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6 DETAILED DISCUSSION OF SIGNIFICANT AND GROWTH-INDUCING IMPACTS

In accordance with the PEA Checklist issued by the CPUC on October 7, 2008, this section:

- Identifies the potentially significant impacts that would result from the construction, operation, or maintenance of the Proposed Project; and
- Discusses the Proposed Project's potential to induce growth in the area.

6.1 APPLICANT PROPOSED MEASURES TO MINIMIZE SIGNIFICANT EFFECTS

Based on the findings in Section 5.0, Environmental Impact Assessment (Sections 5.1 through 5.18), the Proposed Project would result in no significant, unavoidable impacts during construction.

Potentially significant impacts were identified that could be reduced to a level less than significant with the incorporation of APMs for the following resource areas:

- Cultural Resources,
- Biological Resources, and
- Noise.

However, SDG&E has identified 18 APMs that it plans to implement during construction and/or operation of the Proposed Project to reduce or avoid impacts to these resource areas. Chapter 3.0, Proposed Project Description, provides a list of all of the APMs that have been proposed as part of the Proposed Project, as well as the justification for each (refer to Tables 3-12 and 3-13). Additionally, all of the proposed APMs are detailed in Section 5, Environmental Impact Assessment.

6.2 GROWTH-INDUCING IMPACTS

The California Environmental Quality Act (CEQA) requires a lead agency to review and discuss whether a project would foster economic or population growth, either directly or indirectly, in the surrounding environment. The CEQA Guidelines (Section 15126.2(d)) consider a project to be growth-inducing if it fosters economic or population growth or the construction of additional housing, either directly or indirectly, in the surrounding area. New employees hired for proposed commercial and industrial development projects and population growth resulting from residential development projects represent direct forms of growth. Other examples of indirect forms of growth-inducing projects are the expansion of urban services into previously undeveloped areas or the removal of major obstacles to growth, such as transportation corridors and potable water supply.

Consistent with the CEQA Guidelines, the Proposed Project could be considered to have growth-inducing impacts if it would either directly or indirectly foster economic or population growth within the City or County of San Diego, or remove existing obstacles to growth in these areas above what would be expected without the Proposed Project. The Proposed Project could also have a growth-inducing impact if it would provide a substantial amount of new employment, create a substantial new burden on existing communities, provide access to previously inaccessible areas or extend public services to previously un-served areas, or cause new development elsewhere (outside of the Proposed Project area [City of San Diego and the County of San Diego]).

As described in Chapter 3.0, Proposed Project Description, the Proposed Project generally entails the following four basic components: (1) expansion of the existing Artesian Substation, (2) installation of underground getaways at the Artesian and Bernardo Substations, (3) reconductor of an approximately 2.2-mile long segment of 69kV power line and associated pole replacements; and (4) minor modifications at the existing SDG&E Bernardo and Rancho Carmel Substations. Proposed Project substation expansion, modifications, and power line reconductoring and relocation work would address compliance with mandatory NERC reliability criteria, mitigate existing overloads on the 69kV system, and alleviate existing congestion on the Sycamore Canyon Substation. The Proposed Project would improve electrical service reliability in the Poway Area Load Pocket (refer to Section 2.0, Proposed Project Purpose and Need), and implementation of the Proposed Project would not result in any significant growth-inducing environmental effects.

6.2.1 Economic or Population Growth

6.2.1.1 Background and Anticipated Growth in the Proposed Project Area

As outlined in Section 5.13, Population and Housing, San Diego County is projected to grow to a total population of 3,535,000 by the year 2020, an increase of approximately 357,937 people (or 11.3 percent) from 2014 (predicted by the SANDAG Demographics & Other Data - Fast Facts). The population within the City of San Diego is projected to grow to 1,542,324 by the year 2020, an increase of approximately 234,922 people (or 17.5 percent).

6.2.1.2 Growth and the Proposed Project

The Proposed Project would be implemented to ensure the reliability of the existing transmission system, compliance with State of California policy goals, SDG&E's ability to accommodate load growth within the Proposed Project area, and improvements to overall system efficiency. As previously discussed in Section 2.0, Proposed Project Purpose and Need, the Poway Area Load Pocket includes five 69/12kV substations located in the Poway, 4S Ranch, Rancho Peñasquitos, Carmel Mountain Ranch and Black Mountain Ranch Communities. In 2013, the load pocket alone peaked at approximately 300 megawatts (MW) or 6 percent of the overall SDG&E system peak. In addition, the load pocket for these communities is expected to grow by approximately 15 percent (average annual growth of 1.5 percent to an aggregate load of approximately 345 MW) over the next 10 years. There are three 69kV power lines that currently serve as the primary 69kV source to the Poway Area Load Pocket from the Sycamore Canyon Substation. There is congestion on this 69kV path with no generation available to offset it.

