Report on SSJID's Plan to Provide Retail Electric Service, Sphere Plan, MSR, and Annexation¹ (PRDSEIR) states that Community Choice Aggregation (CCA) would avoid all of the potential environmental impacts related to SSJID's proposed plan to acquire, own and operate the electric distribution system within its service area to provide full retail electric service (SSJID Plan) and would meet most of the project objectives of SSJID's Plan.² On this basis, the PRDSEIR concludes that CCA is one among several "No Project" alternatives that are environmentally superior to SSJID's Plan.³

The conclusion in the PRDSEIR that CCA is an alternative to SSJID's plan fails to take into account the practical shortcomings of CCA as compared to SSJID's Plan. CCA would not meet key objectives of SSJID's Plan and would be an impractical and economically infeasible alternative. In addition, CCA could not be lawfully provided by SSJID throughout its service territory. San Joaquin Local Agency Formation Commission ("SJ LAFCo") should find in the final environmental report that CCA is not a feasible alternative to SSJID's Plan.

I. SSJID's Plan is Fundamentally Different From Community Choice Aggregation and as a Result, Community Choice Aggregation is Not an Alternative to SSJID's Plan

The PRDSEIR correctly recites the project objectives set forth in SSJID's application to SJ LAFCo, but fails to recognize an essential element implicit in SSJID's Plan that has not been specifically set forth in its stated project objectives. SSJID's Plan is, in essence, a plan for long term investment in the future of the communities SSJID serves. Under its Plan, SSJID will invest its capital, and a portion of future Tri-Dam revenues if necessary, in acquiring, owning and operating the electric distribution system in the area in order to provide full retail electric service. Over time, the ownership of these distribution assets will pay dividends to SSJID, and the local communities and ratepayers it serves, in the form of lower costs of providing electric service and lower retail electricity rates. This in turn, will provide long-term stimulus to and economic growth in the local economy. CCA, in contrast, essentially shifts responsibility for ongoing power purchase expenditures from investor owned utilities to local public agency officials. Under CCA, SSJID's capital would be spent primarily on ongoing expenditures for purchased power,

¹ *Partially Recirculated Draft Subsequent Environmental Impact Report, South San Joaquin Irrigation District (SSJID) Plan to Provide Retail Electric Service, Sphere Plan, MSR, and Annexation* (SCH No. 2005102018), prepared for San Joaquin Local Agency Formation Commission, by Aspen Environmental Group (July 2012).

² PRDSEIR, at page 2-3 and 2-11 to 2-12.

³ PRDSEIR, at page 2-3, 2-12 and 2-16.

Comment Set L, cont. South San Joaquin Irrigation District

not invested for long-term future growth and resulting economic benefit.

CCA may provide some opportunities for investment in electric generation assets, but it does not provide anywhere near the opportunities for long-term investment in utility infrastructure, reductions in the cost of providing electric service, or long-term economic benefits to ratepayers and local communities as does SSJID's Plan. This is a fundamental difference between SSJID's Plan and CCA that the PRDSEIR does not consider. More importantly, as a result of this fundamental difference, CCA is not in any sense an alternative to SSJID's Plan. For this reason, among others, SSJID has no intention of pursuing CCA in the event SJ LAFCo were to reject its Plan and authorize CCA in the alternative.

II. Community Choice Aggregation Would Not Meet Essential Objectives of SSJID's Plan

The PRDSEIR states that CCA "would meet most of the project objectives"⁴ and on this basis concludes that CCA is an alternative to the Proposed Project.⁵ This is incorrect not only because of the fundamental difference between SSJID's Plan and CCA implicit in SSJID's Plan explained above, but also because CCA would not attain other key objectives of SSJID's Plan set forth in its application.

The PRDSEIR sets forth SSJID's project objectives as follows:⁶

1. To reduce electric rates and the cost of electric service within SSJID's existing territory;
2. To coordinate local water conservation, energy efficiency, and demand management programs;
3. To distribute the economic benefits of SSJID's ownership of hydroelectric generating facilities to the communities in the SSJID territory by expanding local services to boost local employment, foster local demand for goods and services, and direct revenues from publicly-owned electric generating facilities into the local economy;
4. To transfer responsibility and accountability for local electric resource policies and practices within SSJID's existing territory from PG&E to locally elected public officials accountable to voters in the communities SSJID serves; and
5. To increase local influence over and accessibility to retail electric customer service, and increase local influence over energy resource policies.

Several of these objectives could not be attained through CCA, including most importantly the first and fourth of these objectives: reducing electric rates and the cost of providing electric service within SSJID's existing service territory; and transferring responsibility and accountability for local electric resource policies and practices from

⁴ PRDSEIR, page 2-3.

⁵ PRDSEIR, page 2-3.

⁶ PRDSEIR, pages 2-1 through 2-2.

L-1 cont.

Comment Set L, cont. South San Joaquin Irrigation District

PG&E to locally elected public officials accountable to voters.

A. SSJID Could Not Achieve its Planned Reduction in Electric Rates or the Cost of Providing Electric Service Through CCA

One of the fundamental features of SSJID's Plan is to discount electric rates by 15% relative to the rates charged by PG&E. Under CCA this level of discount would be impossible to sustain on a long-term basis. This is clearly demonstrated by an economic analysis conducted for SSJID which compared the long-term benefits of providing electric service through CCA with those that could be achieved through SSJID's Plan by providing full retail electric service through municipalization.

The analysis was developed by MRW & Associates (MRW) for SSJID using the assumptions in the February 2011 Market Expert Report prepared for SJ LAFCo by PA Consulting ("PA Report"). These assumptions were chosen because they provide a convenient means of comparing the economic benefits of SSJID's Plan with a CCA alternative. SSJID does not support many of the assumptions in the PA Report or believe them to be accurate or appropriate for evaluating the feasibility of its business plan. However, even with the conservative assumptions in the PA Report the SSJID Plan is clearly demonstrated to provide superior economic benefits relative to CCA.⁷

For purposes of evaluating the economic effects of CCA, MRW assumed a \$39 million equity investment at the start of the CCA, annual equity contributions from SSJID, and a 15% discount to SSJID customers off of PG&E's electric rates.⁸ MRW then evaluated how this initial investment fund would fare over time under the CCA model. As shown in Figure 1, the investment fund would be rapidly depleted. After 20 years the resulting losses would approach \$1 billion and continue to grow over the life of the CCA.

Under the assumptions in the PA Report, SSJID could not maintain electric service through CCA on a sustained long-term basis without substantially increasing rates above the level SSJID has planned. SSJID would need to increase the generation component of its electric rates 42% above PG&E's generation component of rates in order for the CCA model to be financially sustainable. This would increase customers' total electric bills by 17%.

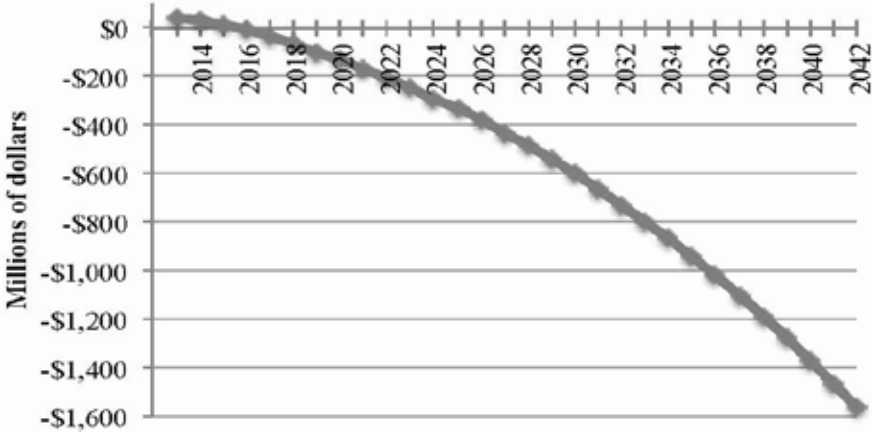
⁷ While different assumptions would show different levels of benefit from municipalization and CCA, the results of MRW's analysis, that CCA cannot provide economic benefits remotely comparable to municipalization, would not change.

⁸ These are the same assumptions included in the PA Report for SSJID's Plan for full municipalization.

L-1 cont.

Comment Set L, cont.
 South San Joaquin Irrigation District

Figure 1: Depletion of \$39 Million Equity Contribution Under CCA



L-1 cont.

MRW’s analysis of the CCA alternative and the rapid equity depletion under CCA shown in Figure 1 is based on the assumptions used in the PA Report for evaluating SSJID’s business plan for providing retail service, including the same initial and annual equity contributions from SSJID. It includes consideration of SSJID’s primary expenses as a CCA provider, including the cost of power, the cost of exit fees that SSJID would be required to pay to PG&E, and the 15% electric rate discount SSJID intends to provide to its customers. MRW compared these expenses to the CCA revenues which would come from the generation component of customers’ electric bills, SSJID’s annual equity contributions, and interest on SSJID’s remaining funds and then subtracted each year’s loss (i.e., the difference between the CCA expenses and CCA revenues, including the annual equity contributions) from the initial \$39 million equity contribution from SSJID.

The results for the first five years of the analysis are shown in detail in Table 1 below. The CCA expenses are shown in rows 1-4, and the CCA’s revenues are shown in rows 5-8. Row 9, labeled “Surplus funds (loss),” shows the annual net revenue from the CCA. In each year of the 30-year analysis, this value is negative, meaning that the CCA operates at a loss even given annual cash contributions from SSJID (as shown in row 6). Rows 10-11 show the depletion of the \$39 million initial SSJID equity investment. The \$39 million investment is the starting balance in 2013 (row 10). When the 2013 loss (row 9) is subtracted from the initial investment, the ending balance of \$38.172 million is obtained (row 11), which matches the 2014 starting balance (row 10). In this manner, changes to the fund are calculated on an annual basis. The fund falls over the course of 2013 from \$39 million to \$38.2 million. It falls further to \$14.6 million by the end of 2014, and ends 2015 at a \$7.5 million loss. The fund never recovers over the 30-year analysis, but instead falls more and more into the red each year.

Comment Set L, cont.
 South San Joaquin Irrigation District

Table 1: Depletion of \$39 Million Equity Contribution Under CCA, First Five Years
 (thousands of dollars)

	2013	2014	2015	2016	2017
1. SSJID Cost of Power	\$21,981	\$47,127	\$63,571	\$66,506	\$69,836
2. Exit fees to PG&E	\$1,912	\$2,908	\$2,964	\$3,022	\$3,081
3. 15% Discount to Customers	\$7,024	\$14,881	\$15,771	\$16,426	\$17,085
4. Total CCA Expenses	\$30,916	\$64,916	\$82,306	\$85,954	\$90,002
5. Revenue from Customers	\$19,136	\$40,544	\$42,970	\$44,758	\$46,556
6. SSJID Contribution	\$10,562	\$0	\$16,954	\$14,144	\$14,138
7. Interest on Fund Balance	\$390	\$763	\$291	\$0	\$0
8. Total CCA Revenue	\$30,088	\$41,308	\$60,216	\$58,902	\$60,694
9. Surplus funds (loss)	(\$828)	(\$23,608)	(\$22,090)	(\$27,052)	(\$29,307)
10. Starting Balance	\$39,000	\$38,172	\$14,563	(\$7,526)	(\$34,579)
11. Ending Balance	\$38,172	\$14,563	(\$7,526)	(\$34,579)	(\$63,886)

L-1 cont.

In addition to its use of the conservative PA Report assumptions, this analysis includes several other assumptions that understate the costs of providing service through CCA relative to full municipalization:

1. The values for SSJID’s cost of power are those used in the PA Report for evaluating SSJID’s cost of power as a publicly-owned utility. However, the statutory provisions grant a publicly-owned utility more discretion in purchasing renewable energy, than for a CCA, which may result in higher power costs under a CCA.⁹ The publicly-owned utility power cost assumptions used in this analysis would, therefore, likely be conservatively low for the CCA scenario.
2. The values for exit fees that must be paid to PG&E are also those used in the PA Report for evaluating SSJID’s exit fees as a publicly-owned utility. The PA Report values excluded the above-market cost of new generation, consistent with the assumption that SSJID would be exempted from these costs on the grounds that it qualifies as a “small municipalization” under California Public Utilities Commission rules.¹² There is no analogous exemption for CCAs, so as a CCA, SSJID’s exit fees would be higher. The publicly-owned utility exit fee values used in this analysis are therefore conservatively low for the CCA scenario.
3. Several CCA expenses have been omitted from this analysis because values for these expenses could not be readily obtained from the PA Report. These include CCA service fees that are paid to PG&E, SSJID’s costs to administer the CCA, and compliance costs that arise from being under the California Public Utilities

⁹ See, for example, Public Utilities Code, Section 399.12 (j) (“Retail seller” includes CCA and does not include publicly owned utilities.), Sections 399.15-399.16 (renewable procurement requirements for retail sellers), and Section 399.30 (renewable procurement requirements for publicly owned utilities).

¹² PA Report, page 25.

Comment Set L, cont.
 South San Joaquin Irrigation District

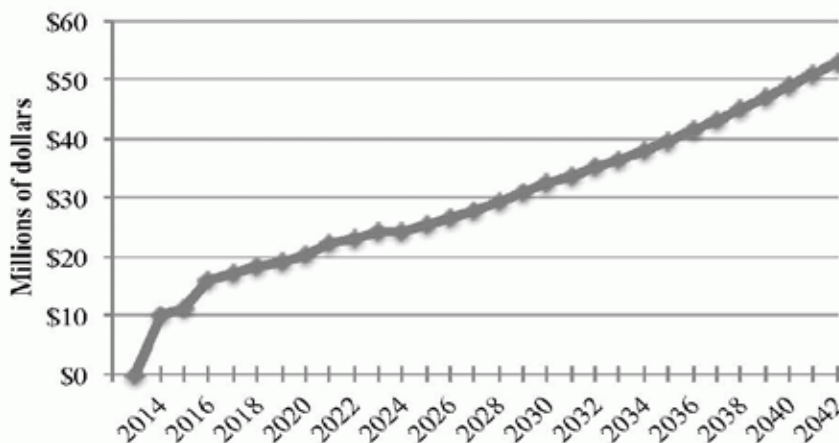
Commission’s jurisdiction.

L-1 cont.

Refining this analysis to incorporate more appropriate power cost and exit fee assumptions and to add in additional CCA expenses would cause the fund under the CCA alternative to deplete at an even faster rate.

The results of MRW’s analysis of SSJID’s Plan for full municipalization under the same general assumptions are provided in Table 2 for comparison. MRW’s analysis of SSJID’s Plan relies exclusively on the PA Report inputs and incorporates the same inputs used in the CCA analysis, adding in additional revenues and expenses specific to the municipalization scenario. In the municipalization scenario, the \$39 million initial equity investment is used to purchase PG&E’s distribution infrastructure and is not available as a starting balance for a fund. In this scenario, the fund begins at \$0 and grows each year as revenues (including equity contributions from SSJID) exceed expenses. As shown in Figure 2, by the end of 30 years, the fund grows to over \$50 million (as required under the PA Business Plan for use as a reserve fund).

Figure 2: Accretion of Reserve Fund Under Municipalization



The first five years of this analysis are shown in detail in Table 2 below. Note that the values for SSJID’s cost of power (row 1), exit fees to PG&E (row 2), 15% discount to customers (row 3), and SSJID’s equity contributions (row 7) are the same as in the CCA model.¹³ This model additionally includes other costs, comprising debt service, capital expenditures, operating and maintenance costs, administrative and general costs, public benefit costs, and payments in lieu of taxes (row 4). These costs were excluded under the CCA model either because they were not relevant (e.g., debt service and capital expenditures) or because the relevant data were not readily available from the PA Report (e.g., administrative and general costs). In addition, the revenue from customers (row 6) is greater than under the CCA model because it covers the total electric bill, not just the

¹³ Using the SSJID equity contributions from the PA model ensures that this scenario complies with debt service coverage ratio and minimum reserve requirements.

Comment Set L, cont.
 South San Joaquin Irrigation District

generation component. Under these assumptions, SSJID accrues a surplus in each year of operations (row 10), and the fund balance grows from \$0 at the start of 2013 to more than \$18 million by the end of 2017.

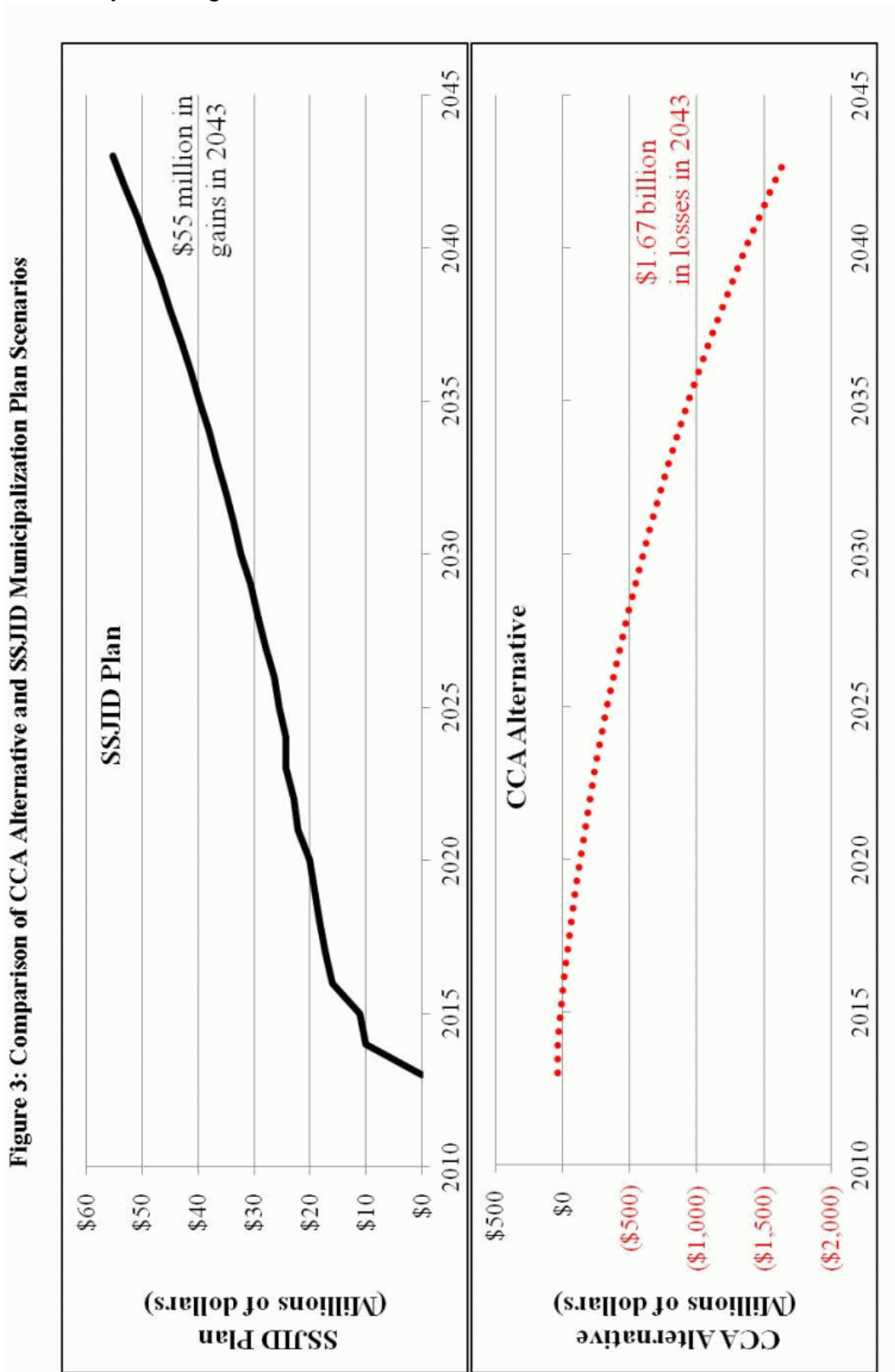
L-1 cont.

Table 2: Accretion of Reserve Funds under Municipalization, First Five Years
 (thousands of dollars)

	2013	2014	2015	2016	2017
1 SSJID Cost of Power	\$21,981	\$47,127	\$63,571	\$66,506	\$69,836
2 Exit fees to PG&E	\$1,912	\$2,908	\$2,964	\$3,022	\$3,081
3 15% Discount to Customers	\$7,024	\$14,881	\$15,771	\$16,426	\$17,085
4 Other Costs of Full Retail Service	\$16,440	\$33,339	\$35,135	\$36,884	\$37,319
5 Total SSJID Expenses	\$47,357	\$98,254	\$117,440	\$122,838	\$127,320
6 Revenue from Customers	\$46,828	\$99,209	\$105,139	\$109,505	\$113,900
7 SSJID Equity Contributions	\$10,562	\$0	\$16,954	\$14,144	\$14,138
8 Interest on Fund Balance	\$0	\$201	\$224	\$321	\$344
9 Total Revenue	\$57,390	\$99,409	\$122,316	\$123,970	\$128,382
10 Surplus funds (loss)	\$10,033	\$1,155	\$4,876	\$1,133	\$1,061
11 Starting Balance	\$0	\$10,033	\$11,188	\$16,064	\$17,197
12 Ending Balance	\$10,033	\$11,188	\$16,064	\$17,197	\$18,258

Figure 3 on the following page provides a direct comparison between the CCA and SSJID's Plan. As shown above, under the CCA scenario, an initial \$39 million investment is depleted within a few years, resulting in a deficit of more than \$1.6 billion after 30 years. In stark contrast, under the SSJID Plan for full municipalization, SSJID's fund grows steadily over time to more than \$50 million after 30 years.

Comment Set L, cont.
 South San Joaquin Irrigation District



L-1 cont.

Comment Set L, cont. South San Joaquin Irrigation District

This comparison shows that, given the same input assumptions, CCA cannot provide long term economic benefits that are even remotely close to the long-term economic benefits that can be provided through SSJID's Plan. While under the assumptions contained in the PA Report, SSJID could provide customers a 15% electric rate discount on a sustainable basis by providing full retail electric service through municipalization, it would need to raise electric rates by 17% in order to provide service on a financially sustainable basis through CCA.

This analysis also shows that, under the PA Report assumptions, the CCA option is not economically feasible. Even if SSJID were to provide an initial \$39 million equity contribution plus annual contributions over the lifetime of the CCA, the CCA would still exhaust its reserve fund very quickly: within three years if SSJID were to provide the 15% rate discount and within six years if SSJID were to match PG&E's rates. Even under the more generous assumption that SSJID's cost of power was equal to PG&E's cost of power, the CCA would still go bankrupt within seven years on account of exit fees and the 15% discount in SSJID's Plan.

CCA is thus not a financially viable alternative to SSJID's Plan.

B. Responsibility and Accountability For Electric Policies and Practices Could Not be Transferred to Locally Elected Public Officials Accountable to Voters Through CCA to Same Extent as Through SSJID's Plan

The PRDSEIR states that CCA would meet most of the project objectives of SSJID's Plan¹⁴ and further states that customers within the CCA would gain responsibility and accountability for procuring power supplies, while PG&E would continue to provide distribution service.¹⁵ In doing so, the PRDSEIR may imply that CCA would meet SSJID's objective of transferring responsibility and accountability for electric policies and practices from PG&E to locally elected public officials accountable to the voters. This conclusion in the PRDSEIR does not withstand closer scrutiny.

