

an agreement with the Morongo and consequentially the removal of all SCE facilities from Morongo land and development of an alternate transmission path from the Devers Substation to the El Casco Substation, and the No Project Alternative Option 2, which assumes that the facilities on Morongo land would be unchanged and that additional capacity would be provided with a new 500 kV circuit between the Valley and Serrano substations.

The Tower Relocation Alternative would place towers along a center line about 50 feet farther from the edge of the right-of-way in particular residential segments of the proposed project where potentially significant visual impacts have been identified. This alternative would reduce visual impacts by causing less incremental visual contrast, structure prominence, and view blockage from the residential locations, and reduce construction noise, emissions and traffic disturbance to nearby residents. The Iowa Street 66 kV Underground Alternative would underground a segment of the proposed 66 kV subtransmission line for about 1600 feet, starting from 275 feet north of Iowa Street's intersection with Orange Avenue and emerging on the south side of Barton Road. This alternative would eliminate the significant visual impacts associated with the proposed project's new overhead 66 kV subtransmission line along this corridor.

The Phased Build Alternative would: (1) remove the two sets of existing single-circuit towers and replace them with one set of new double-circuit towers in the location of the Tower Relocation Alternative; (2) retain the existing double-circuit towers (up to 110 interspersed towers would be required where the spans between retained towers exceed the strength of existing towers, and at locations where conductor blowout could occur);²⁶ and (3) install high-capacity

²⁶ See Addendum to EIR.

conductors on all four circuits. This alternative would increase the capacity of the West of Devers corridor from the present 1600 MW to approximately 3000 MW, compared to the proposed project which would increase it to approximately 4800 MW, and would accommodate future upgrades as needed. The Phased Build Alternative would reduce construction-related impacts by eliminating the need to remove and reconstruct the existing double-circuit 220 kV structures. It would also reduce visual impacts by incorporating the Tower Relocation Alternative.

The No Project Alternative Option 1 would require construction of a new Beaumont Substation, a third 500 kV circuit between the existing Devers and new Beaumont Substations, and four new 220 kV circuits between Beaumont and El Casco Substations. The EIR finds that this alternative would create severe impacts to visual resources and land use and recreation due to its significant visibility as it crosses the Pacific Crest Trail and passes through the San Jacinto and Santa Rosa National Monument, the San Bernardino National Forest, the community of Cabazon, and the Cities of Banning and Beaumont. It would also create severe impacts to biological resources as it passes through sensitive desert, mountain, and inland environments with potential to affect listed plants, Peninsular bighorn sheep, Stephens' kangaroo rat, and other species and their habitat.

The No Project Alternative Option 2 would retain the existing 220 kV facilities between Devers, San Bernardino and Vista Substations. It would require construction of a new single-circuit 500 kV line along approximately 40.4 miles adjacent to the Valley-Serrano 500 kV line from Valley Substation to Serrano Substation. The EIR finds that this alternative would create severe impacts to visual resources and land use and recreation due to its significant

visibility as it passes through Weir Canyon Regional Park, the community of Romoland, and the City of Orange. It would also create severe impacts to biological resources as it passes through sensitive mountain and inland environments with potential to affect listed plants, birds, and other species and their habitat.

7. Environmentally Superior Alternative

The EIR identifies the Phased Build Alternative as the environmentally superior alternative, due to its reduced construction and visual impacts relative to the proposed project. The EIR identifies the combination of the Tower Relocation Alternative, the Iowa Street 66 kV Underground Alternative, and the proposed project for the segments otherwise unaffected by these two alternatives as the second environmentally preferred alternative.

8. Certification of the EIR

The EIR was completed after notice and opportunity for public comment on the scope of the environmental review and the draft EIR, as required by CEQA. The Commission issued and distributed the Notice of Preparation of an EIR on May 12, 2014. The Commission conducted four public scoping meetings in three locations, and contacted 10 affected public officials and tribal government representatives to collect input on the scope, alternatives and mitigation measures to consider. The Commission and BLM issued the draft EIR/EIS on August 7, 2015, and conducted three public workshops in August and September 2015. Public comments were received from seven public agencies; nine groups, organizations and companies (including ORA, the CAISO, Palen and NextEra); two tribal governments (including the Morongo Band of Mission Indians); 37 private citizens; and SCE. The public comment period for the draft EIR/EIS ended on September 22, 2015. The final EIR, including

responses to all comments made on the draft EIR/EIS and the complete revised text of the draft EIR/EIS as modified in response to comments, was released on December 11, 2015, and an Addendum responding to information provided in SCE's opening brief was issued on April 12, 2016.

The EIR documents and responds to all written and oral comments made on the draft EIR/EIS, as required by CEQA. As also required by CEQA, the final EIR examines the environmental impacts of the proposed project and a number of alternatives, including the No Project Alternative; it identifies their significant environmental impacts and the mitigation measures that will avoid or substantially lessen them, where feasible, and identifies the environmentally superior alternative pursuant to CEQA.

We have reviewed and considered the information contained in the EIR, as well as parties' challenges to the adequacy of the EIR as discussed below. We find that substantial evidence supports the EIR's findings, and we certify that the EIR was completed in compliance with CEQA, that we have reviewed and considered the information contained in it, and that, with the revisions to the mitigation measures reflected in the Mitigation Monitoring, Compliance, and Reporting Plan attached to this order, it reflects our independent judgment.