SSJID's Plan is significantly different from CCA in regard to responsibility and accountability for electric policies and practices. Under SSJID's Plan, responsibility and accountability for virtually every aspect of retail electric service and all of the related systems and services, from power procurement to ownership, operation, maintenance, and safety of the electric distribution system, marketing, metering, billing and customer relations, labor and employment relations, environmental stewardship, budgeting, cost control, and customer rates, would be transferred from PG&E and its senior management, who are accountable only to the California Public Utilities Commission and PG&E's shareholders, to SSJID and its locally elected board of directors, who are fully accountable to local voters in each local election. Under CCA, the only responsibility and authority that would be transferred to local public officials would pertain to power

¹⁴ PRDSEIR, at page 2-3 and 2-11 to 2-12.

¹⁵ PRDSEIR, at page 2-7.

L-1 cont.

Comment Set L, cont.
South San Joaquin Irrigation District

procurement. PG&E would retain ownership and operation of the distribution system and all related responsibilities. In addition, SSJID customers would remain vulnerable to changes in PG&E’s rate design and exit fees. As a result, CCA would not meet SSJID’s objective of transferring responsibility and accountability for electric policies and practices from PG&E to locally elected public officials accountable to the voters.

L-1 cont.

III. Legal Uncertainties and Restrictions Preclude Community Choice Aggregation From Serving As an Alternative to SSJID’s Plan

The PRDSEIR states that as a result of legislative changes that became effective after the release of the Draft Subsequent EIR and now authorize irrigation districts to become CCAs, SSJID could become a CCA and provide electric service through CCA as an alternative to its full municipalization Plan. The PRDSEIR bases this conclusion on “the judgment of LAFCo staff and counsel.”¹⁶ There is significant uncertainty, however, regarding the legal authority of SSJID to provide electric service through CCA, and the extent to which it may be able to do so, which the PRDSEIR fails to mention or adequately discuss. More importantly, even if SSJID could become a CCA under the recent legislation, which is not at all clear, legal constraints included in the recent legislation effectively preclude SSJID from providing electric service to the same extent as it has proposed under its Plan. As a result, CCA is not a legally feasible alternative to SSJID’s Plan.

Public Utilities Code Section 331.1 defines the entities that may qualify to become CCAs and to provide electric service to retail customers through CCA. As recently amended, Section 331.1 permits any city, county, city and county, or irrigation district to become a CCA and provide electric service to retail customers through CCA, provided certain specific conditions are met. Among the conditions is that they may only do so if they are, “not within the jurisdiction of a local publicly owned electric utility that provided electrical service as of January 1, 2003.”¹⁷ SSJID’s service area overlaps, in large part, the service area of the Modesto Irrigation District (MID), a local publicly owned electric utility that has provided electrical service since long before January 1, 2003.¹⁸ There is no definition in the Public Utilities Code or any rule, regulation or judicial decision of the phrase “within the jurisdiction of a local publicly owned electric utility” in this context. As a result, it could well be determined that SSJID is an entity that is “within the jurisdiction of a local publicly owned electric utility” within the meaning of § 331.1, and therefore not eligible to become a CCA or to provide electric services to retail customers through CCA.

¹⁶ PRDSEIR page 2-1.

¹⁷ Public Utilities Code Section 331.1.

¹⁸ The overlapping service areas of SSJID and MID are discussed in *South San Joaquin Irrigation District Sphere Plan & Municipal Services Review* (November 15, 2011) prepared by Mintier Harnish for SJ LAFCo, at pages 61-70, and is shown in Figure 4-7 and Figure 4-9.

Comment Set L, cont. South San Joaquin Irrigation District

Even if SSJID is not precluded by § 331.1 from becoming a CCA, the Public Utilities Code imposes a number of other restrictions and requirements on CCAs with which SSJID could not possibly comply and thus SSJID would be precluded from lawfully providing electric service through CCA. Entities seeking to provide electric service through CCA are legally required, for example, to offer CCA service to all residential customers in their jurisdiction. Public Utilities Code § 366.2(b) states that if a public agency seeks to serve as a CCA, it is required by law to “offer the opportunity to purchase electricity to all residential customers within its jurisdiction.” (Emphasis added.) Similarly, under § 366.2(a)(1), all retail electric customers are entitled to aggregate their electric loads “as members of their local community with community choice aggregators.” Under Public Utilities Code § 366.2(c)(1), however, CCAs are prohibited from aggregating electrical load “if that load is served by a local publicly owned electric utility.” Since a portion of the electric load within SSJID’s service area is served by MID and MID serves residential customers with SSJID’s jurisdiction, SSJID could not lawfully aggregate the load of these customers under § 366.2(c)(1) and, therefore, would be prohibited by law from offering “the opportunity to purchase electricity to all residential customers in its jurisdiction,” as is required of CCAs by § 366.2(b). As a result, even if SSJID was legally entitled to become and provide electric service through CCA under § 331.1, which is not at all certain, it could not lawfully do so under §§ 366.2(b) and 366.2(c)(1).

Finally, even if SSJID was among the entities eligible to provide electric service through CCA under Public Utilities Code § 331.1, and could comply with both §§ 366.2(b) and 366.2(c)(1), which it can’t, and SSJID were inclined to provide service through CCA as an alternative to its proposed Plan, which it isn’t, SSJID could not provide electric service to retail customers through CCA under the present circumstances to the same extent as proposed under its Plan. The reason for this is that, unlike other entities eligible to provide CCA under Public Utilities Code § 331.1, irrigation districts do not have the legal authority or power to become CCAs on their own initiative. They may only do so under Public Utilities Code § 331.1(c) if cities and counties within or contiguous to their jurisdiction specifically request that the irrigation district implement a CCA program.

As a result, the PRDSEIR is correct in noting that the viability of CCA as an alternative to SSJID’s Plan would require separate independent decisions and resolutions by San Joaquin County and each of the cities in SSJID’s territory in order for SSJID to provide electric service through CCA within SSJID’s existing service territory.¹⁹ The PRDSEIR fails to note, however, that neither the County nor any city has done so. And it is highly unlikely that they will do so in the future since SSJID does not intend to provide service through CCA and could not provide the same rate reduction or long-term economic benefits through CCA as SSJID can through its proposed Plan.

As a result, CCA is not a legally feasible alternative to SSJID’s Plan.

¹⁹ PRDSEIR, at page 2-6.

L-1 cont.

C.7 Responses to Comments from SSJID

Responses to Comment Set L – South San Joaquin Irrigation District

- L-1 SSJID states that Community Choice Aggregation would not meet SSJID’s key objectives and that implementing a CCA program would be impractical and economically infeasible. The comments identify differences between implementing a CCA program and SSJID’s Plan to Provide Retail Electric Services as well as potential legal uncertainties in SSJID becoming a Community Choice Aggregator or providing electric services through a CCA.

The Partially Recirculated Draft Subsequent EIR analyzed the potential environmental impacts of a Community Choice Aggregation Alternative as one “no-build” alternative that would not involve SSJID’s acquisition or modification of PG&E’s facilities. The “no-build” alternatives are considered separately from the No Project Alternative, which is required by CEQA (see Partially Recirculated Draft Subsequent EIR Sections 2.2 to 2.4).

The EIR acknowledges the fundamental differences between establishing a CCA program and implementing SSJID’s proposed project. The commenter notes, essentially, that because the SSJID plan to provide electric service is based on SSJID’s purchase of the distribution system from PG&E with SSJID providing service to all electric end-users, any decision by LAFCo in favor of selecting the Community Choice Aggregation Alternative as opposed to the proposed project will be equivalent to denial of SSJID’s Plan to Provide Retail Electric Service (Partially Recirculated Draft Subsequent EIR, p. 2-5). Establishing a CCA program is not part of the application before LAFCo, and in SSJID’s view, SSJID could not legally or economically implement such an alternative.

Reasonable Alternatives to Achieve a Basic Goal of the Project. The comment asserts that SSJID’s “essential objectives” would not be met with a CCA. Implementing a CCA program under the alternative would not result in SSJID acquiring, owning, or operating the electric distribution system; PG&E would remain the entity responsible for delivering electricity to each end-user. As such, the alternative would not implement the proposed retail electric service. After the release of the Partially Recirculated Draft Subsequent EIR, SSJID amended the objectives in the Second Supplement to its application, as follows:

“The project objectives set forth in SSJID’s application are amended so as to recognize an essential element implicit in SSJID’s Plan that has not been specifically set forth in the stated project objectives. SSJID’s Plan is, in essence, a plan for long term investment in the future of the communities SSJID serves. Under its Plan, SSJID will invest its capital, and a portion of future Tri-Dam and Tri-Dam Power Authority revenues, if necessary, in acquiring, owning and operating the electric distribution system in the area in order to provide full retail electric service. Over time, the ownership of these distribution assets will pay dividends to SSJID, and the local communities and ratepayers it serves, in the form of lower costs of providing electric service and lower retail electricity rates. This in turn, will provide long-term stimulus to and economic growth in the local economy.” (SSJID Second Supplement to its application, September 13, 2012.)

To be sure that the scope of alternatives analyzed in the EIR is not unduly limited or narrow, the EIR takes a broader view of the project objectives. Under CEQA, an EIR can examine alternatives that are “potentially” feasible and that do not attain all of the project objectives. (CEQA

Guidelines section 15126.6[a].) This means that the EIR can and does consider alternatives that do not involve acquiring the PG&E's electric distribution system. Establishing a CCA program is one alternative that may feasibly achieve a basic objective of the project: to reduce electric rates and the cost of electric service. Although SSJID disagrees with the EIR conclusion that a CCA program would achieve that goal, at this time, there is no detailed CCA proposal to assess, and the alternative is at least potentially feasible.

The comment describes substantial economic and operational differences between implementing a CCA program and SSJID's Plan to Provide Retail Electric Service. In order to understand some of the economic and operational differences, decision-makers would need to consider the following:

- ¾ **Implementing Entity.** The proposed project has SSJID as the sole sponsor. In contrast, a CCA may only aggregate the loads of customers within cities or counties that have requested by resolution implementation of the CCA program, requiring separate resolutions by San Joaquin County and by the cities. Additionally, SSJID's comment asserts that it could not legally or economically attempt to implement a CCA as a sole sponsor across SSJID's entire service area, although LAFCo legal analysis disagrees with this interpretation. (See Neumiller & Beardslee Letter to James E. Glaser, Executive Officer, LAFCo. Re: Further Review of Alternatives. April 12, 2012.) In any event, SSJID has indicated that it would not do so, whether it is legally empowered or not. Because there is no active sponsor, the most likely path to establishing a CCA would require either a separate public agency or other entity to come forward, or be formed, or it would require a new direction from the SSJID Board of Directors. In the knowledge of LAFCo staff, no public agencies in San Joaquin County have yet taken any official steps or devoted any resources to forming a CCA. However, implementing a CCA remains feasible because it is possible for SSJID to do so.
- ¾ **Implementation Plan.** The proposed project includes SSJID's plan to provide retail electric service, as part of SSJID's original 2009 application, including supplements, a detailed business plan, and independent appraisals as part of the record. In contrast, forming a CCA would require a new, detailed CCA implementation plan describing CCA operations including its governance, startup phasing, power supply resource plan, and rate-setting process. Although agencies in San Joaquin County have not developed these aspects of a CCA, it is possible for SSJID to do so.
- ¾ **Financial Plan.** The proposed project has been the subject of economic evaluation as part of LAFCo review since SSJID filed the 2009 application. The business plan for SSJID's proposed retail electric service has been studied by market experts under LAFCo direction, culminating with expert reports issued in 2010 and 2011. Additionally, SSJID's proposed service has been the subject of CPUC review and opinion in CPUC Resolution E-4301 (December 17, 2009). In contrast, SSJID presently indicates that it could not economically attempt to implement a CCA over the long term. SSJID's opinion is based on its own analysis that has not been the subject of detailed public or independent review. SSJID's assumptions for a CCA have not been disclosed in detail, and LAFCo staff has not vetted SSJID's underlying work on a CCA. To establish a CCA, a viable financial plan would need to be prepared and subject to an independent review and certification by the CPUC and other interested parties.
- ¾ **Rate Design.** The proposed project would give SSJID full control over customer rates, which would allow SSJID to make rate adjustments when needed to respond to economic and operational conditions. In contrast, the Partially Recirculated Draft Subsequent EIR describes a

potentially feasible project alternative without specifying the level of potential electric rate reduction that may be achievable through a CCA. The EIR notes that any CCA would replace PG&E's rates for procurement of the power supply (purchasing generation), while other rate components would remain set by PG&E (Partially Recirculated Draft Subsequent EIR, pp. 2-6 and 2-11). This leads to the conclusion that a CCA program would have less control over end-user rates or potential discounts relative to PG&E. Specifying the level of potential rate reduction or economic performance in a CCA would require developing a detailed CCA implementation plan. Because establishing a CCA program is not part of the application before LAFCo, there is no specific CCA implementation plan to review. Until a public agency or other entity indicates an interest in establishing a CCA, the potential economic effects cannot be described or evaluated with any certainty.

SSJID Claims the CCA Alternative Is Not Economically Feasible. Many factors affect the financial viability of a CCA when compared with SSJID's retail electric service plan. Forecasting power market prices and costs relies upon an array of market assumptions that would need to be fully disclosed before decision-makers could assess the economic differences between a CCA program and SSJID's retail electric plan. Given the previously-noted disagreement among experts analyzing the economic feasibility of the proposed project, similar controversy would surround the economic assessment of CCA as an alternative.

Some of the financial details that would need to be developed for a CCA and subjected to public and independent review include:

^{3/4} **Equity Investment and Ongoing Equity Contributions.** SSJID's proposed project would involve SSJID using its reserves and capital for acquiring, owning, and operating the electric distribution system, with SSJID investing a portion of future hydroelectric revenues, if necessary. In contrast, a viable CCA program would need to settle upon an amount that could be initially contributed by the CCA proponent to start the program. Implementing a CCA would involve spending capital on power purchases and other CCA expenses that may be different from those of the proposed project. The CCA proponent would need to identify a reliable source of revenues (e.g., customer electricity rates or revenue from another source like hydroelectric ownership). Ultimately, all of the details on available equity and projected revenues for a CCA would need to be subject to public and independent review.

^{3/4} **Overall Rate Discount.** The SSJID plan to provide retail electric service proposes a rate target, and relative reduction, as part of a business plan that has been the subject of LAFCo staff, CPUC, and public review. The rate target was constructed by SSJID contingent upon owning and operating the entire distribution system, meaning that SSJID has not represented that the proposed rate reduction would be derived entirely from the generation component of the rates or entirely from revenues of hydroelectric ownership. In contrast, there is no comparable business plan for a CCA program. Notably, although CCA programs in California may achieve rate discounts, the typical priority of CCA implementation is to promote "green" energy goals through CCA control of the power supply.

The analysis of the CCA in the SSJID comment includes two key assumptions that bias that analysis against the CCA. The first is the use of the power price forecast by PA Consulting (at p. 5 of comment), which accounts for the energy and capacity needed for grid reliability in the power supply although CCA exit fees would already cover some of the reliability costs. The second is that delivering an overall 15 percent discount off the full PG&E rate would continue to

be the objective (at p. 3 of comment). Because a CCA can only influence the generation component of the rates and a CCA cannot change the costs of transmission or distribution, achieving a full 15 percent discount implies that SSJID must be able to find and buy power at a cost 37 percent below PG&E's cost, which is not likely to be feasible. As such, implementing a CCA would require revision of the rate reduction objective.

An Economically Viable CCA Could be Designed and Implemented. The comment summarizes the results of SSJID's economic analysis for CCA finding that CCA would not be financially viable when compared to SSJID's proposed project. The comment specifies SSJID's assumptions for the initial equity investment, ongoing equity contributions, and overall rate discount. Prior to forming a CCA, a prospective sponsor agency or other entity would need to come forward with a detailed CCA implementation plan for public and independent review and eventual certification by the CPUC. As noted above, although none exists at this time, a successful CCA implementation plan could be designed around the following minimum features:

- ¾ **Governance.** A prospective sponsor agency or other entity would need to be defined. This could be SSJID, and if SSJID does not decide to do so, the sponsor could be a new public agency formed for the purpose of implementing CCA, one of the cities, or San Joaquin County after the governing body adopts a resolution to implement CCA.
- ¾ **Startup Phasing.** The sponsor would need to create a CCA Implementation Plan satisfying the requirements of Public Utilities Code Section 366.2(c)(3). Registration with the CPUC for certification could occur after establishing a CCA Service Agreement, executed between the CCA sponsor and PG&E, and after providing evidence of insurance or a bond that covers certain CCA costs. Staffing could be provided by the governing body, and phase-in could gradually occur for certain customer classes.
- ¾ **Power Supply.** The CCA would need to establish a power supply resource plan and make power purchases for its customers. The resource plan could rely on public ownership of power supplies (in this case, hydroelectric) and allocating publicly-owned power to the CCA customers, or it could rely on using CCA revenues for power purchases from other low-cost renewable or conventional (natural gas) resources on the behalf of CCA customers. The details of this resource plan would govern the CCA's power procurement process that dictates whether the CCA program could achieve rate discounts or result in slightly higher customer rates in return for a choice in power supply.

These implementation details and a viable financing plan would need to be developed by a motivated sponsor before any CCA program could become a reality. Although no sponsor currently exists to develop CCA implementation details, LAFCo staff and counsel view this alternative as "potentially feasible" within the meaning of CEQA case law and eligible for EIR study within the "rule of reason" (CEQA Guidelines, § 15126.6[f]).

This EIR focuses on disclosing the potential environmental effects rather than analyze the particular goals, features, or financial viability of SSJID, or some other entity, forming a CCA program. As noted in response to PG&E comments (Response I-29 and Response I-31), the ultimate feasibility of the CCA may be based on a number of factors, including (1) the consistency of the CCA with the project objectives set forth in the Draft Subsequent EIR, (2) the ability to identify a project sponsor for CCA, (3) local interest and public support, (4) political support or opposition, (5) economic considerations, and (6) policy considerations of importance to LAFCo.

The purpose of the Partially Recirculated Draft Subsequent EIR is to provide full environmental analysis of a Community Choice Aggregation Alternative and to clarify how the alternative may affect project objectives related to local influence, responsibility, accountability, economic benefits, and coordination of policies. The Partially Recirculated Draft Subsequent EIR (p. 2-6) describes how implementing a CCA would give local individual customers the option having their power supply determined by the CCA, or customers could opt out and leave the power supply decisions to PG&E. Based on this information, the EIR states that the alternative would in part satisfy SSJID's project objectives regarding electric services and would be a potentially feasible alternative. (Partially Recirculated Draft Subsequent EIR, p. 2-12.) The evaluation of the environmental impacts of a potentially feasible alternative in no way requires LAFCo to agree as to the ultimate feasibility of an alternative. Decisions on the ultimate feasibility and suitability of an alternative must be made based on substantial evidence in the entire record, including but not limited to the information in this EIR. The commenter's views on the feasibility of the CCA alternative and preferences for the proposed project are noted and will be forwarded to the decision-makers.

SSJID Claims the CCA Alternative Is Not Legally Feasible. The comment asserts that there are uncertainties and restrictions that preclude the legal feasibility of the Community Choice Aggregation Alternative, at least in SSJID's implementation of the CCA alternative. SSJID maintains that CCA is not a legally feasible alternative for SSJID to provide "electric service to the same extent as it has proposed" (at p. 10 of comment); this analysis contradicts the judgment of LAFCo staff and counsel that the alternative is "potentially feasible" within the meaning of CEQA case law (Partially Recirculated Draft Subsequent EIR, p. 2-4). The EIR description of the alternative notes that "SSJID *could* become a Community Choice Aggregator and facilitate Community Choice Aggregation (CCA) in lieu of implementing its plan to provide retail electric service." This description is conditional because of limitations noted in the EIR, in a manner consistent with SSJID's comment letter, such as the requirement for separate resolutions by San Joaquin County and by the cities in SSJID's territory in independent decisions by each jurisdiction, not by SSJID (Partially Recirculated Draft Subsequent EIR, p. 2-6). The comment notes that neither the County nor any city has made such a resolution. Again, the commenter's views on the feasibility of the CCA alternative and preferences for the proposed project are noted and will be forwarded to the decision-makers.

In addition, a legal determination would need to be made for whether a CCA could be formed to serve in the area that is now competitively served jointly by PG&E and MID. In SSJID's opinion (at p. 10 of comment): "There is no definition in the Public Utilities Code or any rule, regulation, or judicial decision of the phrase 'within the jurisdiction of a local publicly owned electric utility' in this context. As a result, it could well be determined that SSJID is an entity that is 'within the jurisdiction of a local publicly owned electric utility' within the meaning of §331.1, and therefore not eligible to become a CCA or to provide electric services to retail customers through a CCA." While SSJID is correct that there is no clear legislative intent or case law as to the meaning of "jurisdiction within a local publicly owned electric utility", it is LAFCo counsels' conclusion that a reasonable interpretation to the meaning of jurisdiction refers to political boundaries or geographic boundaries, rather than a "service area." Based on this interpretation, SSJID would not be precluded from providing CCA service to PG&E customers within the SSJID portion of the PG&E/MID competition zone.

The legal opinions expressed by SSJID on uncertainties and restrictions that SSJID may face in becoming a CCA are noted. No public agency or other entity has indicated an interest in establishing a CCA, and SSJID indicates that is not inclined to provide service through CCA. Rather than offer a legal interpretation on the feasibility of SSJID becoming a CCA, the EIR instead focuses on describing the environmental effects of the Community Choice Aggregation Alternative as a “potentially feasible” alternative. Again, the commenter’s views on the feasibility of the CCA alternative and preferences for the proposed project are noted and will be forwarded to the decision-makers.

Table D-1. Mitigation Monitoring Program for SSJID Plan to Provide Retail Electric Service

Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
Land Use, Agriculture, and Recreation			
Impact 3.1-1: Physically disrupt, preclude, or disturb existing or permitted land uses			
3.1-1a: Re-till agricultural lands following construction. If requested by the landowner, SSJID shall re-till agricultural land used for laydown activities and pole placement to offset compaction caused by heavy material storage and construction activities. [From 2006 Final EIR Mitigation Measure 3.1-6b]	Obtain a copy of agreement(s) with affected property owner(s)	South San Joaquin Irrigation District	Prior, during, and after construction
3.1-1b: Consult with landowners. Where proposed electrical facilities would be located adjacent to or through agricultural lands, SSJID shall consult with the landowners concerning the placement of poles in cultivated land and site new poles to produce the least disturbance to irrigation equipment and farming practices. [Updated from 2006 Final EIR Mitigation Measure 3.1-7a]	Obtain a copy of agreement(s) with affected property owner(s)	South San Joaquin Irrigation District	Prior, during, and after construction
3.1-1c: Adjust location of lines for agricultural operations and flight patterns. SSJID shall site poles in locations that minimize impacts to active agricultural operations. Specifically, SSJID shall align poles adjacent to field boundaries and parallel to rows (if located in row crops), and shall avoid diagonal orientations and angular alignments within agricultural land. SSJID shall construct poles with heights and spacing to minimize safety hazards to aerial applicators. [Updated from 2006 Final EIR Mitigation Measure 3.1-7b]	Obtain a copy of agreement(s) with affected property owner(s)	South San Joaquin Irrigation District	Prior, during, and after construction

Table D-1. Mitigation Monitoring Program for SSJID Plan to Provide Retail Electric Service

Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
<p>Impact 3.1-2: Permanently convert Farmland to a non-agricultural use</p> <p>3.1-2a: Preserve farmland to offset permanent losses. Loss of Prime Farmland, Unique Farmland, or Farmland of Statewide Importance shall be offset <u>through permanently preserving with</u> comparable quality farmland at a ratio of one-to-one (1:1) with regard to the acreage of land removed from the capability for agricultural use. The one-to-one ratio is consistent with the required compensation ratio for agriculture lands identified in the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (Nov. 2000). This could be accomplished through the direct purchase of a voluntary conservation easement on productive farmland or payment of an in-lieu fee to a Farmland Trust within San Joaquin County. Fees collected would be used to purchase voluntary agricultural conservation easements within the County. A fee payment receipt must be obtained and documentation of the land purchase must be demonstrated prior to construction at the affected site.</p> <p>Mitigation lands shall be of comparable productivity based on the Department of Conservation criteria and shall meet all of the following criteria to qualify as agricultural mitigation:</p> <ul style="list-style-type: none"> · The mitigation land shall be designated as lands identified by the California Department of Conservation Farmland Mapping and Monitoring Program (FMMP) as Prime Farmland, Farmland of Statewide Importance, or Unique Farmland; · The mitigation land shall have an adequate water supply for the purposes of irrigation. The water supply shall be comparable to, or better than, the land that is the subject of a change in zoning classification, and shall be sufficient to support ongoing agricultural uses. The water supply shall be protected through legal instrument, where applicable, to ensure that water rights permanently remain with the mitigation land; and · The mitigation land shall be located within the County of San Joaquin. <p>The mitigation land may overlap partially with existing habitat easement areas, as determined by the SSJID in consultation with the County and the California Department of Fish and <u>Wildlife (CDFW)-Game</u>; however, land previously encumbered by any other agricultural conservation easement shall not qualify, or be used for agricultural mitigation. [Updated from 2006 Final EIR Mitigation Measure 3.1-6a]</p>	<p>Obtain a copy of fee payment receipt for agricultural conservation easements</p>	<p>South San Joaquin Irrigation District</p>	<p>Prior to construction</p>

Table D-1. Mitigation Monitoring Program for SSJID Plan to Provide Retail Electric Service

Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
Air Quality			
Impact 3.2-2: Violate any air quality standard or contribute substantially to an existing or projected air quality violation			
<p>3.2-2a: Implement dust control provisions. SSJID shall implement the dust control provisions of SJVAPCD Regulation VIII requiring implementation of various dust control measures (watering unpaved surfaces, minimizing vehicle speeds on unpaved surfaces, etc.) to ensure that visible dust emissions are substantially eliminated, and SSJID shall also implement the following "enhanced" and "additional" measures:</p> <ul style="list-style-type: none"> • limit the speeds of construction vehicles on unpaved surfaces to 15 miles per hour, • install sandbags or other erosion control measures to prevent silt runoff to public roadways from sites with a slope greater than 1 percent, • suspend excavation and grading activities when winds exceed 20 miles per hour, • limit size of area subject to excavation, grading, or other construction disturbance at any one time to avoid excessive dust, and expeditiously remove the accumulation of mud or dirt from adjacent public streets at least once every 24 hours when construction activities are occurring. [From 2006 Final EIR Mitigation Measure 3.2-1a] 	<p>SSJID shall prepare a dust control plan for SJVAPCD review.</p>	<p>South San Joaquin Irrigation District and SJVAPCD</p>	<p>Before and during construction</p>
<p>3.2-2b: Implement equipment exhaust control measures. SSJID shall implement the following equipment exhaust control measures:</p> <ul style="list-style-type: none"> • use diesel-fueled off-road construction equipment with engines certified to meet federal "Tier 3" 2006 emission standards for off-road compression-ignition engines unless such an engine is not available for a particular item of equipment, • use alternative-fuel construction equipment where feasible, • minimize idling time (e.g., to <u>below a 105-minute maximum required by Title 13 California Code of Regulations, Section 2485</u>), • limit the hours of operation of heavy-duty equipment and/or the amount of equipment in use to the minimum practical, • replace fossil-fueled equipment with electrically driven equivalents (provided they are not run via a portable generator set) where feasible, • take steps to curtail construction activity during periods of high ambient pollutant concentrations; this may include reducing construction activity during days declared as Spare the Air days by the San Joaquin Valley Air Pollution Control District, and avoid overlapping short-term impacts by implementing activity management and project scheduling. [Updated from 2006 Final EIR Mitigation Measure 3.2-1a] 	<p>SSJID shall prepare an emission control plan for SJVAPCD review.</p>	<p>South San Joaquin Irrigation District and SJVAPCD</p>	<p>Before and during construction</p>

Table D-1. Mitigation Monitoring Program for SSJID Plan to Provide Retail Electric Service

Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
Impact 3.2-3: Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or State ambient air quality standard			
3.2-2a: Implement dust control provisions.	SSJID shall prepare a dust control plan for SJVAPCD review.	South San Joaquin Irrigation District and SJVAPCD	Before and during construction
3.2-2b: Implement equipment exhaust control measures.	SSJID shall prepare an emission control plan for SJVAPCD review.	South San Joaquin Irrigation District and SJVAPCD	Before and during construction
Impact 3.2-4: Expose sensitive receptors to substantial pollutant concentrations			
3.2-2a: Implement dust control provisions.	SSJID shall prepare a dust control plan for SJVAPCD review.	South San Joaquin Irrigation District and SJVAPCD	Before and during construction
3.2-2b: Implement equipment exhaust control measures.	SSJID shall prepare an emission control plan for SJVAPCD review.	South San Joaquin Irrigation District and SJVAPCD	Before and during construction

Table D-1. Mitigation Monitoring Program for SSJID Plan to Provide Retail Electric Service

Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
Biological Resources			
Impact 3.3-1: Result in direct loss of special-status species or substantial adverse effect through habitat loss or degradation			
<p>3.3-1a: Minimize construction footprint. Construction and maintenance activities for the electric distribution system will be confined to the minimum area required to perform the work and will be accomplished with the goal of minimizing disturbance. Project vehicle movement will be restricted to existing roads; where new access is required outside of existing roads (e.g., new spur roads), the route will be clearly marked (i.e., flagged and/or staked) prior to the onset of construction and vehicles will be restricted to these routes. [New Programmatic-Level Mitigation Measure]</p>	<p>Clearly mark the limits of disturbance areas. Maintain a record of all workers who have completed the environmental awareness training. If surveys identify special status species, submit survey results to CDFW and/or USFWS. Implement avoidance and minimization measure developed in coordination with CDFW and/or USFWS. If determined necessary based on consultation with CDFW and/or USFWS, acquire compensatory mitigation. Provide written verification to CDFW and/or USFWS that the compensation lands or conservation easements have been acquired and recorded in favor of the approved recipient(s).</p>	<p>South San Joaquin Irrigation District, CDFW, USFWS</p>	<p>Environmentally Sensitive Disturbance Areas shall be marked, and environmental awareness training conducted, special status species surveys conducted, and necessary permits acquired prior to construction. If required, compensatory mitigation shall be secured prior to the start of construction, unless otherwise agreed to by USFWS and CDFW. Impact avoidance and minimization measures shall be implemented prior to and during construction.</p>

Table D-1. Mitigation Monitoring Program for SSJID Plan to Provide Retail Electric Service

Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
<p>3.3-1b: Survey new electric utility corridors. As appropriate for the requirements of the species or resource, a qualified biologist will conduct an updated survey of all new electric utility corridors and associated access roads, areas of proposed disturbance, laydown areas, and staging areas prior to construction. Sensitive habitats (<i>i.e.</i>, occupied by special-status species or as defined by USACE, CDFW and/or USFWS) or active nest locations will be clearly marked as Environmentally Sensitive Areas and avoided where feasible. [New Programmatic-Level Mitigation Measure]</p>	<p>Maintain a record of all workers who have completed the environmental awareness training. Delineate surveyed areas and Environmentally Sensitive Areas on maps. If surveys identify special-status species, submit survey results to CDFW and/or USFWS. Implement avoidance and minimization measure developed in coordination with CDFW and/or USFWS. If determined necessary based on consultation with CDFW and/or USFWS, acquire compensatory mitigation. Provide written verification to CDFW and/or USFWS that the compensation lands or conservation easements have been acquired and recorded in favor of the approved recipient(s).</p>	<p>South San Joaquin Irrigation District, CDFW, USFWS</p>	<p>Environmentally Sensitive Areas shall be marked, environmental awareness training conducted, special-status species surveys shall be conducted, and maps shall be prepared, and necessary permits acquired prior to construction. If required, compensatory mitigation shall be secured prior to the start of construction, unless otherwise agreed to by USFWS and CDFW. Impact avoidance and minimization measures shall be implemented prior to and during construction.</p>

Table D-1. Mitigation Monitoring Program for SSJID Plan to Provide Retail Electric Service

Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
<p>3.3-1c: Avoid designated Sensitive Areas. Environmentally Sensitive Areas designated by a qualified biologist will be fenced off or clearly marked to prevent inadvertent destruction. High-visibility fencing will be installed along the margins of construction work areas where those areas are adjacent to sensitive biological resources; buffers may be required as determined by the qualified biologist. All construction personnel near <u>Environmentally Sensitive Areas</u> will be required to attend environmental awareness training. At a minimum, the training will include: (1) an overview of the regulatory <u>and CEQA</u> requirements specific to the project, (2) descriptions of the special-status species and sensitive habitats in the project area, (3) the general measures that are being implemented to minimize environmental impacts, and (4) the boundaries within which equipment and personnel will be allowed to work during construction. SSJID will maintain a record of all workers who have completed the training. [New Programmatic-Level Mitigation Measure and Updated from 2006 Final EIR Mitigation Measure 3.3-3b]</p>	<p><u>Clearly mark Environmentally Sensitive Areas.</u> Maintain a record of all workers who have completed the environmental awareness training. If surveys identify special-status species, submit survey results to CDFW and/or USFWS. Implement avoidance and minimization measure developed in coordination with CDFW and/or USFWS. If determined necessary based on consultation with CDFW and/or USFWS, acquire compensatory mitigation. Provide written verification to CDFW and/or USFWS that the compensation lands or conservation easements have been acquired and recorded in favor of the approved recipient(s).</p>	<p>South San Joaquin Irrigation District, CDFW, USFWS</p>	<p>Environmentally Sensitive Areas shall be marked and, environmental awareness training conducted, special-status species surveys conducted, and necessary permits acquired prior to construction. If required, compensatory mitigation shall be secured prior to the start of construction, unless otherwise agreed to by USFWS and CDFW. Impact avoidance and minimization measures shall be implemented prior to and during construction.</p>

Table D-1. Mitigation Monitoring Program for SSJID Plan to Provide Retail Electric Service

Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
<p>3.3-1d: Survey prior to non-routine vegetation management. Vegetation management or clearing around any District electric distribution facilities (e.g., poles, substations), in areas which have been previously cleared or maintained within a one-year or shorter period will not require a pre-activity survey. Vegetation management will not be conducted during the breeding season (December 15 through August 31) in any area that has not been cleared or maintained within a two-year period unless a pre-activity survey occurs for vegetation containing active nests, burrows, or dens. The pre-activity survey will be conducted by a <u>qualified</u> biologist and will ensure that the vegetation to be cleared contains no active migratory bird nests, burrows, or active dens prior to clearing. If occupied migratory bird nests are present, <u>a no-disturbance buffer shall be established by the qualified biologist within which</u> vegetation management activities will be avoided until after the nesting season, or until nestlings have fledged. If no nests are observed, work may proceed. Any burrows or dens <u>that</u> are identified in the pre-activity survey will be avoided by equipment. [New Programmatic-Level Mitigation Measure and Updated from 2006 Final EIR Mitigation 3.3-4a]</p>	<p>Establish no-disturbance buffers around active nests. Maintain a record of all workers who have completed the environmental awareness training. If surveys identify special-status species, submit survey results to CDFW and/or USFWS. Implement avoidance and minimization measure developed in coordination with CDFW and/or USFWS. If determined necessary based on consultation with CDFW and/or USFWS, acquire compensatory mitigation. Provide written verification to CDFW and/or USFWS that the compensation lands or conservation easements have been acquired and recorded in favor of the approved recipient(s).</p>	<p>South San Joaquin Irrigation District, CDFW, USFWS</p>	<p>Environmentally Sensitive Areas shall be marked, environmental awareness training conducted, special-status species surveys shall be conducted no more than 14 days, and necessary permits acquired prior to construction. Buffers shall be in place during the nesting season or until nestlings have fledged. If required, compensatory mitigation shall be secured prior to the start of construction, unless otherwise agreed to by USFWS and CDFW. Impact avoidance and minimization measures shall be implemented prior to and during construction.</p>
<p>3.3-1e: Avoid, minimize, and compensate for impacts to special-status species. Construction of electric distribution system improvements and upgrades affecting suitable habitat for special-status species will only occur in accordance with procedures developed by SSJID in coordination with resource agencies (e.g., CDFW and/or USFWS, as appropriate). Construction work plans will be designed to reduce the duration, severity, and magnitude of impacts and may include the following:</p> <ul style="list-style-type: none"> • Conduct updated surveys for special-status species potentially occurring within the project area. Surveys shall be conducted by a qualified biologist and timed to maximize detection of the species. • Site facility construction and other ground disturbing activities to avoid occurrences of special-status species. • Consult with CDFW, USFWS, and other regulatory agencies as appropriate in compliance 	<p>Maintain a record of all workers who have completed the environmental awareness training. If surveys identify special-status species, submit survey results to CDFW and/or USFWS. Implement avoidance and minimization measure developed in coordination with CDFW and/or USFWS. If determined necessary based on consultation with CDFW and/or USFWS, acquire compensatory mitigation. Provide written</p>	<p>South San Joaquin Irrigation District, CDFW, USFWS</p>	<p>Environmentally Sensitive Areas shall be marked, environmental awareness training conducted, special-status species surveys conducted, and necessary permits acquired prior to construction. If required, compensatory mitigation shall be secured prior to the start of construction, unless otherwise</p>

Table D-1. Mitigation Monitoring Program for SSJID Plan to Provide Retail Electric Service

Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
<p>with federal and state regulations to develop avoidance and minimization measures. Appropriate measures may include, but are not limited to:</p> <ul style="list-style-type: none"> - Minimize disturbance to native vegetation. If potential habitat for special-status species or occurrences of special-status species can be avoided, establish no-disturbance buffers around these Environmentally Sensitive Areas and maintain them throughout construction activities. - Conduct worker awareness training and biological monitoring to ensure effective implementation of impact avoidance and minimization measures. - Enforce reduced speed limits to prevent vehicle-wildlife collisions. - Prevent spread of noxious weeds. - Minimize night time noise and light. - Implement dust, erosion, and sediment control measures. <p>• Compensate for impacts to special-status species that cannot be avoided or adequately minimized. Compensatory mitigation could be achieved through a combination of creation, preservation, and restoration of habitat or purchase of credits at a mitigation bank approved by the regulatory agencies. Where the special status species at issue are federally listed as endangered or threatened and the potential impacts would involve the incidental take of such species, appropriate mitigation shall be worked out with the USFWS pursuant to the federal Endangered Species Act. Where the special status species at issue are state <u>State</u>-listed as endangered, threatened, or rare and the potential impacts would involve the incidental take of such species, appropriate mitigation shall be worked out with CDFW pursuant to the California Endangered Species Act. <u>SSJID shall also work with CDFW to address potential impacts to state species of special concern.</u> Where the impacts at issue would not involve the incidental take of any federal- or state <u>State</u>-listed species, SSJID shall work out its own mitigation plan after consultation with a qualified biologist. A mitigation plan under any of these three scenarios shall be sufficient to ensure no net loss of acreage, function, and value of affected habitat. Where compensatory mitigation takes the form of the purchase of credits at an approved mitigation bank, SSJID shall obtain the approval of any regulatory agencies whose assent must be obtained in connection with such a purchase.</p> <p>• Acquire permits to demonstrate compliance with applicable laws and regulations protecting endangered, threatened, or rare species and adhere to the terms and conditions therein. If federally listed species are adversely affected, a Biological Opinion or Habitat Conservation Plan, which may include an incidental take permit, from USFWS would be required. If take of State-listed species would occur, a 2081(b) incidental take permit from CDFW would be required. If a project is planned in an area where a fully protected species occurs, the project shall be designed to avoid all take; CDFW cannot provide take authorization for fully protected species under CESA. [New Programmatic-Level Mitigation Measure]</p>	<p>verification to CDFW and/or USFWS that the compensation lands or conservation easements have been acquired and recorded in favor of the approved recipient(s).</p>		<p>agreed to by USFWS and CDFW. Impact avoidance and minimization measures shall be implemented prior to and during construction.</p>

Table D-1. Mitigation Monitoring Program for SSJID Plan to Provide Retail Electric Service

Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
<p>Impact 3.3-2: Have a substantial adverse effect on sensitive natural communities, including riparian, or wetlands, or other waters of the U.S. and/or State</p>			
<p>3.3-2a: Avoid, minimize, and compensate for impacts to sensitive habitats. Construction of electric distribution system improvements and upgrades affecting CNDDDB-designated sensitive natural communities or potentially jurisdictional wetlands and other waters will only occur in accordance with procedures to protect sensitive natural communities, wetlands, and other waters of the U.S. and/or State developed by SSJID in coordination with resource agencies (e.g., USACE, CDFW, CVRWQCB). Construction work plans will be designed to reduce the duration, severity, and magnitude of impacts and may include the following:</p> <ul style="list-style-type: none"> • Prior to the start of construction, conduct updated surveys for sensitive natural communities occurring within the project area, including a field delineation of wetlands and other waters. Surveys shall be conducted by a qualified biologist pursuant to agency protocol (e.g., 1987 U.S. Army Corps of Engineers Wetlands Delineation Manual and 2006 Interim Regional Supplement to the Corps of Engineers Wetland Delineation Manual: Arid West Region). • Site facility construction and other ground disturbing activities to avoid occurrences of sensitive natural communities, wetlands, and other waters. • Prior to the start of construction, consult with USACE, CDFW, and CVRWQCB as appropriate in compliance with federal and state regulations to develop avoidance and minimization measures. Impact avoidance and minimization measures will be implemented prior to and/or during construction, as appropriate. Measures may include, but are not limited to: <ul style="list-style-type: none"> – Minimize disturbance to sensitive habitats. If wetlands and waters of the U.S. and/or State and other sensitive natural communities can be avoided, establish no-disturbance buffers around these Environmentally Sensitive Areas and maintain them throughout construction activities. – Conduct worker awareness training and biological monitoring to ensure effective implementation of impact avoidance and minimization measures. – Avoid construction activities in saturated or ponded wetlands and streams. If such activities are unavoidable, use padding or vehicles with balloon tires or other practices to minimize impacts. – Implement a SWPPP and erosion control plans as required by CVRWQCB, San Joaquin County, and city government agencies. • Prior to the start of construction, acquire permits to demonstrate compliance with applicable laws and regulations pertinent to wetlands and waters of the U.S. and/or State and adhere to the terms and conditions therein. This may include a Section 404 permit from USACE, a Water Quality Certification from CVRWQCB under Section 401, or a Lake and Streambed Alteration Agreement from CDFW under California Fish and Game Code Section 1600 and 1602, <i>et seq.</i> 	<p>Depending on the jurisdiction of the resource (e.g., wetlands/ waters of the U.S. or State), prepare a wetland delineation for verification by USACE, obtain a Clean Water Act Section 404 permit/jurisdictional determination, obtain a Section 401 Water Quality Certification from the RWQCB, obtain a Section 1600 permit from CDFW. If determined necessary based on consultation with USACE or CDFW, acquire compensatory mitigation. Provide written verification to USACE and/or CDFW that the compensation lands have been acquired and recorded in favor of the 1 approved recipient(s). Preparation and approval of a Mitigation and Monitoring Plan and annual reports if necessary shall be provided to USACE, CDFW, and CVRWQCB, as appropriate depending on jurisdiction.</p>	<p>South San Joaquin Irrigation District, CVRWQCB, CDFW, USACE</p>	<p>Wetland delineation(s) shall be conducted and all necessary permits acquired prior to construction affecting jurisdictional wetlands or other waters. If required, compensatory mitigation shall be secured prior to the start of construction affecting the jurisdictional wetlands or other waters, unless otherwise agreed to by USACE and CDFW.</p>

Table D-1. Mitigation Monitoring Program for SSJID Plan to Provide Retail Electric Service

Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
<p>- Compensate for impacts to jurisdictional wetlands and waters that cannot be avoided or adequately minimized. Compensatory mitigation could be achieved through creation, restoration, or enhancement on a “no net loss” basis of an acreage at least equal to all wetlands and other waters of the United States or the State of California that would be removed, lost, and/or degraded as a result of project construction. Wetland habitat would be restored, enhanced, and/or created at an adequate mitigation ratio to offset the aquatic functions and services that would be lost at the project site, account for loss of habitat, and contain an adequate margin of safety to reflect anticipated success. The location and method(s) shall be agreed to by USACE, CVRWOCB, and other regulatory agencies, as appropriate, depending on agency jurisdiction, and as determined during the Section 401 and Section 404 permitting processes. If required by USACE, a wetland mitigation and monitoring plan (MMP) shall be developed and implemented to ensure that any aquatic functions and values that would be lost through project implementation will be effectively replaced. The MMP shall be consistent with USACE’s and EPA’s April 10, 2008 Final Rule for Compensatory Mitigation for Losses of Aquatic Resources (33 CFR Parts 325 and 332 and 40 CFR Part 230) or more current guidance. If required, compensatory mitigation shall be secured prior to the start of construction affecting the jurisdictional wetlands or waters, unless otherwise agreed to by USACE and CDFW to the extent that these two agencies have jurisdiction over the mitigation program. [New Programmatic-Level Mitigation Measure]</p>			
<p>Impact 3.3-4: Have a substantial adverse effect on special-status plant species through the installation of overhead and underground lines throughout the project area and the proposed Jack Tone Substation</p>			
<p>3.3-4a: Conduct seasonal surveys for special-status plants and implement appropriate impact avoidance/minimization/compensation strategies. Prior to the onset of electric distribution system construction activities, two focused surveys for the five potentially occurring special-status plant species [big tarweed (<i>Blepharizonia plumosa ssp. plumosa</i>), showy madia (<i>Madia radiata</i>), San Joaquin spearscale (<i>Atriplex joaquiniana</i>), lesser saltscare (<i>Atriplex miniscula</i>), and round-leaved filaree (<i>Erodium macrophyllum</i>)] shall be completed in areas of suitable habitat (<i>i.e.</i>, grassland) by a qualified biologist with experience working with the species, during the appropriate blooming times to observe the species in flower. One survey shall be conducted in spring (March-May) and one in late summer (July-October). If no special-status plant species are found, then no further action is warranted. If special-status plant species are found then the areas supporting the special-status plant species shall be avoided. If an area containing a special-status plant species cannot be avoided, then at least one of the following steps shall be implemented by a qualified botanist in consultation with CDFW:</p> <ol style="list-style-type: none"> 1. Permanently preserve, through use of a conservation easement or other similar method, an 	<p>Review and submit focused survey results to CDFW. If determined necessary based on consultation with CDFW, acquire compensatory mitigation. Provide written verification to CDFW that the compensation lands or conservation easements have been acquired and recorded in favor of the approved recipient(s). Transplant or propagate seeds from affected special-status plants, if these</p>	<p>South San Joaquin Irrigation District, CDFW</p>	<p>Focused special-status plant surveys shall be conducted, compensatory mitigation secured (if required), and a CDFW-approved Habitat Enhancement and Monitoring Plan shall be in place (if required) prior to construction. Impact minimization measures shall be implemented prior to and during</p>