8.1. SCE Challenges to Phased Build Alternative

SCE argues that the EIR is flawed for lacking evidentiary support for its defined project objective of increasing system deliverability by at least 2200 MW and for failing to assess the environmental impacts of future build phases of the Phased Build Alternative, which SCE asserts are reasonably foreseeable. SCE argues that, taking into consideration the environmental impacts of future build phases – which SCE asserts are acknowledged by virtue of the word “phase” being used in naming the alternative -- the Phased Build Alternative is not

8.3. CAISO Challenges

The CAISO asserts that the EIR wrongly claims that the CAISO determined that the generation projects in its 2024 Reliability Base Case to be the most realistic. (CAISO opening brief, p. 10.) However, as the EIR explains, the basis for its statement is that, in developing the 2024 Reliability Base Case, the CAISO included only that generation that was under construction or had received regulatory approval at the time. (Addendum, p. Ad-8.) The EIR defined the base project objective on the basis of known or reasonably anticipated generation projects, and it is reasonable for the EIR to have identified that generation on the same basis as the CAISO did in developing its 2024 Reliability Base Case.

The CAISO asserts that the EIR fails to address the Phased Build Alternative's environmental impacts related to its incremental level of line losses relative to the proposed project. (CAISO opening brief, p. 10.) To the contrary, the EIR addresses this issue. (EIR, Volume 1, p. D.6-16.)

9. Infeasibility of Environmentally Superior Alternative

Where construction of a project would have significant environmental effects, the Commission may not approve the project without the mitigation identified to reduce those effects to a less-than-significant level unless the Commission finds that the identified mitigation or project alternative is infeasible for specific economic, legal, social, technological or other considerations. (CEQA Guidelines § 15091(a)(3).) We find the environmentally superior Phased Build Alternative to be infeasible for the following policy reasons.

Senate Bill 350 (2015) recently increased the RPS to 50% by 2030. Although it is speculative as to how much additional large-scale renewable energy

generation will be needed to meet that goal,²⁷ it is reasonable to expect such resources to seek to locate where transmission is known to be available. As goes the saying, "If you build it, they will come." Furthermore, notwithstanding that the 50% RPS is an energy-based requirement, it is reasonable to expect renewable energy generation developers and lenders to prefer the security of assured deliverability.

With this in mind, we observe that the environmentally superior Phased Build Alternative would provide 3000 MW of capacity at an estimated cost of \$771 million, while the proposed project with the Tower Relocation and Iowa Street 66 kV Alternatives would provide 4800 MW of capacity at an estimated cost of \$878 million. (Ex. 2, Appendix A.) Put another way, the proposed project with the Tower Relocation and Iowa Street 66 kV Underground Alternatives would provide 60 percent more capacity than the Phased Build Alternative at an incremental cost of 14 percent. We find it imprudent and infeasible as a matter of policy to fail to seize this opportunity to provide additional infrastructure that will potentially facilitate achievement of the 50% RPS.²⁸

²⁷ Senate Bill 350 also places a priority on energy efficiency and distributed generation resources.

²⁸ SCE argues that the environmentally superior Phased Build Alternative is infeasible for all of the same reasons that it argues that the EIR is flawed as discussed above in Part 8; because it would require a one-year delay to implement; because construction would require scheduling more outages than would be required in constructing the proposed project, which the CAISO is not likely to approve or, if the CAISO does approve, would cause significant economic loss to generators currently relying on the existing West of Devers lines; and because it is contrary to Garamendi Principles for not maximizing the availability of the remaining space in the corridor. Because we find the Phased Build Alternative to be infeasible on other grounds, we need not address these arguments.

10. Overriding Considerations

Pursuant to CEQA Guidelines § 15093, the Commission may only approve a project that results in significant and unavoidable impacts upon a finding that there are overriding considerations. Section 15093(a) describes the underlying analysis:

CEQA requires the decision-making agency to balance, as applicable, the economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project against its unavoidable environmental risks when determining whether to approve the project. If the specific economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered acceptable. (CEQA Guidelines § 15093(a).)

As discussed at length in Part 4, above, the West of Devers Upgrade Project, configured as the Tower Relocation Alternative, the Iowa Street 66 kV Underground Alternative, and the proposed project for the segments otherwise unaffected by these two alternatives, will allow SCE to comply with its generator interconnection requests, facilitate deliverability for renewable energy resources identified in the Commission's renewable portfolios in furtherance of California's 33% RPS, and provide infrastructure that will potentially facilitate achievement of California's new 50% RPS. These benefits outweigh the project's unavoidable adverse environmental impacts on air quality, noise, visual resources and cultural resources.

11. Electric and Magnetic Field

The Commission has examined EMF impacts in several previous proceedings, concluding that the scientific evidence presented in those proceedings was uncertain as to the possible health effects of EMFs.²⁹ Therefore, the Commission has not found it appropriate to adopt any related numerical standards. Because there is no agreement among scientists that exposure to EMF creates any potential health risk, and because CEQA does not define or adopt any standards to address the potential health risk impacts of possible exposure to EMFs, the Commission does not consider magnetic fields in the context of CEQA and the determination of environmental impacts.

However, recognizing that public concern remains, we do require, pursuant to GO 131-D, Section X.A, that all requests for a permit to construct include a description of the measures taken or proposed by the utility to reduce the potential for exposure to EMFs generated by the proposed project. We developed an interim policy that requires utilities, among other things, to identify the no-cost measures undertaken, and the low-cost measures implemented, to reduce the potential EMF impacts. The benchmark established for low-cost measures is 4% of the total budgeted project cost that results in an EMF reduction of at least 15% (as measured at the edge of the utility right-of-way).

SCE submitted a Field Management Plan as Appendix B to this application and as Appendix to its testimony in Exhibit 1. The document details the EMF measures for the proposed project, including:

²⁹ See D.06-01-042 and D.93-11-013.