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Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
<p>amount of acreage equal to <u>or greater than</u> the acreage of occupied special-status plant habitat permanently and temporarily disturbed. Compensatory habitat shall be located either within the project area or offsite and shall contain occurrence of the affected plant(s). The occurrence may be smaller than the affected occurrence but must be a viable reproducing occurrence, stable or increasing (in size and reproduction), with good or better habitat quality than the affected occurrence, and with a reasonable expectation of long-term sustainability; or</p> <p>2. Harvest the plants to be lost, and relocate them to another suitable and equal sized area either within the project site or offsite that will be permanently preserved through a conservation easement or other similar method; or</p> <p>3. Harvest seeds from the plants to be lost, or use seeds from another appropriate source, determined by the qualified biologist in consultation with CDFW, and seed an equal amount of area suitable for growing the plant either within the project site or offsite that will be permanently preserved through a conservation easement or other similar method.</p> <p>Options 2 and 3 require preparation and implementation of a CDFW-approved Habitat Enhancement and Monitoring Plan over a minimum of five years to ensure successful establishment of transplanted species. If mitigation Options 2 and 3 are not deemed successful by CDFW, acquisition of compensatory habitat as described under Option 1 shall be implemented. [Updated from 2006 Final EIR Mitigation 3.3-2a]</p>	<p>options are selected in lieu of compensatory mitigation. Prepare and implement a Habitat Enhancement and Monitoring Plan.</p>		<p>construction.</p>
<p>Impact 3.3-5: Disturb over-wintering or nesting burrowing owls</p>			
<p>3.3-5a: Conduct burrowing owl pre-construction surveys and implement appropriate impact avoidance/minimization/compensation strategies. Prior to issuance of a grading permit, pre-construction surveys shall be conducted by a qualified biologist in any potential burrowing owl habitat within 250-656 200 meters feet of proposed areas of disturbance [pursuant to Phase II and possibly Phase III, if required based on Phase II results, of the Staff Report on Burrowing Owl Mitigation (CDFG, 1995) and the Burrowing Owl Survey Protocol and Mitigation Guidelines (CBOC, 1993) and the Staff Report on Burrowing Owl Mitigation (CDFG, 2012)]. Construction activities shall proceed only as follows:</p> <ul style="list-style-type: none"> • If burrowing owls are not detected, by either sign or direct observation, construction may proceed. Pre-construction surveys must be reinitiated if more than 30 days lapse between surveys and construction activities. • If potentially nesting burrowing owls are present, grading shall not be allowed within 656-250 250 feet of any nest burrow during the nesting season (February 1–August 31), unless approved by the CDFW. • If burrowing owls are detected during pre-construction surveys outside the nesting season (September 1–January 31), passive relocation and monitoring shall be undertaken by a 	<p>Conduct pre-construction surveys for burrowing owl. Review survey results. In the event that burrowing owls are present, establish no-disturbance buffers. If destruction of burrows is unavoidable, consult with CDFW to implement appropriate mitigation, including passive relocation and/or habitat acquisition. Conduct worker awareness training. File report with CDFW that describes the results of pre-construction surveys and passive relocation.</p>	<p>SSJID, CDFW</p>	<p>Pre-construction surveys shall be completed no more than 30 days before construction activities. A monitoring report shall be submitted to CDFW no later than two weeks before initiation of grading. No-disturbance buffers are observed between February 1 and August 31.</p>

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Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
<p>qualified biologist following CDFW and California Burrowing Owl Consortium guidelines. Passive relocation is defined as encouraging owls to move from occupied burrows to alternate natural or artificial burrows that are beyond 50 meters from the impact zone and that are within or contiguous to a minimum of 6.5 acres of preserved (or acquired and preserved if not already preserved) foraging habitat for each relocated owl (single owl or owl pair). Passive relocation is accomplished by first creating two artificial burrows in contiguous, preserved foraging habitat (if no natural burrows exist) for each occupied burrow that would be impacted; and second, installing one-way doors on occupied burrow entrances so owls can leave the burrow but not re-enter it. Following passive relocation, the area of impact and the preserved foraging habitat with alternate burrows are surveyed daily for one week to confirm owl use of alternate burrows before excavation of burrows in the impact zone. All passive relocation shall be conducted by a biologist approved by CDFW. If the alternate burrows are not used by the relocated owls, then the applicant shall work with CDFW to provide alternate mitigation for burrowing owls. If the alternate burrows are used, no other mitigation shall be required.</p> <p>If it is not possible to preserve contiguous habitat on which to provide alternate burrows, and occupied owl burrows would be directly impacted, then the owls shall be passively relocated without the creation of alternate burrows prior to construction (relocation shall only be implemented during the non-breeding season [September 1 through January 31]). The loss of occupied owl habitat shall be mitigated by acquiring and preserving other occupied habitat elsewhere per the Staff Report on Burrowing Owl Mitigation (CDFG, 2012-1995) and the Burrowing Owl Survey Protocol and Mitigation Guidelines (CBOC, 1993), or as otherwise determined in consultation with CDFW.</p> <p>A Habitat Management Plan shall be prepared that provides direction for the preservation and in-perpetuity management of all acquired burrowing owl habitat. The Habitat Management Plan shall be approved by CDFW prior to the initiation of construction activities within 250 feet of occupied habitat.</p> <ul style="list-style-type: none"> A monitoring report of all activities associated with pre-construction surveys, avoidance measures, and passive relocation of burrowing owls shall be submitted to CDFW no later than two weeks before initiation of construction. [Updated from 2006 Final EIR Mitigation Measure 3.3-3a and 3.3-3c] 			

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Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
<p>Impact 3.3-6: Result in nest abandonment, nest failure, or premature fledging due to removal of buildings, trees or shrubs, grading, or construction activities in the vicinity of passerine and non-passerine land bird nests and raptor nests</p>	<p>Conduct nesting bird surveys. Review survey results. In the event that active nests are present, consult with CDFW to develop and implement appropriate impact minimization measures, to include establishment of a no-disturbance buffer and monitoring of nests.</p>	<p>SSJID, CDFW</p>	<p>Surveys shall be completed within 14 days prior to the removal or disturbance of a potential nesting structure, trees, or shrubs, or the initiation of other construction activities during the early part of the breeding season (late December through April) and no more than 30 days prior to the initiation of these activities during the late part of the breeding season (May through August).</p>
<p>3.3-6a: Avoid removal of nesting substrate during the breeding season and implement appropriate impact minimization strategies. Pre-construction nest surveys shall be conducted if construction activities will occur from December 15 through August 31. February 1 through August 31 is the nesting season for passerine or non-passerine land birds. December 15 through August 31 is the nesting season for raptors. At all times of the year, noise generating activities shall be limited during early morning and evening to avoid impacts to birds protected under the Migratory Bird Treaty Act. Surveys shall be conducted in accordance with the following guidelines:</p> <ul style="list-style-type: none"> - A nesting bird survey shall be performed by a qualified ornithologist within 14 days prior to the removal or disturbance of a potential nesting structure, trees, or shrubs, or the initiation of other construction activities during the early part of the breeding season (late December through April) and no more than 30 days prior to the initiation of these activities during the late part of the breeding season (May through August). During this survey, a qualified biologist shall inspect all potential nesting habitat (trees, shrubs, structures, grasslands, pastures, etc.) in and within 500⁴⁰⁰ feet of impact areas for nests. All vegetation and structures with active nests shall be flagged and an appropriate no-disturbance buffer zone shall be established around the nest site. The size of the buffer zone shall be determined by the project biologist in consultation with CDFW and will depend on the species involved, site conditions, and type of work to be conducted in the area. - A qualified biologist shall monitor active nests to determine when the young have fledged and are feeding on their own. The project biologist and CDFW shall be consulted for clearance before construction activities resume in the vicinity. [Updated from 2006 Final EIR Mitigation Measure 3.3-4a] 			
<p>Impact 3.3-7: Result in the loss of raptor foraging habitat due to construction of the proposed Jack Tone Substation and other project components</p>	<p>See Mitigation Measure 3.3-1a, above.</p>	<p>South San Joaquin Irrigation District</p>	<p>See Mitigation Measure 3.3-1a, above.</p>
<p>3.3-1a: Minimize construction footprint.</p>	<p>See Mitigation Measure 3.3-1b, above.</p>	<p>South San Joaquin Irrigation District, CDFW, USFWS</p>	<p>See Mitigation Measure 3.3-1b, above.</p>
<p>3.3-1b: Survey new electric utility corridors.</p>	<p>See Mitigation Measure 3.3-1c, above.</p>	<p>South San Joaquin Irrigation District</p>	<p>See Mitigation Measure 3.3-1c, above.</p>

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Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
3.3-1d: Survey prior to non-routine vegetation management.	See Mitigation Measure 3.3-1d, above.	South San Joaquin Irrigation District, CDFW, USFWS	See Mitigation Measure 3.3-1d, above.
3.3-1e: Avoid, minimize, and compensate for impacts to special-status species.	See Mitigation Measure 3.3-1e, above.	South San Joaquin Irrigation District, CDFW, USFWS	See Mitigation Measure 3.3-1e, above.
Impact 3.3-8: Disturb breeding Swainson's hawk or Swainson's hawk nests as result of removal of mature trees and noisy construction activities			
<p>3.3-8a: Conduct Swainson's hawk pre-construction surveys and implement appropriate impact avoidance and minimization strategies. In order to ensure that nesting Swainson's hawks would not be affected by construction of the project, a qualified biologist shall conduct pre-construction surveys according to CDFW and Swainson's Hawk Technical Advisory Committee guidelines (2000). Survey Period I occurs from January 1 to March 20, Period II from March 20 to April 5, Period III from April 5 to April 20, Period IV from April 21 to June 10, and Period V is from June 10 to July 30. Three surveys shall be completed in at least each of the two survey periods immediately prior to a project's initiation and encompass the area within 0.5 miles of the construction activity site. If a known or potential nest site is identified during pre-construction surveys, the following measures shall be implemented:</p> <ul style="list-style-type: none"> • Trees containing known or potential nest sites may be removed during the non-breeding season (September 1 through February 15) to discourage future nesting attempts on the condition that no Swainson's hawk pair is currently utilizing the nest site. Monitoring evidence that any nests in trees planned for early removal are unattended by reproductive-aged birds must be provided and approved by CDFW prior to removal; or • If an active Swainson's hawk nest is found sufficiently close (as determined by the qualified biologist and CDFW) to the construction area as to be affected by construction activities, a qualified biologist shall determine the extent of a construction-free buffer zone to be established around the nest. Intensive new disturbances (e.g., heavy equipment activities associated with construction) that may cause nest abandonment or forced fledging shall not be initiated within this buffer zone between February 15 and September 1 until it is determined by a qualified biologist in coordination with CDFW that the young have fledged and are feeding on their own. • If a nest tree becomes occupied during construction activities, then all construction activities shall remain a distance of two times the dripline of the tree, measured from the nest. <p>[Updated from 2006 Final EIR Mitigation Measure 3.3-6a]</p>	<p>Conduct focused Swainson's hawk surveys. Review survey results. In the event that known or potential nests are present, nests must be monitored to ensure vacancy. In the event that an active Swainson's hawk nest is present, consult with CDFW and develop and implement appropriate minimization measures to include establishment of a no-disturbance buffer and monitoring of nests.</p>	<p>SSJID, CDFW</p>	<p>Survey Period I occurs from January 1 to March 20, Period II from March 20 to April 5, Period III from April 5 to April 20, Period IV from April 21 to June 10, and Period V is from June 10 to July 30. Three surveys shall be completed in at least each of the two survey periods prior to initiation of project construction. No-disturbance buffers are observed between March 1 and September 1.</p>

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Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
<p>Impact 3.3-9: Result in the mortality of or loss of potential habitat for Valley elderberry longhorn beetle due to the removal of blue elderberry shrubs</p>			
<p>3.3-9a: Conduct surveys for Valley elderberry longhorn beetle and implement appropriate impact avoidance/minimization/compensation strategies. The presence of blue elderberry (<i>Sambucus mexicana</i>) shall be determined prior to the start of electric distribution system construction by a qualified biologist. If elderberry shrubs are present within the project area, the following measures shall be implemented:</p> <ol style="list-style-type: none"> 1. A setback of 20 feet from the dripline of each elderberry bush shall be established. Brightly colored flags or fencing shall be placed to demarcate this setback and no disturbance shall be allowed within the setback throughout the construction process. If complete avoidance is not feasible, the provisions in 2(a) or (b) and 3, below, shall be implemented. 2. A qualified biologist shall conduct surveys for Valley elderberry longhorn beetle (VELB) by looking for exit holes in blue elderberry shrubs following the USFWS <i>Conservation Guidelines for the Valley Elderberry Longhorn Beetle</i> (1999a). <ol style="list-style-type: none"> a. For all shrubs without evidence of VELB exit holes that cannot be avoided, the qualified biologist shall count all stems of 1 inch or greater in diameter at ground level. Compensation for removal of these stems shall be provided within preserves approved by USFWS, and consist of three new elderberry plants for each stem over 1 inch in diameter at ground level to be removed (3:1 compensation ratio). b. For all shrubs with evidence of VELB exit holes that cannot be avoided, SSJID shall transplant elderberry shrubs displaying evidence of VELB occupation to VELB mitigation sites identified by the USFWS during the dormant period for elderberry shrubs (November 1–February 15). For elderberry shrubs displaying evidence of VELB occupation which cannot be transplanted during this timeframe, compensation for removal of shrubs shall be provided within preserves approved by USFWS, and consist of six new elderberry plants for each stem over 1 inch in diameter at ground level to be removed (6:1 compensation ratio). 3. If elderberry shrubs cannot be avoided pursuant to 1, above, SSJID shall obtain a permit for incidental take from USFWS pursuant to Section 7 or Section 10, as appropriate, prior to the start of construction in VELB habitat. [Updated from 2006 Final EIR Mitigation Measure 3.3-8a] 	<p>Conduct surveys. Review survey results and submit to USFWS. If VELB or mature elderberry shrubs (stems greater than 1" diameter at ground level) is present, mitigation shall be followed for habitat replacement. If take of VELB would occur, acquire take permit in compliance with the federal endangered species act.</p>	<p>SSJID, USFWS</p>	<p>Focused elderberry and VELB surveys shall be conducted, permit acquired (if required), and compensatory mitigation secured (if required) prior to construction. Impact minimization measures shall be implemented prior to and during construction.</p>

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Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
<p>Impact 3.3-10: Eliminate potential roosting habitat for and/or result in injury or mortality to special-status bat species by the removal of mature trees and structures</p>	<p>Conduct bat surveys. Review survey results. If active roosts or hibernacula are present, consult with CDFW to develop and implement appropriate impact minimization measures to include establishment of a no-disturbance buffer, monitoring of maternity roosts, and potential eviction of individuals.</p>	<p>SSJID, CDFW</p>	<p>A focused bat survey shall be conducted within 30 days prior to any removal of trees or structures. Disturbance-free buffer zones as determined by a qualified biologist in coordination with CDFW shall be observed during the maternity roost season (March 1–July 31). If required, eviction of non-breeding bats shall occur no more than 5 days prior to structure or tree removal.</p>
<p>3.3-10a: If the electric distribution system construction would require removal of buildings, mature trees, or snags, conduct surveys for roosting bats and implement appropriate impact avoidance and minimization strategies. A pre-construction survey for roosting special-status bats shall be performed by a qualified biologist within 30 days prior to any removal of trees or structures in areas of construction activities. If no active roosts are found, then no further action is warranted. If either a maternity roost or hibernacula (structures used by bats for hibernation) is present, the following measures shall be implemented:</p> <ul style="list-style-type: none"> • If active maternity roosts or hibernacula are found in trees or structures which would be removed as part of project construction, the project shall be redesigned to avoid the loss of the tree or structure occupied by the roost. If an active maternity roost is identified and the project cannot be redesigned to avoid removal of the occupied tree or structure, demolition shall commence before maternity colonies form (<i>i.e.</i>, prior to March 1) or after young are volant (flying) (<i>i.e.</i>, after July 31). Disturbance-free buffer zones as determined by a qualified biologist in coordination with CDFW shall be observed during the maternity roost season (March 1–July 31). <u>Disturbance-free buffers for active maternity roosts shall be at least 100 feet, unless a reduced buffer is approved by CDFW.</u> • If a non-breeding bat hibernacula is found in a tree or structure scheduled for removal, the individuals shall be safely evicted, under the direction of a qualified biologist (as determined by a Memorandum of Understanding with CDFW), by opening the roosting area to allow airflow through the cavity. Demolition can then follow at least one night after initial disturbance for airflow. This action should allow bats to leave during darkness, thus increasing their chance of finding new roosts with a minimum of potential predation during daylight. Trees or structures with roosts that need to be removed shall first be disturbed at dusk, just prior to removal that same evening, to allow bats to escape during the darker hours. [Updated from 2006 Final EIR Mitigation Measure 3.3-9a] 			
<p>Impact 3.3-11: Result in disturbance to wildlife and/or wildlife mortality due to maintenance activities</p>	<p><u>See Mitigation Measure 3.3-1a, above.</u></p>	<p>South San Joaquin Irrigation District</p>	<p><u>See Mitigation Measure 3.3-1a, above.</u></p>
<p>3.3-1a: Minimize construction footprint.</p>	<p><u>See Mitigation Measure 3.3-1b, above.</u></p>	<p>South San Joaquin Irrigation District, CDFW, USFWS</p>	<p><u>See Mitigation Measure 3.3-1b, above.</u></p>

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Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
3.3-1c: Avoid designated Sensitive Areas.	See Mitigation Measure 3.3-1c, above.	South San Joaquin Irrigation District	See Mitigation Measure 3.3-1c, above.
3.3-1d: Survey prior to non-routine vegetation management.	See Mitigation Measure 3.3-1d, above.	South San Joaquin Irrigation District, CDFW, USFWS	See Mitigation Measure 3.3-1d, above.
Cultural Resources			
Impact 3.4-1: Cause a substantial adverse change in the significance of historical resources or unique archaeological resources, or disturb human remains			
<p>3.4-1a: Develop and Implement a Cultural Resources Treatment Plan (CRTP). Prior to the start of ground disturbance for the plan to provide retail electric service, SSJID shall develop a CRTP for dealing with potential cultural resources where new construction and/or modification of existing facilities require ground-disturbing activities. The CRTP shall identify general and specific measures to minimize potential impacts to unexpected sensitive cultural resources and human remains. Copies of the CRTP shall reside with the Cultural Resource Specialist (CRS), each monitor, and the SSJID's on-site construction manager.</p> <p>The CRTP shall also include procedures for the following:</p> <ul style="list-style-type: none"> • <i>SSJID shall obtain the services of a Cultural Resources Specialist.</i> Prior to the start of ground disturbance for the plan to provide retail electric service, SSJID shall hire a professional cultural resources specialist (CRS) whose training and background conform to the U.S. Secretary of Interior's Professional Qualifications Standards, as published in Title 36, Code of Federal Regulations, part 61 (36 C.F.R., part 61). The CRS shall manage all monitoring, mitigation, curation and reporting activities, and have the authority to halt construction in the immediate vicinity of buried archaeological materials. SSJID shall ensure that the CRS makes recommendations regarding the eligibility for listing in the California Register of Historical Resources (CRHR) of any cultural resources that may be impacted by the proposed project. The CRS and other discipline specialists shall meet the Professional Qualifications Standards mandated by the California Office of Historic Preservation (OHP). • The CRS shall evaluate all project footprints for potential cultural resources and recommend avoidance, minimization, and mitigation measures as appropriate. SSJID shall provide the CRS with maps and drawings showing the footprints of all linear facility routes, all access roads, and all laydown areas for proposed projects that will have the potential to impact above-ground cultural resources or involve ground disturbing activities at least 60 days in advance of proposed construction activities. CRS shall determine whether there are any previously recorded cultural resources within the project area or immediately adjacent to it, and whether the project area has been previously surveyed for cultural resources. If the project area has not been previously surveyed, the CRS shall ensure that the area is 	SSJID shall prepare a monitoring report upon completion of construction.	South San Joaquin Irrigation District, San Joaquin County	Before and during construction related to the plan to provide retail electric service

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Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
<p>surveyed in advance of proposed construction activities. If cultural resources are detected either prior to or during construction, they shall be identified and evaluated against the criteria set forth in CEQA Guidelines section 15064.5, subdivision (a), in order to determine whether they are "historical resources" and the criteria set forth under Public Resources Code section 21083.2, subdivision (g), in order to determine whether they qualify as "unique archaeological resources." If the resources are determined not be either historical resources or unique archaeological resources, then no further consideration of these resources is required. If the cultural resources, including Native American burials, are determined to be either historical resources or unique archaeological resources, the CRS shall advise SSJID of such determinations and shall recommend appropriate measures to protect or mitigate impacts to the resource, such as avoidance through project redesign, monitoring to avoid unintended impacts, and/or archaeological data recovery to reduce the impact to a less than significant level. SSJID shall carry out these recommendations to the extent feasible; in no event shall SSJID permit an identified historical resource to be impacted to such a degree as to cause a substantial adverse change in the significance of the resource (e.g., through demolition or destruction of the resource). See Cultural Resources Mitigation and Monitoring Plan (CRMMP) below.</p> <ul style="list-style-type: none"> • <i>SSJID shall minimize ground disturbance to the extent feasible.</i> SSJID shall minimize the areal and vertical impacts of ground disturbing activities associated with construction and/or modification of existing facilities in order to limit potential impacts to unexpected historical resources or unique archaeological resources under the provisions of CEQA, including Native American burials. • Construction personnel shall be trained in proper identification and treatment of cultural resources, particularly buried resources. SSJID shall provide Worker Environmental Awareness Program (WEAP) training to all new workers involved in the construction and/or modification of existing facilities that require ground-disturbing activities within their first week of employment. The training shall be prepared by the CRS, may be conducted by any member of the archaeological team, and may be presented in the form of a video. The CRS shall be available (by telephone or in person) to answer questions posed by employees. WEAP training shall be repeated annually for all workers involved in the construction and/or modification of existing facilities that require ground-disturbing activities. • <i>SSJID shall ensure immediate reporting of any discovery of buried archaeological materials.</i> SSJID shall ensure that anyone discovering buried archaeological materials during ground-disturbing activities (Discovery) shall immediately report the Discovery to their supervisor, who is responsible for reporting it to the construction supervisor. In the event of Discovery, construction shall be halted and the CRS shall either evaluate, in person, on the project site, whether the Discovery constitutes an historical resource or unique archaeological resource or shall supervise the evaluations by an appropriate cultural resources technical specialist of 			

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Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
<p>the historical significance of the discovery, also in person, on the project. Archaeological materials may include, but are not limited to, such items as whole or fragmentary flaked or ground stone tools, stone flaking debris, discolored, fire-altered rock, animal bone, charcoal, ash, discolored, burned earth, rocks and minerals not common to the project site, and fragments of ceramics, glass, or metal. Redirection of ground disturbance shall be accomplished under the direction of the construction supervisor, in a manner agreed to by the CRS. In the event that historical resources or unique archaeological resources are found, or impacts to such resources can be anticipated, construction shall be halted or redirected in the immediate vicinity of the Discovery so that the resource is protected from further impacts or other feasible mitigation can be formulated.</p> <ul style="list-style-type: none"> • <i>The CRS shall ensure that construction is immediately halted should anyone discover human remains.</i> In the event of the Discovery of a burial, human bone, or suspected human bone, all excavation or grading in the vicinity of 100 feet of the find shall halt immediately, the area of the find shall be protected, and the San Joaquin County Coroner shall be immediately notified of the find and the provisions of PRC Section 5097 with respect to Native American involvement, burial treatment, and re-burial, shall be complied with if necessary. The treatment of human remains and of associated or unassociated funerary objects discovered during any soils-disturbing activity shall comply with applicable State laws. In the event of the coroner's determination that the human remains are Native American, notification of the Native American Heritage Commission (NAHC) who shall appoint a Most Likely Descendant (MLD) (Pub. Res. Code Sec. 5097.98). The SSJID, the CRS, and MLD shall make all reasonable efforts to develop an agreement for the treatment of, with appropriate dignity, human remains and associated or unassociated funerary objects (CEQA Guidelines. Sec. 15064.5(d)). The agreement should take into consideration the appropriate excavation, removal, recordation, analysis, custodianship, curation, and final disposition of the human remains and associated or unassociated funerary objects. State law allows 24 hours to reach agreement on these matters. If the MLD does not agree on the reburial method, the project will follow Section 5097.98(b) of the California Public Resources Code which states, "the landowner or his or her authorized representative shall reinter the human remains and items associated with Native American burials with appropriate dignity on the property in a location not subject to further subsurface disturbance." Work may resume once the area is protected or the body is removed. • In the event of Discovery of an historical resource or a unique archaeological resource, the CRS shall develop and implement a Cultural Resources Mitigation and Monitoring Plan. If historical resources or unique archaeological resources would be impacted by the proposed project, regardless of when they are discovered, the CRS shall write a Cultural Resources Mitigation and Monitoring Plan (CRMMP). If there is a discovery of any such resources, the CRS shall notify SSJID that the initiation of monitoring is necessary for portions of the project site or linear facilities. SSJID shall ensure that the CRS or an 			

Table D-1. Mitigation Monitoring Program for SSJID Plan to Provide Retail Electric Service

Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
<p>appropriate cultural resources technical specialist monitor full time on the portions of the project site and linear facilities that the CRS has specified to ensure that there are no impacts to further undiscovered resources that may be historical resources or unique archaeological resources, and to ensure that, to the extent feasible, newly discovered historical resources or unique archaeological resources are not further impacted.</p> <p>The CRMMP shall stipulate that historical resources and unique archaeological resources shall be avoided through alterations in project design, when feasible, though in no event shall SSJID permit an identified historical resource to be impacted to such a degree as to cause a substantial adverse change in the significance of the resource. SSJID project design/redesign will seek to avoid any and all historical resources and unique archaeological resources under the provisions of CEQA, including Native American burials, identified before or during construction activities. If avoidance is not possible for a unique archaeological resource that is not also an historical resource, then an archaeological data recovery program shall be conducted in accord with an approved archaeological data recovery plan (ADRP) to reduce the impact to a less than significant level under the provisions of CEQA.</p> <p>In the event that avoidance of historical resources or unique archaeological resources is not possible via project design modifications, the plan shall outline the appropriate mitigation which shall be required. Under CEQA, preservation-in-place is the preferred manner of mitigating impacts to unique archaeological resources. Preservation in place for such resources may be accomplished by, but not necessarily limited to, a suite of approaches such as: (1) Planning construction activities to avoid historical resources; (2) Incorporation of resources within parks or other open spaces; (3) Covering the archaeological resource with a layer of chemically stable soil before building facilities on top of the site; and/or (4) Preserving the resource in a permanent conservation easement.</p> <p>If preservation in place is not feasible for any unique archaeological resources that are not also historical resources, the plan shall stipulate what further recordation, data recovery, or monitoring shall be required. The CRMMP shall include a statement requiring that results of all literature reviews, surveys, and data recovery shall be included in a cultural resources report for each project. The report shall be prepared according to California Office of Historic Preservation Archaeological Resource Management Report (ARMR) guidelines and submitted to the California Historical Resource Information System (CHRIS) and the State Historic Preservation Officer (SHPO).</p> <p>[Updated from 2006 Final EIR Mitigation Measure 3.4-1a]</p>			

Table D-1. Mitigation Monitoring Program for SSJID Plan to Provide Retail Electric Service

Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
Geology, Soils, and Paleontology			
Impact 3.5-1: Expose people or structures to potential substantial adverse effects as a result of seismically induced groundshaking and/or ground failure			
<p>3.5-1a: Engineer electric facilities in accordance with standards and practices. New electric facilities would be engineered to withstand potential ground shaking in accordance with existing utility design standards and practices and would meet or exceed the relevant seismic requirements. Standards and practices are defined in California Public Utilities Commission (CPUC) General Order 95, Institute of Electrical and Electronics Engineers (IEEE) Standard 693, California Building Code (CBC) requirements for Uniform Building Code (UBC) Seismic Zone 3, and San Joaquin County specifications. [New Mitigation Measure]</p>	<p>A monitoring report shall be prepared upon completion of retail electric system construction</p>	<p>South San Joaquin Irrigation District</p>	<p>Prior to construction</p>
Impact 3.5-2: Result in substantial soil erosion or the loss of topsoil			
<p>3.5-2a: Follow best management practices for soil erosion control. SSJID shall follow best management practices for soil erosion control, including but not limited to:</p> <ul style="list-style-type: none"> • Schedule excavation and grading activities for the dry season (April 15 to October 15). • If excavation must occur during the rainy season, regulate storm runoff from the construction area through a storm water management/erosion control plan prepared prior to the construction period. The plan shall include, at a minimum, the following elements: sand bags, road bars, certified weed-free mulch, etc. • Stockpiles of loose material must be covered or stabilized and runoff diverted away from exposed soil material. Sediment basin/traps must be located and operated to minimize the amount of offsite sediment transport. • Any trapped sediment must be removed from the basin or trap and placed at a suitable location onsite, away from concentrated flows, or removed to an approved disposal site. <p>[New Mitigation Measure]</p>	<p>A monitoring report shall be prepared upon completion of retail electric system construction</p>	<p>South San Joaquin Irrigation District</p>	<p>During construction</p>

Table D-1. Mitigation Monitoring Program for SSJID Plan to Provide Retail Electric Service

Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
Impact 3.5-4: Directly or indirectly destroy a unique paleontological resource			
<p>3.5-4a: Provide proper treatment of paleontological resources. Although no significant resources are anticipated due to the relatively young, alluvial character of the soils, prior to ground disturbance of a depth beyond 24 inches at sites that have not been previously disturbed, SSJID would hire a qualified vertebrate paleontologist, for example, as in Standard Guidelines established by the Society of Vertebrate Paleontology (SVP) (SVP, 1995), to further evaluate the paleontological sensitivity of the area underlying the ground disturbance. Should the paleontologist determine that materials with moderate, high, or unknown paleontological sensitivity could be impacted SSJID shall hire a qualified vertebrate paleontologist to design a worker education program and if deemed necessary to prepare a Paleontological Monitoring and Treatment Plan. [New Mitigation Measure]</p>	<p>A monitoring report shall be prepared upon completion of retail electric system construction</p>	<p>South San Joaquin Irrigation District</p>	<p>Prior to and during construction</p>
Public Health and Safety			
Impact 3.6-1: Create a significant hazard to the public or environment through routine transport, use, or disposal of hazardous materials			
<p>3.6-1a: Establish environmental training and monitoring program for construction and operations in compliance with OSHA standards. Prior to the commencement of electric distribution system construction, SSJID shall establish an environmental training program to communicate environmental concerns and appropriate construction work practices, including spill prevention, emergency response measures, and proper implementation of Best Management Practices (BMPs), to all construction field personnel. The training program shall emphasize the identification and proper handling of hazardous materials, spill containment methods, regulatory requirements, and agency notification procedures. A monitoring program shall also be implemented to ensure that the requirements and procedures are followed throughout the period of construction. BMPs, as specified in the project Storm Water Pollution Prevention Plan (SWPPP), shall also be implemented during the construction of the project to minimize the risk of an accidental release. SSJID has a staff Environmental Compliance and Safety Officer that would be responsible for overseeing regulatory compliance for proposed electric operations. [Updated from 2006 Final EIR Mitigation Measure 3.6-1a]</p>	<p>A monitoring report shall be prepared upon completion of electric distribution system construction</p>	<p>South San Joaquin Irrigation District</p>	<p>Prior to and during construction</p>

Table D-1. Mitigation Monitoring Program for SSJID Plan to Provide Retail Electric Service

Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
<p>3.6-1b: Prepare hazardous substance control and emergency response plan for construction in accordance with the California Health and Safety Code. Prior to the commencement of electric distribution system construction, SSJID shall prepare a Hazardous Substance Control and Emergency Response Plan, which shall include preparations for quick and safe cleanup of accidental spills during construction and operations. It shall include a hazardous material inventory, prescribe hazardous materials handling procedures for reducing the potential for a spill during construction and operations, and shall include an emergency response program to ensure quick and safe cleanup of accidental spills. SSJID shall notify the appropriate agencies and perform the required remediation if there is a release of reportable quantities of petroleum products or other hazardous substances such as PCBs. The plan shall identify areas where refueling and vehicle maintenance activities and storage of hazardous materials, if any, will be permitted during the construction phase of the project. These directions and requirements shall also be reiterated in the project SWPPP. [Updated from 2006 Final EIR Mitigation Measure 3.6-1b]</p>	<p>A monitoring report shall be prepared upon completion of electric distribution system construction</p>	<p>South San Joaquin Irrigation District</p>	<p>Prior and during to construction</p>
<p>Impact 3.6-2: Create a hazard to people or the environment as a result of being located on a site that is included on a list of hazardous material sites compiled pursuant to Government Code Section 65962.5 or by otherwise mobilizing existing soil or groundwater contamination</p>			
<p>3.6-2a: Conduct detailed hazardous materials record searches. SSJID shall conduct a hazardous materials record search to assess all underground utility construction areas requiring excavation, trenching, or dewatering prior to the initiation of construction for project-related electric distribution system modifications. Avoid excavation, trenching, or dewatering to the depth of known contamination on any unremediated sites (open cases) compiled pursuant to Government Code Section 65962.5. If avoidance cannot be achieved, the contamination shall be investigated and remediated in accordance with regulatory requirements of the San Joaquin County Environmental Health Department, Regional Water Quality Control Board, and/or the Department of Toxic Substance Control, as appropriate prior to excavation, trenching, or dewatering at the site. [Updated from 2006 Final EIR Mitigation Measure 3.6-2a]</p>	<p>A monitoring report shall be prepared upon completion of electric distribution system construction</p>	<p>South San Joaquin Irrigation District</p>	<p>During construction</p>

Table D-1. Mitigation Monitoring Program for SSJID Plan to Provide Retail Electric Service

Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
<p>3.6-2b: Observe exposed soil. During trenching, grading, or excavation work for the project-related electric distribution system modifications, the contractor shall observe the exposed soil for visual evidence of contamination. If visual contamination indicators are observed during construction, the contractor shall stop work until the material is properly characterized and appropriate measures are taken to protect human health and the environment. The contractor shall notify the right of way owners and comply with the all local, State, and federal requirements for sampling and testing, and subsequent removal, transport, and disposal of hazardous materials, including the Comprehensive Environmental Response, Compensation, and Liability Act and the California Code of Regulations, Title 22 regarding the disposal of wastes, management of surface and groundwater and dust control in accordance with the California Clean Water Act and Clean Air Act, and worker health and safety in accordance with the California Health and Safety Code.</p> <p>In the event that evidence of contamination is observed, the contractor shall document the exact location of the contamination and shall immediately notify the County Hazardous Materials Team as well as the San Joaquin County Environmental Health Department, describing proposed actions. The contaminated site shall be investigated and remediated in accordance with regulatory requirements of the San Joaquin County Environmental Health Department, Regional Water Quality Control Board, and/or the Department of Toxic Substance Control, as appropriate. [Updated from 2006 Final EIR Mitigation Measure 3.6-3a]</p>	<p>A monitoring report shall be prepared upon completion of electric distribution system construction</p>	<p>South San Joaquin Irrigation District</p>	<p>Prior and during to construction</p>
<p>Impact 3.6-3: Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school</p>	<p>A monitoring report shall be prepared upon completion of electric distribution system construction</p>	<p>South San Joaquin Irrigation District</p>	<p>Prior to and during construction</p>
<p>Impact 3.6-4: Interfere with adopted emergency response plans</p>	<p>Keep all notices on file up to 30-days after construction</p>	<p>South San Joaquin Irrigation District</p>	<p>During construction</p>
<p>Impact 3.6-7: Create an aeronautical or motor vehicle hazard or result in a significant aerial obstruction within two miles of an airport or airstrip</p>	<p>Obtain a copy of agreement(s) with affected property owner(s)</p>	<p>South San Joaquin Irrigation District</p>	<p>Prior, during, and after construction</p>

Table D-1. Mitigation Monitoring Program for SSJID Plan to Provide Retail Electric Service

Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
Hydrology and Water Quality			
Impact 3.7-1: Result in surface water and groundwater contamination that could violate water quality standards			
<p>3.7-1a: Limit wet season construction. To the maximum extent practicable, grading and excavation activities shall be limited to dry season months, which are typically May through October. This would minimize surface water quality degradation associated with stormwater runoff on actively disturbed soils. If it is not practicable to limit certain grading and excavation activities to dry season months, a settling pond shall be installed on the construction site with sufficient capacity to contain expected runoff during a rainfall event. The purpose of the settling pond would be to capture stormwater runoff and avoid adverse impacts associated with a disturbed area being exposed to precipitation events, such as the off-site transport of sediment and/or potentially hazardous materials in surface water runoff. If a settling pond is required during construction as a result of wet season construction, it shall be removed and the area returned to original grade and compaction following the completion of construction. As such, the settling pond would avoid adverse impacts during construction and would result in no impacts during operation. In addition, for grading and excavation activities that are conducted during a rainfall event, such activities shall cease when rutting occurs in greater than 10 percent of the disturbed area or when rills more than 10 feet in length develop and lead off the disturbed area; rills are narrow and shallow incisions into topsoil layers which occur as a result of surface water runoff, and rutting is the formation of rills. Dry season construction requirements shall be included as a Best Management Practice (BMP) in the applicable Stormwater Pollution Prevention Plan (SWPPP), as administered by the Central Valley Regional Water Quality Control Board (RWQCB). Approved drainage control and erosion control BMPs shall also be included in the SWPPP and implemented prior to the normal onset of winter rains. [New Mitigation Measure]</p>	<p>Verify that construction would not be feasible during dry season and verify seasonal construction specifications in the applicable Stormwater Pollution Prevention Plan (SWPPP), as administered by the Central Valley Regional Water Quality Control Board (RWQCB).</p>	<p>South San Joaquin Irrigation District</p>	<p>Prior to and during construction activities.</p>
Impact 3.7-2: Deplete groundwater supplies or interfere with groundwater recharge			
<p>3.7-2a: Install pervious and/or high-roughness groundcover where applicable. To the maximum extent practicable, groundcover for new infrastructure including substations and roads shall be comprised of a pervious and/or high-roughness material such as gravel, in order to ensure maximum percolation of rainfall to underlying groundwater resources, and to minimize potential effects of new impervious areas on increased stormwater runoff rates. [New Mitigation Measure]</p>	<p>Verify that groundcover is comprised of a pervious and/or high-roughness material such as gravel.</p>	<p>South San Joaquin Irrigation District</p>	<p>During and post construction activities.</p>

Table D-1. Mitigation Monitoring Program for SSJID Plan to Provide Retail Electric Service

Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
Impact 3.7-3: Alter existing drainage patterns or result in increased runoff			
3.7-2a: Install pervious and/or high-roughness groundcover where applicable.	Verify that groundcover is comprised of a pervious and/or high-roughness material such as gravel.	South San Joaquin Irrigation District	During and post construction activities.
Impact 3.7-4: Result in flooding, flood diversions, or erosion due to permanent aboveground structures in a floodplain			
3.7-4a: Aboveground structures shall be protected against flood and erosion damage. To the maximum extent practicable, aboveground electric distribution system infrastructure shall be placed outside the current and reasonably expected future flow path of watercourses to minimize the potential for flood and erosion damage. If an engineering analysis demonstrates that watercourse avoidance is not practicable for the placement of permanent infrastructure, the design engineer shall identify appropriate measures to prevent flooding and erosion hazards. Such measures may include but are not limited to the following: anchoring of structures against stream scour; setback of infrastructure from channel banks; installation of bank protection; or raising foundation levels. [Programmatic-Level and Updated from 2006 Final EIR Mitigation Measure 3.7-4a]	Verify that project features are placed outside of the current and reasonably expected future flow path of watercourses or review engineering analysis and verify that the project incorporates the engineering analysis recommendations.	South San Joaquin Irrigation District	Prior to and during construction activities.
Impact 3.7-5: Expose people or structures to risk as a result of dam or levee failure, or inundation by mudflow			
3.7-4a: Aboveground structures shall be protected against flood and erosion damage.	Verify that project features are placed outside of the current and reasonably expected future flow path of watercourses or review engineering analysis and verify that the project incorporates the engineering analysis recommendations.	South San Joaquin Irrigation District	Prior to and during construction activities.

Table D-1. Mitigation Monitoring Program for SSJID Plan to Provide Retail Electric Service

Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
Noise and Vibration			
Impact 3.8-1: Cause excessive temporary or periodic increase in noise			
<p>3.8-1a: Implement appropriate noise controls during construction. During construction of infrastructure improvements, including modifications to electric distribution substations and distribution facilities, SSJID shall:</p> <ul style="list-style-type: none"> • Limit noise generating activities to occur only between the hours of 7:00 a.m. and 7:00 p.m. when within 500 feet of a residence or other noise-sensitive land use, • Use only internal combustion engine-driven equipment that is equipped with intake and exhaust mufflers that are in good condition and appropriate for the equipment, • Limit unnecessary idling of construction equipment, • Inform nearby residents and property owners of anticipated noise disturbances and the availability of the public liaison between two and four weeks prior to construction, and provide a public liaison person to respond to concerns about construction disturbances. SSJID shall establish a toll-free telephone number for receiving questions or complaints during construction and procedures for responding to callers. The liaison shall determine the cause of any noise complaints and impose reasonable noise control measures to correct the origin of the complaint. [Updated from 2006 Final EIR Mitigation Measure 3.8-1a] 	Public liaison to monitor noise levels and public noise complaints	South San Joaquin Irrigation District	Prior and during construction
<p>3.8-1b: Provide notice of construction noise and vibration. SSJID shall submit a letter of advance notification to the City of Manteca and/or City of Ripon for planned construction activities within 500 feet of a residence or other noise-sensitive land use inside the City of Manteca and/or City of Ripon. The letter shall be provided to the applicable city at least four weeks prior to commencing electric distribution system construction. The letter describe the planned construction activities and identify contractor specifications established by SSJID to avoid excessive noise and vibration levels, including temporary noise barriers or acoustic blankets for equipment and the steps taken per Mitigation Measure 3.8-1a. [Updated from 2006 Final EIR Mitigation Measure 3.1-3a and Mitigation Measure 3.1-3b]</p>	Public liaison to monitor noise levels, receptor distances, and public noise complaints	South San Joaquin Irrigation District	Prior and during construction
Impact 3.8-3: Cause excessive permanent increase in noise			
<p>3.8-3a: Design substation modifications to avoid noise increases. SSJID shall use a combination of site planning, equipment selection, noise attenuating structures, and noise barriers, as needed to achieve the ambient noise standards equivalent to those of the City of Manteca Zoning Ordinance Section 17.13.040, Ripon Municipal Code Section 16.156.090, and City of Ripon General Plan 2040 Community Health and Safety section Policy J6 (land use compatibility standards). The equipment associated with the modifications at the Manteca, Ripon, and Clough Substations shall be designed to achieve 45 dBA Leq at the nearest residences. [Updated from 2006 Final EIR Mitigation Measure 3.2-1a]</p>	Provide information showing noise control design or approach	South San Joaquin Irrigation District	Prior to selecting new equipment

Table D-1. Mitigation Monitoring Program for SSJID Plan to Provide Retail Electric Service

Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
Socioeconomics, Public Services, and Utilities			
Impact 3.9-4: Cause utility system (electricity and water distribution) disruptions			
<p>3.9-4a: Implement Border-Area Service Plan. If SSJID is unable to implement a service agreement with either PG&E or MID to provide service to the SSJID border areas (shown in Figure 3.9-1), the Border-Area Service Plan shall be implemented. This plan, as generally described in this EIR Section 3.9 and the attachment to this section, shall be supported by detailed specifications regarding the required infrastructure that must be constructed and installed in order to prevent service disruptions in the border areas. This infrastructure includes the Western and Eastern Underbuilds, new overhead line, and up to four 600 kVAR capacitor banks. Components of the Border-Area Service Plan are outlined in more detail in the Attachment to Section 3.9 of this EIR. Construction for the Border-Area Service Plan shall be completed in advance of operation of the remainder of the retail electric service plan.</p>	<p><u>Complete construction of Border-Area Service Plan components before operation of the remainder of the retail electric service plan.</u></p>	<p><u>South San Joaquin Irrigation District</u></p>	<p><u>Prior and during construction</u></p>

Table D-1. Mitigation Monitoring Program for SSJID Plan to Provide Retail Electric Service

Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
Transportation and Traffic			
Impact 3.10-1: Result in substantial congestion and cause a substantial increase in traffic due to closure of roads and/or reduction of travel lanes			
<p>3.10-1a: Develop and implement a Traffic Management Plan. Prior to the start of construction activities for the electric distribution system, SSJID shall develop and provide a Traffic Control Plan (TCP) to the San Joaquin County Public Works Department, the Cities of Manteca, Ripon, and Escalon, and Caltrans. To the extent feasible, construction related traffic and any temporary road closures shall be scheduled during non-peak traffic periods.</p> <p>The TCP shall include the following measures that SSJID shall implement:</p> <ul style="list-style-type: none"> • Define the locations of project access points and location and timing of any temporary lane closures; • Identify and make provision for circumstances requiring the use of flag persons, warning signs, lights, barricades, cones, and etcetera to provide safe work areas in the vicinity of the project site and to warn, control, protect, and expedite vehicular and pedestrian traffic; • Implement traffic control (flag persons, signage, barricades, cones, etc.) along all roadway segments that have substandard width (less than 18 feet); • Include signage placed along all proposed construction haul routes and alternate haul routes at appropriate intervals notifying drivers of the presence of construction traffic on those roadways; • Address the potential for construction related traffic to impede emergency response vehicles (See also Mitigation Measure 3.10-4a [Ensure emergency response access]) and present a specific training and information program for construction workers to ensure awareness of emergency procedures from project-related accidents; <p>The measures included in the TCP shall be consistent with any applicable guidelines outlined in the Caltrans Highway Design Manual, Standard Specifications for Public Works Construction, the U.S. Department of Transportation's Manual on Uniform Traffic Control Devices, and the Work Area Traffic Control Handbook.</p>	<p>Submit Traffic Control Plan to the San Joaquin County Public Works Department, the Cities of Manteca, Ripon, and Escalon, and Caltrans</p>	<p>South San Joaquin Irrigation District</p>	<p>During and Pre-construction</p>

Table D-1. Mitigation Monitoring Program for SSJID Plan to Provide Retail Electric Service

Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
Impact 3.10-3: Temporarily restrict vehicle access to some properties			
3.10-3a: Provide continuous access to properties during trenching and underground cable installation. SSJID shall provide at all times the ability to quickly lay a temporary steel plate trench bridge upon request to ensure driveway access to businesses and residences, and shall provide continuous access to properties when not actively working on the underground cable. In the event that trench stability could be compromised by the laying of a temporary steel plate bridge during an early phase of trench construction, SSJID may defer a request for access to the soonest possible time until the stability of the trench has been assured. [From 2006 Final EIR Mitigation Measure 3.10-3a]	Visually verify during trenching construction work	South San Joaquin Irrigation District	During construction
3.10-3b: Provide notice of access disruptions. SSJID or its construction contractor shall provide at least 48-hour advance notification of the potential for disrupted access to any business or residence that may experience such delayed access and communicate all potential parking disruptions. The notification shall include information on restoring access and the estimated amount of time that access may be blocked. SSJID shall minimize the length of any temporary parking restrictions and deploy appropriate sign postings. This notification may be coordinated with the notification required by other resource areas (including Mitigation Measure 3.8-1a or Mitigation Measure 3.8-1b). [From 2006 Final EIR Mitigation Measure 3.10-3b]	Keep all notices on file up to 30-days after construction	South San Joaquin Irrigation District	During and Pre-construction
Impact 3.10-4: Temporarily interfere with emergency response			
3.10-4a: Ensure emergency response access. SSJID shall coordinate in advance with emergency service providers to avoid restricting movements of emergency vehicles. Police departments, fire departments, ambulance services, and paramedic services shall be notified in advance by SSJID of the proposed locations, nature, timing, and duration of any construction activities and advised of any access restrictions that could impact their effectiveness. At locations where roads will be temporarily blocked, provision shall be ready at all times to accommodate emergency vehicles, such as immediately stopping work for emergency vehicle passage, short detours, and alternate routes in conjunction with local agencies. [From 2006 Final EIR Mitigation Measure 3.10-4a]	Keep all notices on file up to 30-days after construction	South San Joaquin Irrigation District	During construction
Impact 3.10-5: Temporarily disrupt bus routes			
3.10-5a: Consult with SJRTD and Manteca, Ripon, and Escalon unified school districts. SSJID shall consult with San Joaquin Regional Transit District at least one month prior to construction to reduce potential interruption of bus transit services. SSJID shall also consult with the Manteca, Ripon, and Escalon school districts at least one month prior to construction to coordinate construction activities that could disrupt school bus routes. If necessary, SSJID shall arrange for transit and school bus routes to be temporarily rerouted until construction in the vicinity is complete. [From 2006 Final EIR Mitigation Measure 3.10-5a]	Keep all correspondence on file up to 30-days after construction	South San Joaquin Irrigation District	During construction

Table D-1. Mitigation Monitoring Program for SSJID Plan to Provide Retail Electric Service

Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
Impact 3.10-6: Disrupt rail operations due to activities within a railroad ROW			
3.10-6a: Coordinate work with Union Pacific Railroad. SSJID shall obtain approval from Union Pacific Railroad to encroach on the railroad ROW. SSJID shall implement all agreed-upon stipulations pertaining to the encroachment agreement. [From 2006 Final EIR Mitigation Measure 3.10-7a]	Keep all correspondence on file up to 30-days after construction	South San Joaquin Irrigation District	During construction
Impact 3.10-7: Temporarily eliminate road shoulder parking spaces			
3.10-3b: Provide notice of access disruptions.	Keep all notices on file up to 30-days after construction	South San Joaquin Irrigation District	During and Pre-construction
Impact 3.10-8: Inadvertently damage road ROWs			
3.10-8a: Repair damaged road ROWs. If damage to roads, sidewalks, and/or medians (including irrigation systems for landscaped medians) occurs, SSJID shall coordinate and conduct repairs with the affected public agencies to ensure that any impacts are adequately repaired. Roads disturbed by construction activities or construction vehicles shall be properly restored to ensure long-term protection of road surfaces. [From 2006 Final EIR Mitigation Measure 3.10-9a]	Photographic evidence before and after construction. Keep all correspondence on file up to 30-days after construction	South San Joaquin Irrigation District	During construction
Visual Resources			
Impact 3.11-2: Degrade existing visual character with visible construction activity			
3.11-2a: Reduce visibility of construction activities and equipment. SSJID shall keep construction-related activity as clean and inconspicuous as practical by storing building materials and equipment with the proposed construction staging areas or generally away from public view and removing construction debris promptly at regular intervals. If visible from nearby residences and roadways, substation construction sites as well as all staging and material and equipment storage areas shall be visually screened with temporary screening fencing. [From 2006 Final EIR Mitigation Measure 3.11-2a]	Verify visual screening and restoration activities with before and after photographs	South San Joaquin Irrigation District	Post construction
3.11-2b: Restore disturbed areas upon completion of construction. All evidence of construction activities, including ground disturbance due to staging and storage areas, shall be removed and all disturbed areas shall be restored to an original or improved condition upon completion of construction including the replacement of any vegetation or paving removed during construction. Disturbed areas at construction sites or staging areas shall be graded to restore the pre-project landform upon completion of construction. [From 2006 Final EIR Mitigation Measure 3.11-2b]	Verify visual screening and restoration activities with before and after photographs	South San Joaquin Irrigation District	Post construction

Table D-1. Mitigation Monitoring Program for SSJID Plan to Provide Retail Electric Service

Impact and Mitigation Measure	Monitoring / Reporting Action	Responsible Agency	Timing or Frequency of Monitoring
Impact 3.11-3: Degrade existing visual character with permanent infrastructure			
3.11-3a: Install landscaping and screening around substation. SSJID shall install screening walls or fences around the perimeter of any new substation and provide landscape vegetation that meets standards equivalent to those of the City of Manteca (Municipal Code 17.19.030) that landscaping shall be five percent of the developed areas of the substation. SSJID shall use water efficient landscaping materials and shall ensure appropriate irrigation. Native and naturalized species should be featured in the site's landscape design. [Updated from 2006 Final EIR Mitigation Measure 3.11-3a]	Verify landscaping and engineering plans	South San Joaquin Irrigation District	Prior to construction of any new substation and new electric distribution facility
3.11-3b: Use non-reflective conductors and poles. SSJID shall use non-reflective conductors and wood or non-reflective steel poles for new overhead electric distribution line facilities. [From 2006 Final EIR Mitigation Measure 3.11-3b]	Verify landscaping and engineering plans	South San Joaquin Irrigation District	Prior to construction of any new substation and new electric distribution facility
3.11-3c: Locate trenches to protect landscape trees. SSJID shall take all reasonable steps to locate trenches for any new underground lines so that they do not disturb the root systems of landscape trees adjacent to the public ROW. If substantial disturbance to root systems of trees and shrubs within five feet of the public ROW is not avoidable, SSJID shall adhere to standards equivalent to those of Chapter 12.08 of the Manteca Municipal Code and replant the affected areas with trees and vegetation as specified by this code. [Updated from 2006 Final EIR Mitigation Measure 3.11-3c]	Verify landscaping and engineering plans	South San Joaquin Irrigation District	Prior to construction of any new substation and new electric distribution facility
Impact 3.11-4: Create substantial light or glare adversely affecting nighttime views in the area			
3.11-4a: Minimize substation lighting. The lighting at the new substation shall be shielded and directed downward to reduce light and glare to neighboring areas. The lighting at the substation shall be designed to meet a glare standard equivalent to the City of Manteca Municipal Code 17.13.040(D) requirements and indirect glare shall not exceed 0.3 foot-candle at the nearest residential receptor. The emergency lighting at the substation shall be turned off when maintenance is not required. [From 2006 Final EIR Mitigation Measure 3.11-4a]	Verify design plans	South San Joaquin Irrigation District	Prior to construction of each substation

***Options for providing backup service
to PG&E Feeders once SSJID
acquires Manteca substation***

Prepared for

**South San Joaquin Irrigation District
(SSJID)**

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Revision History

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June 06 2012	0	Initial draft
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Introduction

When Siemens PTI developed the severance plan for SSJID, it based its analysis on a detailed inventory of the assets inside SSJID territory and for those areas for which it would be difficult for PG&E to provide service, solutions were found for them. Examples of these solutions are the MID to commercialize option in our Inventory and Severance Report and the alternative plan developed in case MID could not provide this service (see report “Plan to Supply Consumers outside SSJID’s Service Territory if MID to Commercialize Option is Unavailable”, Siemens PTI, July, 2011.)

Similarly, several new sections of feeder and underbuilds were proposed to maintain the continuity of service to those customers along the territory boundary that would remain with PG&E.

At the time, recognizing that we did not have all the required information on the system outside the territory, we did not provide a detailed plan for all potential issues that could arise due to the separation of the systems, but rather, by inspection, determined that PG&E, using industry accepted planning criteria, should have the flexibility, within its existing substations, to address these issues, with limited investments and in particular the ability to provide back-up during contingencies. This report details some options for these potential investments.

PG&E, in its May 11, 2012 review of our Inventory and Severance Report (PG&E Comments on Siemens Report Final), indicates that after separation the customers in feeders VA-1701, VA-1702, VA-1707, Avena 1701 and Ripon 1704 will “experience the adverse effects of the removal of mainline back-ties.” Also PG&E indicates that customers along River Road, on SSJID’s northeast side and SSJID’s north side (along Escalon-Bellota, Lone Tree, Steingul, Henry, Kelly and Van Allen Roads) will suffer more frequent and longer outages.

PG&E, in its report, indicates that two new substations will be required to address some of these issues and in the report “Pacific Gas and Electric Company Estimating the Fair Market Value of PG&E’S Retail Electric Utility Assets in the South San Joaquin Irrigation District”, Black & Veatch, December, 2009 (the Black & Veatch 09 Report), further detail is provided on these substations and the required backup that feeders Vierra 1701 (VA-1701) and Vierra 1702 (VA-1702) currently receive from Manteca and Ripon Substations.

In this report we provide alternative solutions to the issues raised by PG&E and B&V to restore the capability to provide backup to the customers that will remain with PG&E after the separation.

It should be noted that the solutions presented are just alternatives that while we believe feasible, need to be fine-tuned with PG&E using their detailed knowledge on the balance of the system. SSJID and Siemens welcome the opportunity of working with PG&E in ensuring a smooth transition which addresses all concerns with respect of service reliability.

This report is organized into the following sections.

- Section 1: This introduction
- Section 2: Vierra Severance; this section discusses the issues raised with respect to the loss of backup from Manteca substation.
- Section 3: Avena Severance; this section presents the solutions proposed for the system north and northwest of SSJID.
- Section 4: Southern Boundary; this section discusses the possible solutions for the southern boundary along River Road in case MID does not take the electricity retailing function (MID to commercialize)

Vierra Severance.

In this section we present the alternative solution to restore the backup to customers on the Vierra feeders VA-1701, VA-1702 and VA-1707 as well Ripon feeder RP-1704.

The analysis starts from our understanding of the current situation and then goes on to propose alternative solutions.

When reading this report, please note that while in some cases we were able to validate the feeders' names, we could not do so in all cases, as we did not get access to PG&E substations and thus we will make use of figures in this report to make certain that it is clearly understood which feeder and point we are referring to. We apologize if we misnamed a feeder.

2.1 Current Situation of Vierra Feeder 1701 (VA-1701)

Figure 2-1 shows the situations as inventoried north of Yosemite Avenue and along Airport Way. This figure shows that the Vierra feeder 1701 (blue) has ties with a feeder from Manteca substation (MT-1708 - green) along Louise Avenue and Lathrop Avenue; the Louise and Lathrop tie.

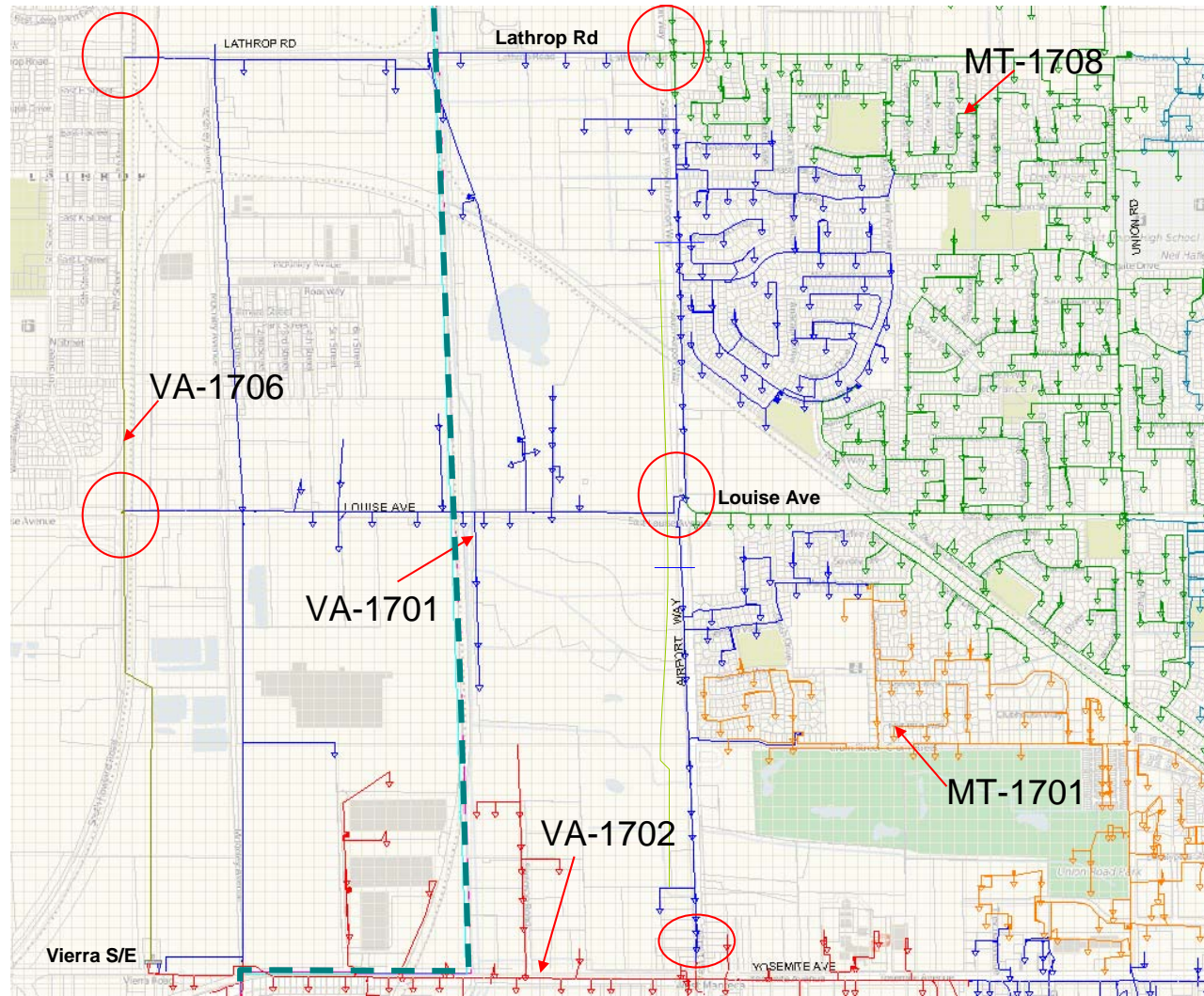
These two ties, together with ties to the Vierra feeders VA-1702 (red) and VA-1706 (light green), currently provide backup during outages and maintenance work.

Our system analysis further indicated that the “spare” capacity that can be used to transfer load to Manteca from the Vierra feeders is substantial in the Louise Tie (about 12 MVA) and much smaller in the Lathrop tie (3.6 MVA.) All values approximated and based on inventory.

After separation the assets west of the dotted line, which represents SSJID territory boundary, will be acquired by SSJID and VA -1701 will lose the connections with MT-1708 and will remain with only VA 1706 as the main means of backup. Note that the connection with VA-1702 occurs very close to the Vierra substation and would not help in any outage downstream of this point.

PG&E proposes to restore this backup with a new substation called NEW Lathrop and new feeders, which reportedly imply boring under I-5.

Figure 2-1 Current Situation in the northwestern boundary



2.2 Current Situation of Vierra Feeder 1702 (VA-1702) and 1706 (VA-1706)

In this section we will discuss our understanding of Vierra Feeder 1702. However, based on PG&E comments, we infer that parts of this feeder may have been transferred to a feeder designated VA-1707. However, this fact does not affect our analysis which is centered on reestablishing the backup received from inside the territory.

As can be seen in Figure 2-2 and according to our inventory, VA-1702 (red) has ties with Manteca feeder MT-1706 (blue) along Yosemite Avenue, Woodward Avenue, Fig Avenue and Nile Avenue. It also has ties with Ripon substation feeder RP-1704 (green.)

These ties currently provide backup during outages and maintenance work and according to our calculations the strongest connections are the Yosemite tie and the Woodward tie where approximately 11 MVA of load could be transferred. All other ties are limited to approximately 3 MVA of load.

After separation, the assets west of the dotted line (which represents SSJID boundary) will be acquired by SSJID and VA-1702 will lose the connections with MT-1706 and RP-1704.

PG&E proposes to restore this backup with a new substation called NEW South of Vierra and new feeders.

2.3 Vierra Substation as the source of backup

The backup to feeders to restore service during outages or maintenance work can come from other feeders emanating from a different substation and/or feeders emanating from the same substation. The situations described above consisted of the first case; that is, the backup comes from different substations.

The main advantage of having this backup come from different substations is that load can be transferred out in case of 115 kV/17 kV transformer failure at the substation. This is important if the substation does not have full N-1 capability and substantial load would have to be shed in this rare occurrence. However, Vierra is a very strong substation and with the load that is going to be transferred out, the substation is expected to have full capability to support a transformer outage without significant load shedding.

Table 2-1 shows the expected loading in the transformers at Vierra according to the information provided in the Black & Veatch 09 Report. We preferred to use these values as they came from a PG&E source, rather than the WECC load flow cases.

As can be observed, considering that the two transformers at Vierra are equal and rated 45 MVA each, in 2011 no load would have to be transferred during a transformer outage (there is 1.3 MVA margin) and in 2019 approximately 5 MVA would have to be transferred out. Note that this analysis is not considering the overload capability of transformers that can be substantial for a few hours and allows for: a) the load to reduce and b) bring a mobile unit to temporarily replace the failed transformer.

Figure 2-2 Current Situation in the southwestern boundary

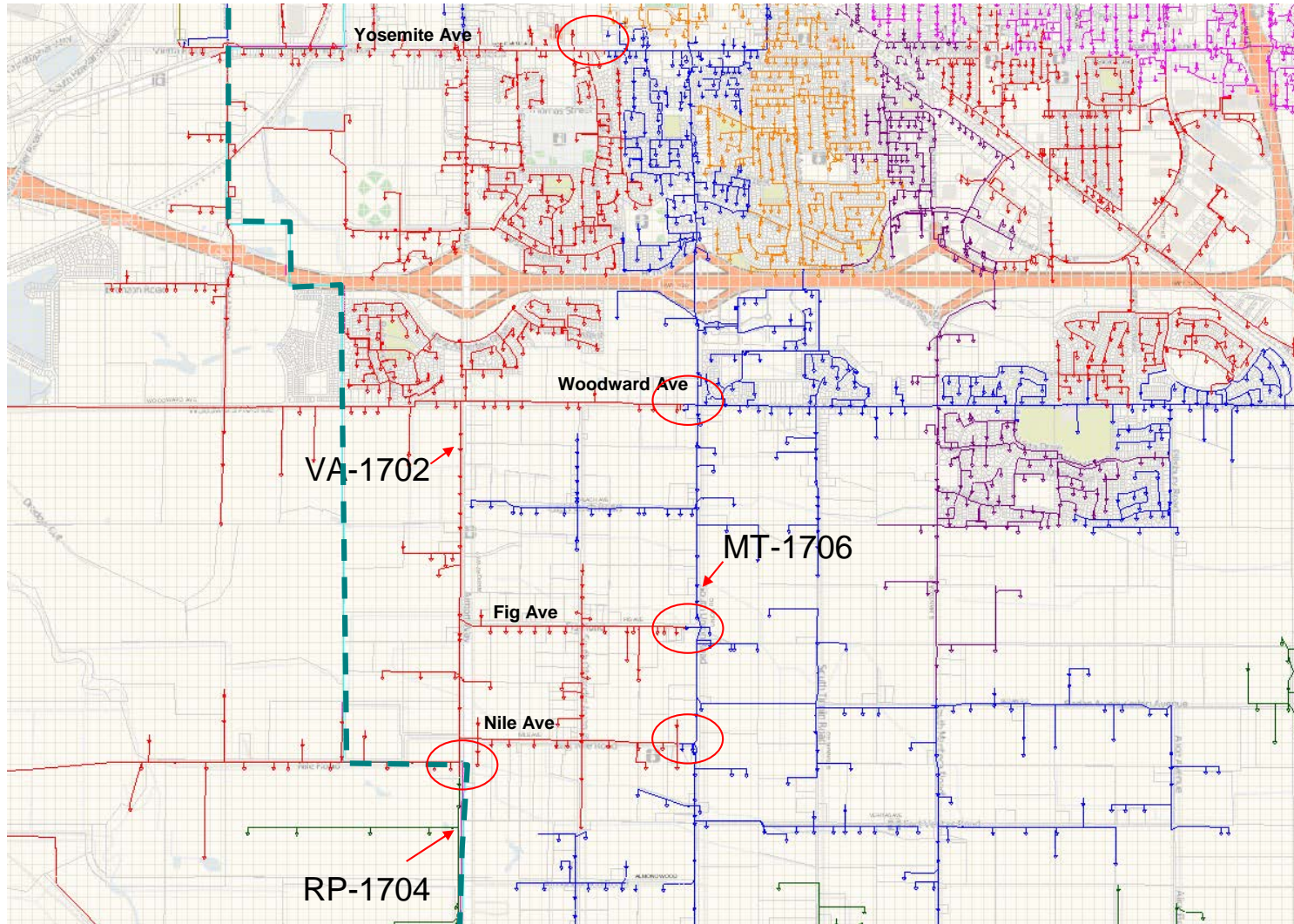


Table 2-1 Current and Forecasted Loading in Vierra Transformers

	Load MVA *		Bank Size MVA
	2011	2019	
Bank 1	32.9	37.7	45
Bank 2	10.8	12.3	45
Total	43.7	50.0	90
N-1 Transformation (MVA)	45.0	45.0	
Load Transfers	-1.3	5.0	

* Assumes 0.99 power factor as per WECC cases

Considering that more than 10 MW of load currently served from Vierra is inside SSJID territory and after separation it will be permanently transferred to Manteca substation, we observe in the table below that even in the long term there is no need to transfer load out (reserves from 1.5 to 6.4 MVA) and again this is without considering the overload capability of the transformers.

Table 2-2 Current and Forecasted Loading on Vierra Transformers after SSJID separation

	Load MVA *		Bank Size MVA
	2011	2019	
Bank 1	22.8	26.2	45
Bank 2	10.8	12.3	45
Total	33.6	38.5	90
N-1 Transformation (MVA)	45.0	45.0	
Load Transfers	-11.4	-6.5	

* Assumes 0.99 power factor as per WECC cases

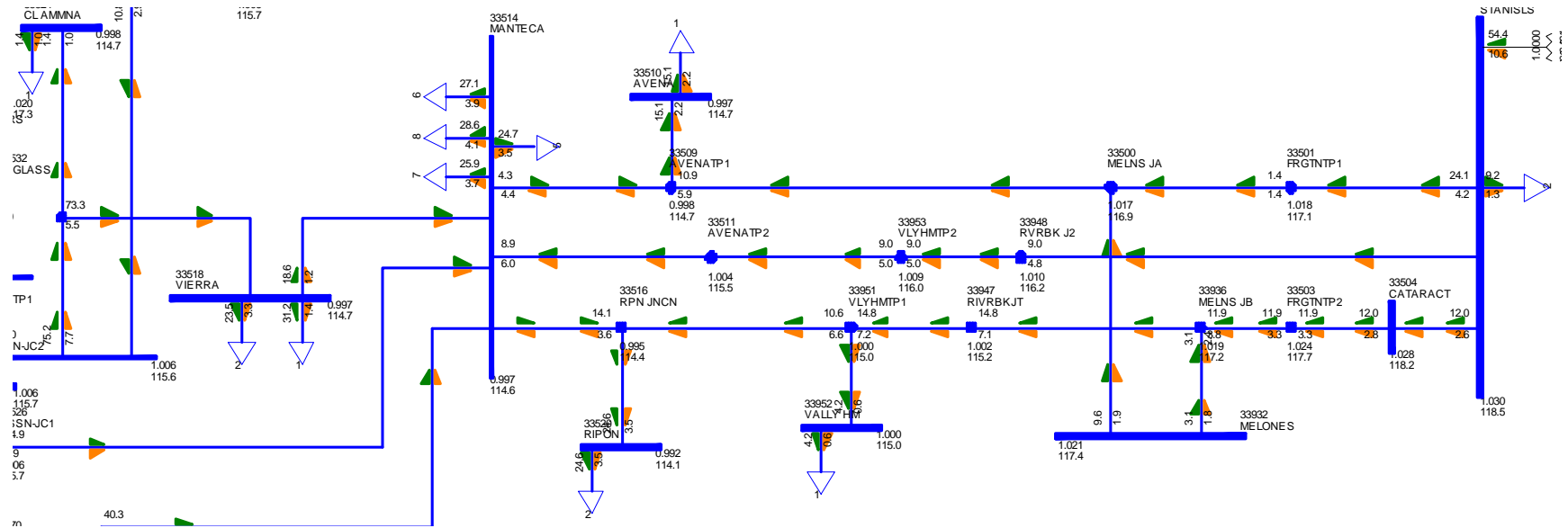
Finally, there could be concern about the supply at 115 kV to Vierra and we investigated this situation.

As can be seen in the Figure 2-3 below, Vierra has two incoming lines; one from Manteca and another from a tap on the lines from Kasson (KSSN-JC2) to CL AMMNA. These lines are expected to be loaded 59.7% (segment out of KSSN-JC2) and 8.3% (flow going out of Vierra to Manteca) of its normal rating (224 MVA.) During any contingency in these lines the remaining line's loading is reduced and Vierra has full N-1 Capability and no load would have to be transferred out during the loss on any incoming line during emergencies.

This is to be expected as Vierra is a looped substation and its N-1 capability is required by NERC standards (the outage of one of the incoming lines cannot lead to the overload of the other.)

Based on the observations above we conclude that Vierra is a strong substation and it can be used as the source of the backup that will be lost from Manteca.

Figure 2-3: System Conditions at Vierra for 2012 Heavy Summer Peak conditions.



2.4 Vierra Substation as the source of backup to VA-1701

As presented in the previous section, we propose to use Vierra as the source for the backup and this can be achieved by either reinforcing existing feeders out of Vierra or install new feeders to provide for the missing connections and avoid the need for new substations.

One exception to the concept above is the supply of the area located south of Manteca, which in case that it all stays with PG&E, a new transformer at Ripon Substation can provide the backup, as discussed later in this report.

With respect to the solutions proposed below, it is important to note that as we did not inventory the entirety of Vierra feeder 1701 (VA-1701), we do not have its load and cannot provide one optimal solution, but rather a range of solutions that would work for different loading levels.

Figure 2-4 shows VA-1701 (blue) after the separation; where we note the reduction in coverage to the east and the open points. In this figure we also note that VA-1701 has an open loop between Louise Avenue and Lathrop Avenue that can be used as part of the backup. In this figure two solutions are proposed; Option A and Option B, which are discussed below.

2.4.1 Option A

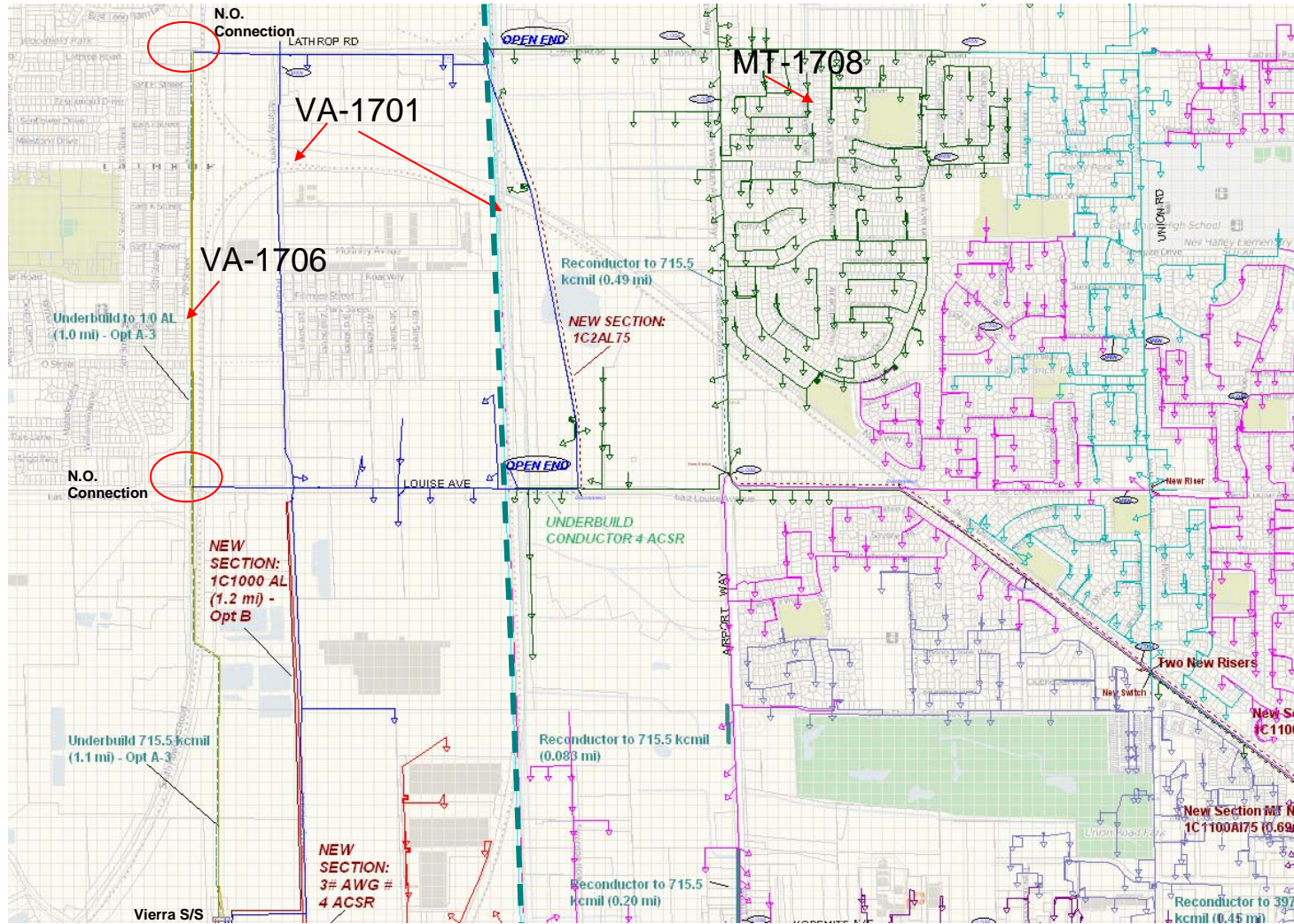
The simplest solution for this feeder would be to use the connections with VA-1706 that can provide backup in case there is an outage in the mainline of VA-1701 to essentially the same points where the supply from Manteca was being received. However, as we do not know the loading in this feeder and given the fact that PG&E did not mention this option, we infer that it has significant load and there is no significant spare capacity.

One option to increase the capacity is to reconductor this feeder all the way from the substation to Lathrop Road with a larger conductor. The total length is about 2.1 miles.

Finally, if no standardized conductor can be used to provide the necessary additional capacity to VA-1706, then either a bundle of two conductors (e.g. 2x 715.5 kcmil) or an underbuild can be used.

As this is the solution that is likely to have fewer problems, it was implemented in our model (Opt A-3) and Figure 2-4 shows this solution where we note that there would be two underbuilds. The first is from the substation to Louise Avenue with 715.5 kcmil for 1.1 miles and the second from Louise Avenue to Lathrop Road with smaller conductor e.g. 1/0 AL (1 mile.) Recall that the Louise tie offered the strongest interconnection point.

Figure 2-4: Solutions for Vierra Feeder 1701.



2.4.2 Option B

If for any reason VA-1706 cannot be reinforced and it cannot provide the backup by itself, then an alternative is to introduce a new feeder from Vierra going east along Vierra Road and then north on McKinley Avenue to Louise Avenue where it would connect to VA-1701. This new feeder would follow the same route as VA-1701 but should not share the same poles,. This would be resolved by undergrounding it.

Figure 2-4 above shows this solution with 1.2 miles of 1000 kcmil cable. We also note in this figure that at the point where the new feeder reaches Louis Avenue, there are two branches going north to Lathrop, so no further backup would be required.

Finally note that a new breaker position is not necessary at Vierra substation, as this cable could be connected for example, to the same exit as VA-1706.

2.5 Vierra Substation as the source of backup to VA-1702

The situation for VA-1702 can be quite different depending on whether MID commercializes the loads south of Manteca (Situation A) or not (Situation B.)

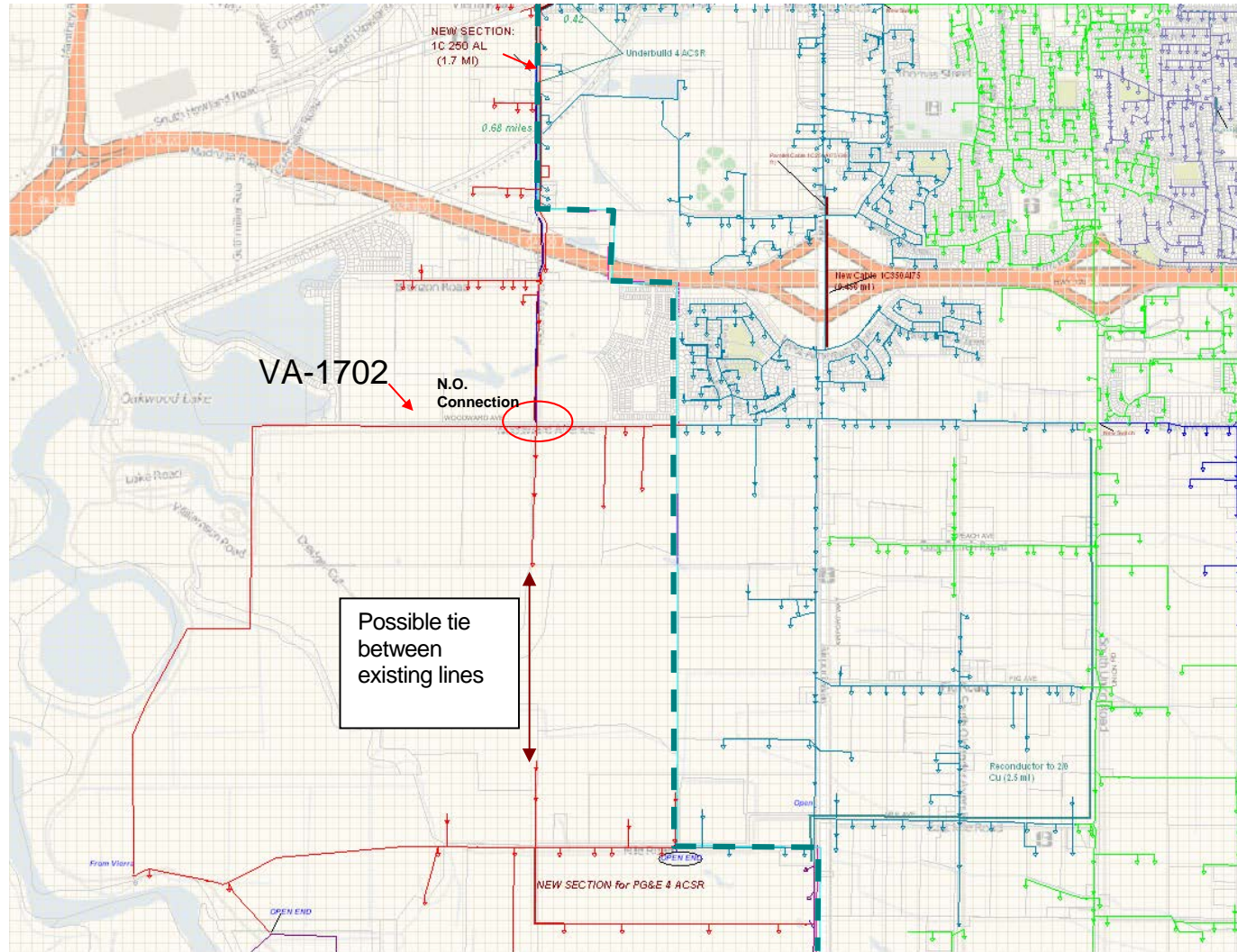
2.5.1 Situation A; MID Commercializes loads.

Figure 2-5 shows the situation of Vierra feeder VA-1702 in case SSJID takes the loads outside its territory and MID provides electric distribution service. Note that in the figure not all laterals outside the territory are shown.

In this case, VA-1702 will have a significantly reduced load as it will serve a rather small area limited by SSJID to the east and a 12 kV system to the west. This load could be up to 3 MW.

The proposed solution, is to introduce a new feeder (possibly connected to the same breaker as VA -1701) going east on Vierra and then south along McKinley Avenue until it reaches Woodward Avenue, where it would have an open connection with VA-1702. This new section would consist of underground cable 250 kcmil AL or smaller for a length of 1.7 miles (see as shown in Figure 2-5.) Underground cable would be utilized to avoid sharing poles with VA-1702. Note that from the point where the new feeder connects to VA-1702, VA-1702 would be radial, but we estimate that this rural load is fairly small (less than 400 kVA) and could stay radial. If this is not acceptable then there are various options including an overhead line of approximately 1 mile to extend this backup further down the feeder.

Figure 2-5: Solutions for Vierra Feeder 1702 if MID commercializes the loads (Situation A)



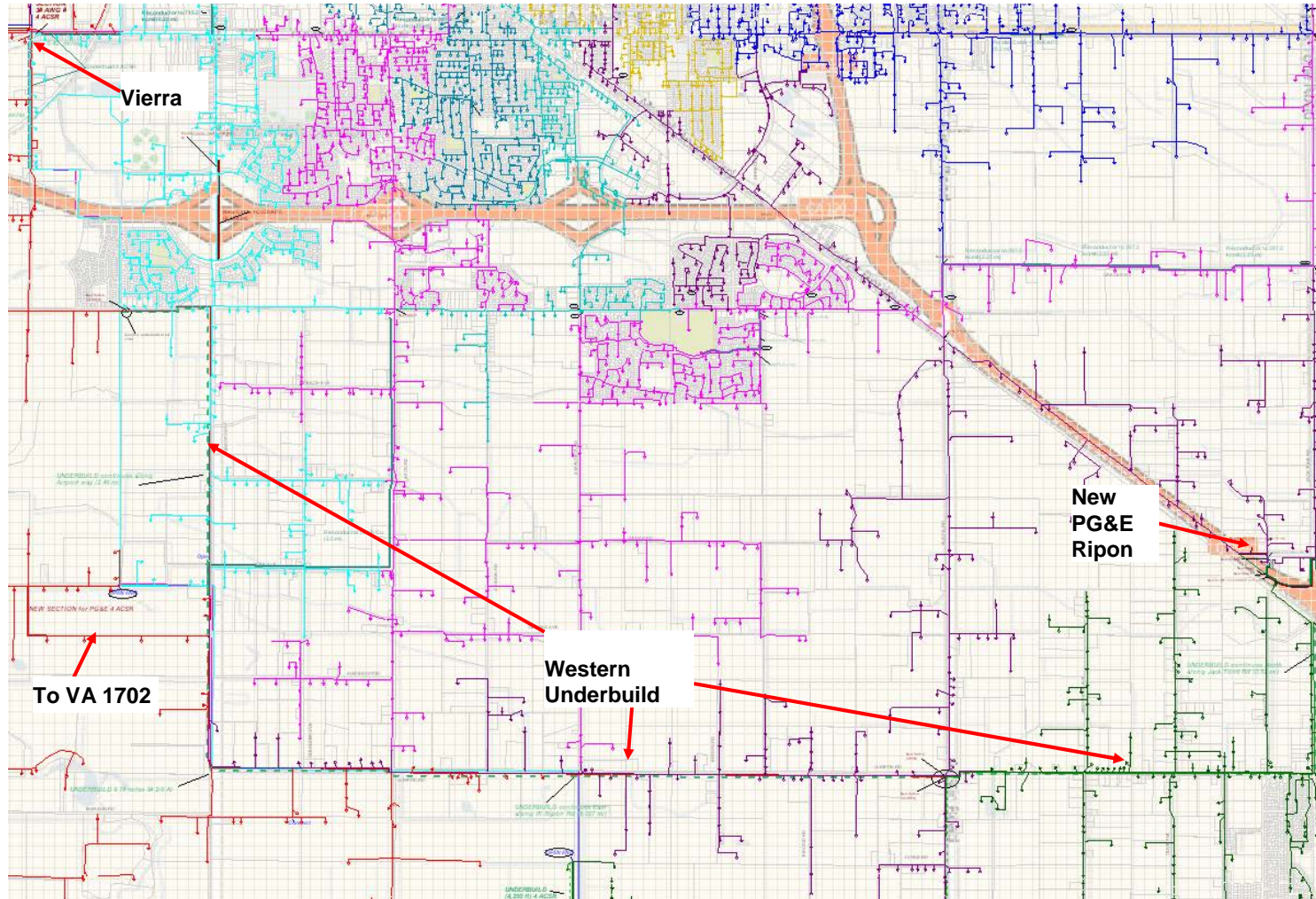
2.5.2 Situation B; PG&E maintains the load south of the territory.

There is the possibility that MID, for unforeseen reasons, cannot provide retail distribution service to the customers south of Manteca outside SSJID territory.

For this eventuality two underbuilds connecting Vierra S/S to a New Ripon S/S for PG&E (same site as the existing Ripon S/S but separate transformer) and to Riverbank Substation were proposed. The underbuilds use a 2/0 conductor and allow supplying the entire load from either end, Vierra or New Ripon, thus representing a reliable backbone that will restore the previous connections to Manteca Substation. Figure 2-6 presents an overview of this Underbuild and Figure 2-7 presents details on how it reestablishes the backup to VA-1702

Our report “Plan to Supply Consumers Outside SSJID’s Service Territory if MID to Commercialize Option is Unavailable” (Siemens PTI, July 2011) provides additional information on this proposed solution.

Figure 2-6: Solutions for Vierra Feeder 1702 with PG&E serving load to the south (Situation B)



Avena Severance.

With respect to the Avena substation and, in general, the customers north-northeast of Manteca that would remain with PG&E, PG&E indicated that there was concern about the distance of these customers to the source of supply after separation (Avena substation) and the lack of back up.

As shown in Figure 3-1, this is indeed the case for the customers that will stay with PG&E and would be transferred to the Avena feeder 1701 (AV-1701), shown in blue in the figure.

As we did not inventory the rest of the system to the north we expected that there would be feeders coming from other substations that could provide back-up and this may still be the case. However, there is a solution to this issue which was already implemented by PG&E to provide back-up to the 12 kV feeders coming out of the French Camp Substation. In this solution, PG&E installed a pole mounted open delta autotransformer (two banks) along Airport Way connecting a 17 kV feeder out of Manteca with a 12 kV feeder out of French Camp allowing for mutual back-up. According to what we could observe, this is a 3 MVA bank and is shown in Figure 3-2. A similar solution can be implemented along French Camp as discussed below.

3.1 Alternative Supply from French Camp Substation.

French Camp Substation is located on West Mathews road west of I-5 and according to our inventory it has a mainline that runs along French Camp Rd, up to very near to where Park View cemetery is located and Loduca Drive. The distance from this point to the end of what would be AV-1701 in the separation plan is about 0.5 miles. This is shown in Figure 3-3 below

Figure 3-1: Situation after Separation for Customer north-northeast of Manteca.

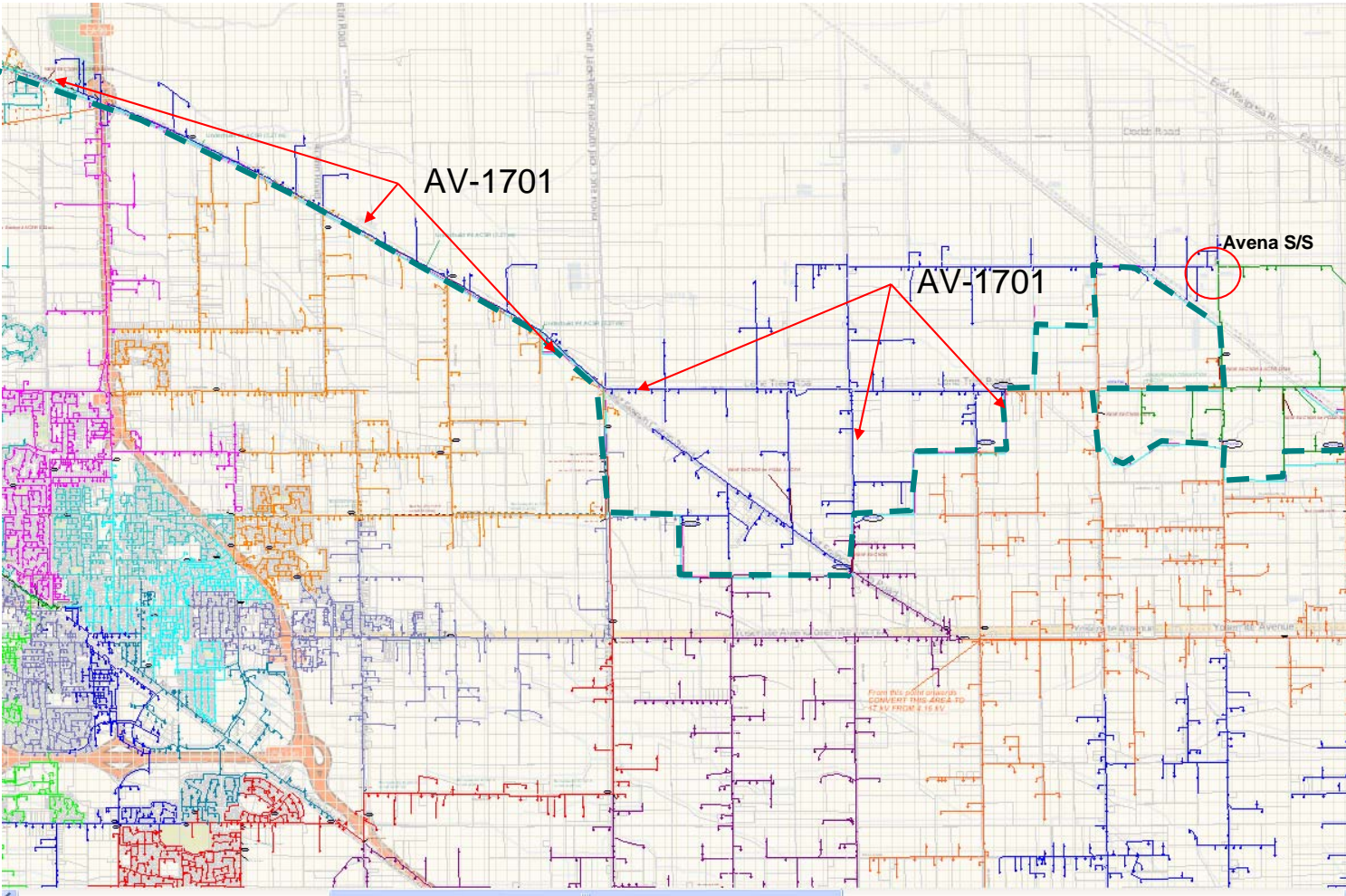
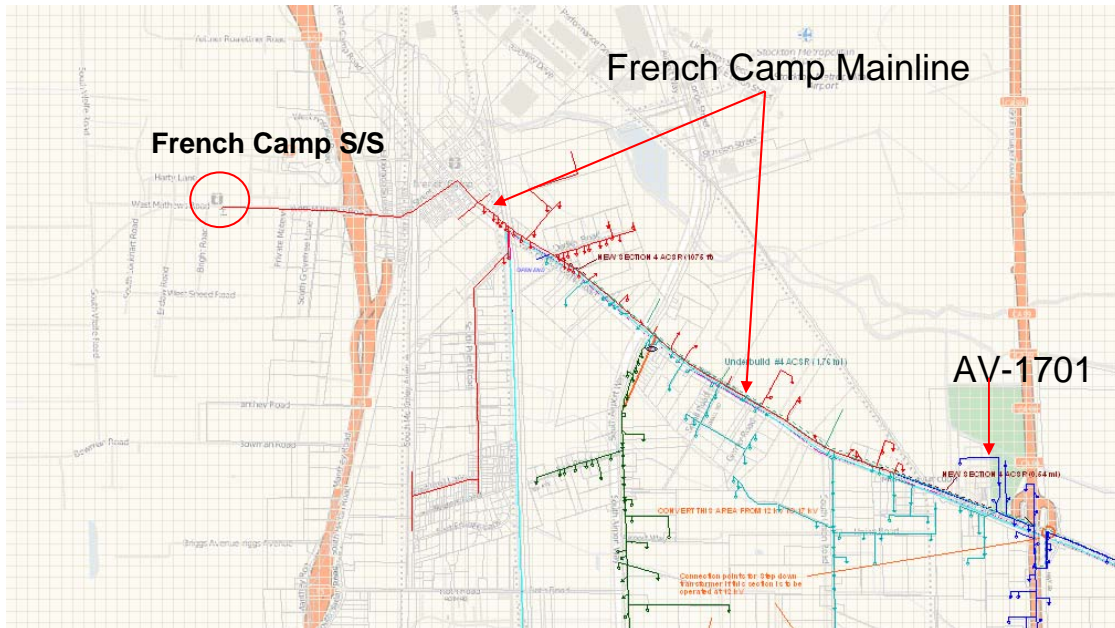


Figure 3-2: Open Delta Autotransformer 17/12 kV



Figure 3-3: Location of French Camp Substation



Thus, we are proposing to install an autotransformer similar to the one presented above at this point but with three units instead of only two creating a full delta and a capacity of 4.5 MVA.

The investments in addition to the bank would include:

- a) Reconductor a small section at the end of the mainline from French Camp Rd. of approximately 300 feet to 1/0 Cu, which appears to be the conductor of the mainline at this point.
- b) Reconductor some sections of AV-1701 along French Camp from 4 ACSR to 1/0 Cu. The estimated combined length of these sections is about 2,000 ft. The location of these sections is shown in Figure 3-4.
- c) Finally, a new section of approximately 3,000 feet using 1/0 Cu needs to be built connecting the point where the autotransformer bank is to be located to the end of Feeder AV-1701. This is shown in Figure 3-5 where we also note that in the original plan there was already a new section for SSJID, so this could be continued as an underbuild.

Figure 3-4: Sections to be reconducted to 1/0Cu along French Camp (brown in figure)

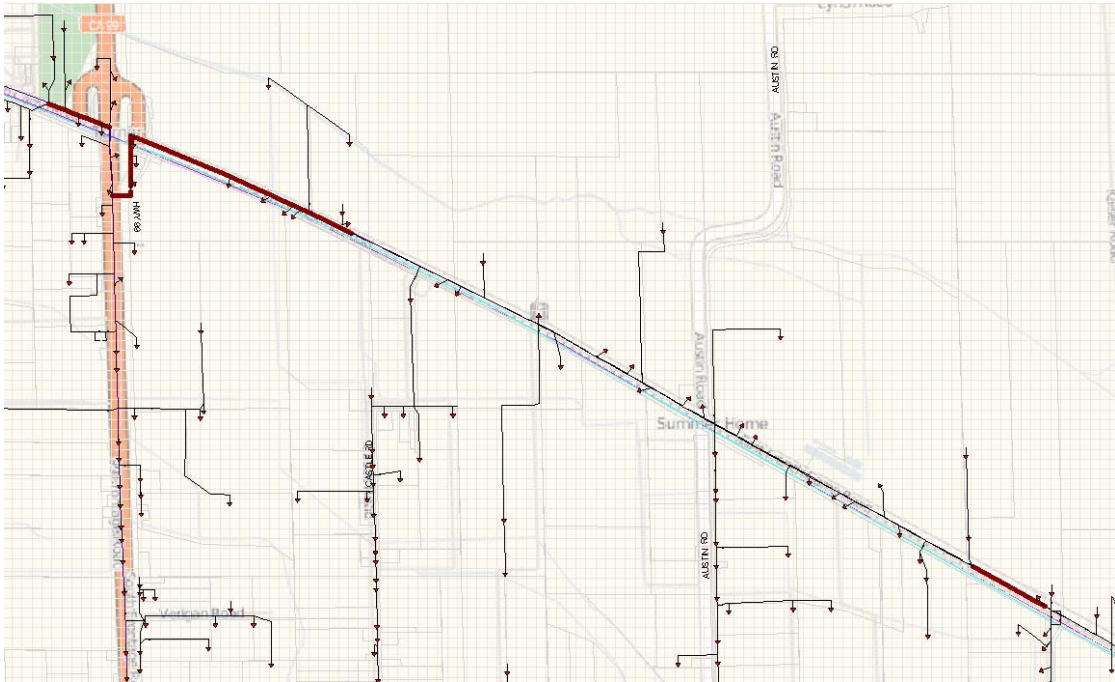
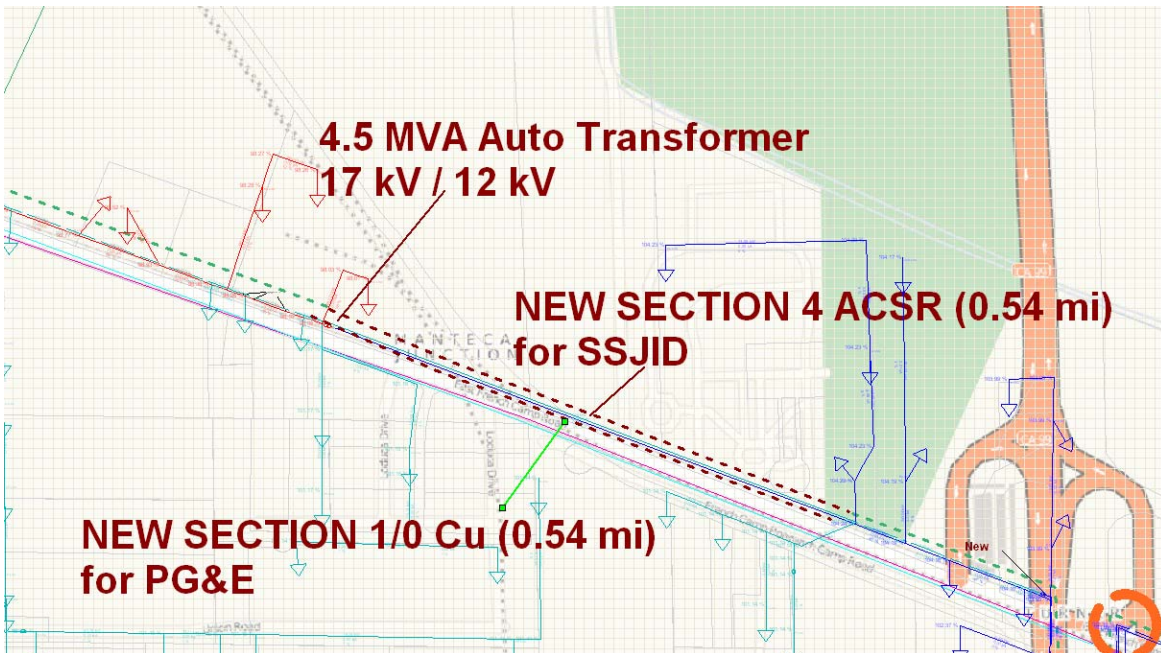


Figure 3-5: New Sections for PG&E and location of autotransformer.



With these investments, we create a backbone with two points of supply north and northeast of Manteca that can be used to provide backup to the customers that stay with PG&E and up to 4.5 MVA could be transferred to French Camp.

Avena Severance.

We, of course, recognize that we did not inventory in its entirety the French Camp substation area and there may be some additional investments there, e.g. reconductor of parts of the mainline; but this mainline seems to be of high capacity and significant sections of it appear to have a 715.5 kcmil conductor.

Southern Boundary

In this section we provide our observations regarding the Southern Boundary (South of River Road) in case MID does not take the electricity retailing function.

In a previous report (“Plan to Supply Consumers outside SSJID’s Service Territory if MID to Commercialize Option is Unavailable”, Siemens PTI, July, 2011) we presented possible solutions to supply the limited load that would remain with PG&E and the recommended option was for a third transformer bank 115 kV/ 17 kV to be installed at Ripon in a separate but contiguous substation (Ripon II), Ripon II would supply together with Riverbank and Vierra, a trunk mainline that would run between these substations and supply the loads to the south. As these mainlines would be constructed using underbuilds, we called them the Eastern and Western Underbuilds.

It should be mentioned that we estimated that the load to be served by the Eastern Underbuild was about 1 MW and we would like to clarify that this is not the total load served from Riverbank and not even the total load south of River Road, but only the load south of River Road that falls outside SSJID’s service territory and it is supplied from Riverbank (instead of Ripon II) and it is located west of Henry Rd.

We believe that with these investments, service will be provided to those customers south of River Road with reliability consistent both with PG&E planning standards and with their system design.

Figure 4-1 shows the first section of this proposed supply going out of Riverbank (red.) Here we note that a) the loads that remain with PG&E (also red) are a small fraction of the load that was originally supplied from Riverbank and its supply in the original design was radial (note all red lines going south) and would remain radial. However, as before, any section of the mainline along River Rd. can be supplied either from Riverbank (normal supply) or from Ripon (emergency supply.)

Figure 4-2 shows a continuation of this feeder where it meets with the underbuild from Ripon II (PG&E substation), creating an alternative point of supply. We continue observing that all south loads are and will continue being radial.

Finally Figure 4-3 details the connection of the Eastern underbuild to Ripon II substation.

Figure 4-1: Eastern Underbuild Section Out of Riverbank (red)

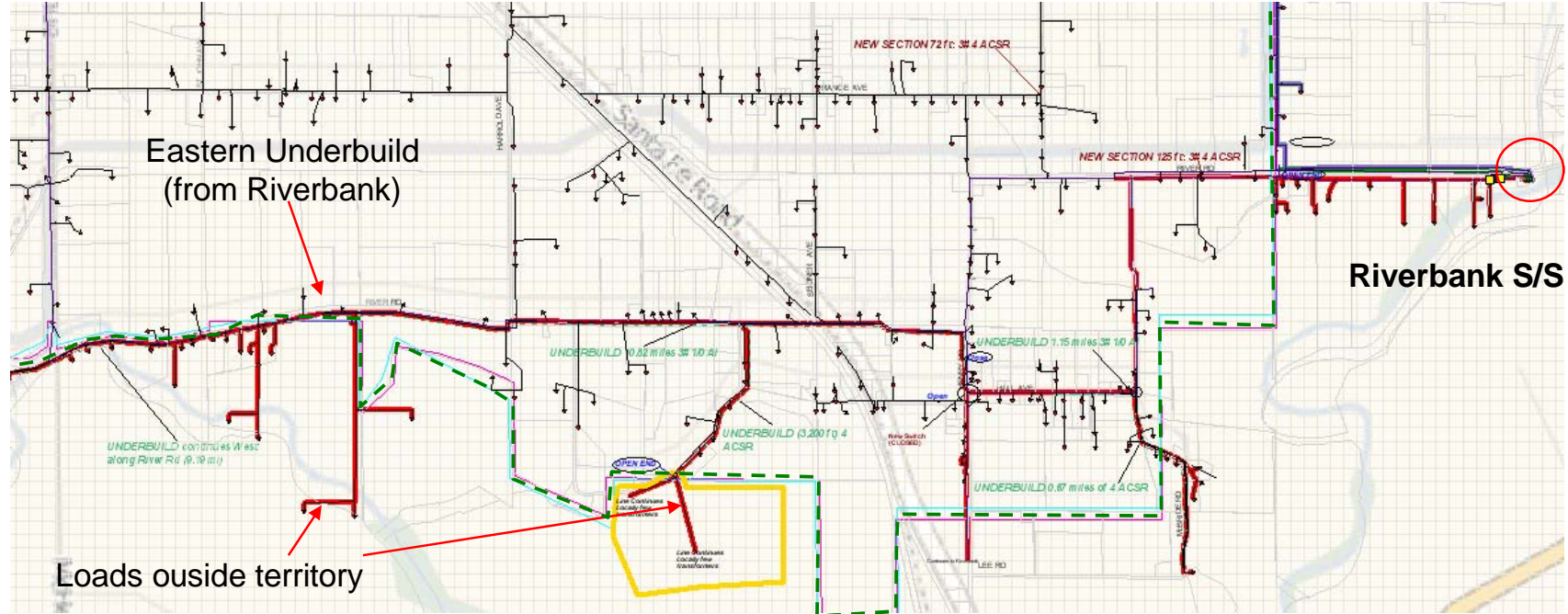


Figure 4-2: Eastern Underbuild Section Out of Riverbank (red) meets Section out of Ripon (Green)

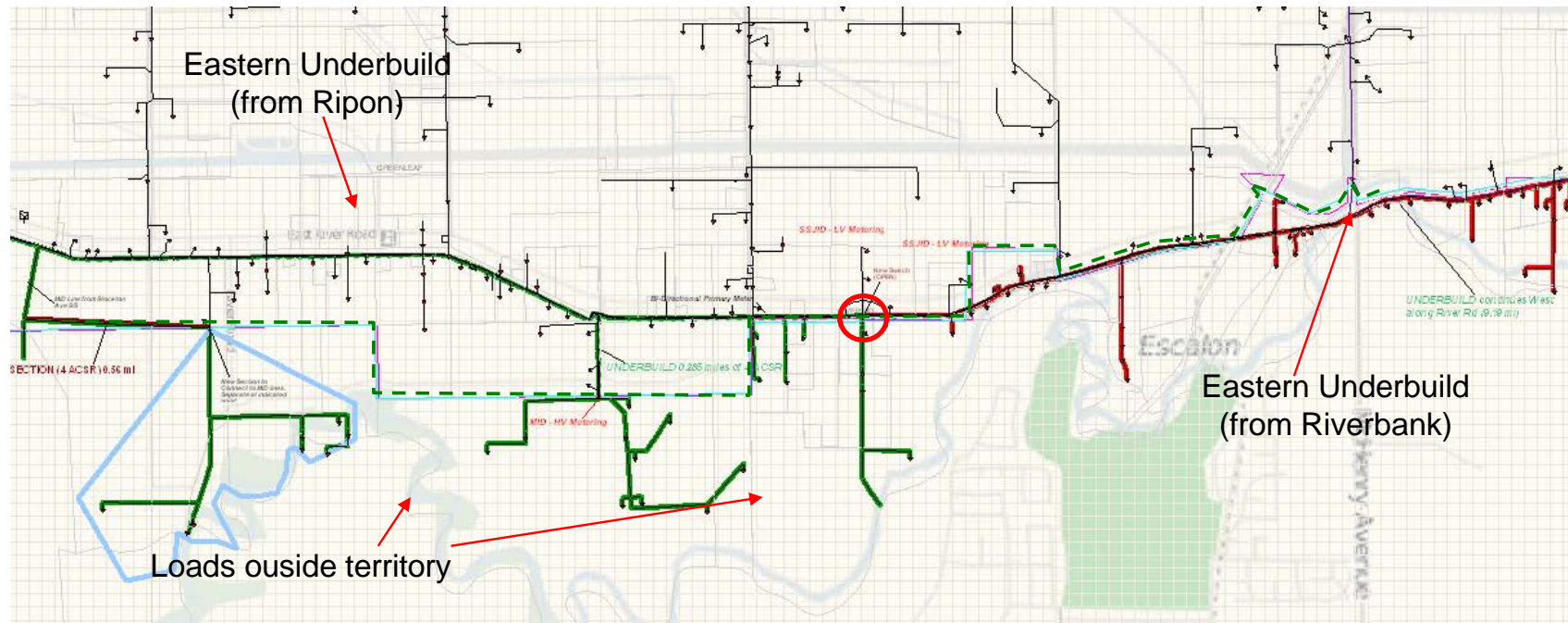
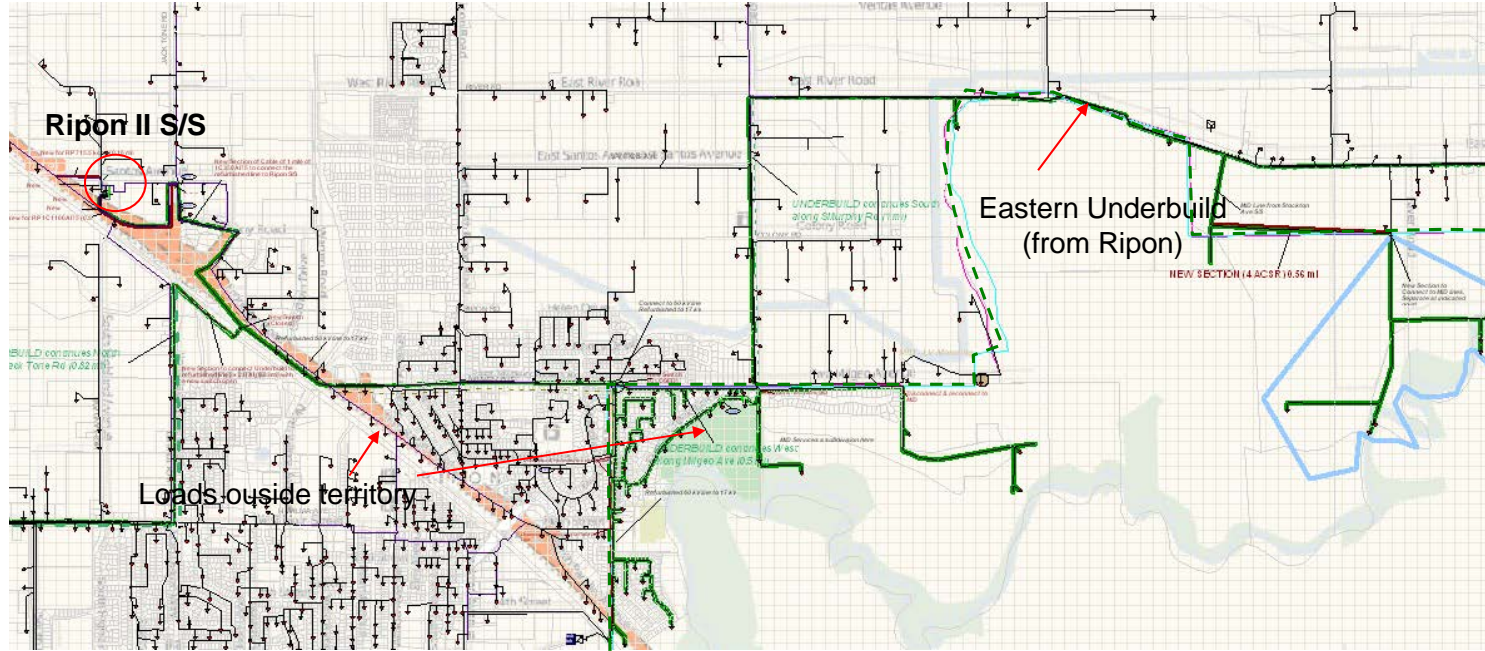


Figure 4-3: Eastern Underbuild Section out of Ripon (Green)



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