In addition to ongoing reliability concerns, current North American Electric Reliability Corporation (NERC) Category P1 thermal violations mandate the need for the Proposed Project. During the 2013/2014 Transmission Planning Process (TPP), the California Independent System Operator (CAISO) approved the Artesian 230kV Expansion with 69kV upgrades project, which SDG&E is now proposing to construct and operate as the Proposed Project.

The Proposed Project is being implemented to improve the reliability of the existing transmission system and in response to existing demand and forecasted load growth in the San Diego County greater Poway area. SDG&E is legally required to adhere to reliability requirements consistent with CPUC General Orders, CAISO Tariff provisions, NERC requirements, and SDG&E internal standards. In addition, SDG&E is legally required to provide services as development (e.g. commercial and residential development) is approved through the local planning process. The Artesian 230kV Expansion will provide a second 230kV source to the Poway Area Load Pocket, allowing SDG&E to serve existing and anticipated load in the Poway Area Load Pocket through both the Artesian and Sycamore Canyon Substations. This would offload congestion on the 69kV path at Sycamore Canyon Substation and mitigate existing NERC (P1) violations, allowing the transmission system to operate more efficiently and reliably.

The Proposed Project would not increase housing or bring in new services. Rather, it would make the existing electric service more reliable to accommodate forecasted growth based on adopted land use plans by local and regional government entities. The Proposed Project would not directly or indirectly foster growth or remove obstacles to economic or population growth in the area.

6.2.2 New Employment

The Proposed Project would provide short-term construction employment, but no new permanent increase in employment. Construction activities are expected to take approximately 30 months under normal conditions. During peak construction times, SDG&E would employ up to approximately 45 workers per day, including construction crews, environmental monitors and all other support staff. This workforce would derive from existing local residents in the San Diego area and it is not anticipated that a substantial numbers of workers would need to reside temporarily at local lodging establishments. The limited, temporary nature of this employment would not result in long-term growth within the Proposed Project area.

Furthermore, operation and maintenance activities for the Proposed Project would be performed by current SDG&E personnel, and no new jobs would be created. As a result, the Proposed Project would not induce any increase in permanent employment.

6.2.3 Extended Access or Public Services

The Proposed Project would not provide access to previously inaccessible areas, or extend public services to any currently un-served areas. SDG&E currently provides electric service to the Proposed Project areas and the Proposed Project does not include the expansion of the electric system into areas that currently do not have electric service infrastructure. Therefore, the Proposed Project would not induce growth by extending access or public services (electric service infrastructure) into areas that are currently un-served.

6.2.4 Existing Community Services

The Proposed Project would not significantly impact existing community services, and no new or altered governmental services would be required as a result of Proposed Project operations. The Proposed Project would not generate a substantial new permanent demand for water, wastewater, or solid waste services. The demand for City- and County-provided services, such as road improvements, law enforcement, and fire protection, would be negligible and short-term (for construction), and similar to existing demand for operations and maintenance. Due to the fact that the Proposed Project utilizes existing utility corridors, fee-owned property, structures, and franchise position, operation and maintenance of the new transmission line would largely mirror current operation and maintenance conditions; and as such there would be no impact to existing community services. Although operation and maintenance of the expanded Artesian Substation would result in slightly increased maintenance and inspection activities; these activities would not increase demand for community services. SDG&E has existing operations and maintenance resources available to serve the Proposed Project upon completion.

6.2.5 New Development

The Proposed Project would not promote new development, either in the San Diego County and City of San Diego service areas (including the Poway, 4S Ranch, Rancho Peñasquitos, Carmel Mountain Ranch and Black Mountain Ranch communities) or elsewhere, because the purpose of the Proposed Project is primarily to mitigate NERC violations and improve the reliability of the existing electrical system for present and planned development. Furthermore, the Proposed Project is a corrective action for existing and foreseeable future transmission system reliability shortfalls.

The Proposed Project would also satisfy SDG&E's obligation to accommodate the demand that the development market and local governments have projected or planned. Established and locally supported patterns of development and growth carry with them a corresponding electrical demand that SDG&E is obligated to anticipate and serve to avoid the consequences of electrical overload, as discussed in Section 2.0. The Proposed Project would not directly or indirectly cause or promote new development that would not otherwise be constructed, as approved through local land use approval processes.

Only local jurisdictional government agencies (i.e., cities and counties) can direct (plan, approve, deny) new commercial and residential development. All such new development is subject to the appropriate land use guidance document(s) and local agency design and review processes. The local agencies, through their land use guidance documents and review processes, dictate the actual location and intensity of new development, if any. Electrical utility upgrades for new development is more often a distribution-level requirement that is addressed either during or after the plan review process.

6.2.6 Conclusion

The Proposed Project will not only improve reliability to the area by adding a 230kV source, but it will also avoid identified NERC P1 thermal violations and relieve the ongoing 69kV congestion at the Sycamore Canyon Substation. In the 2013 - 2014 Transmission Planning

Process the Proposed Project was approved by CAISO, and it is included in the 2013 – 2014 Transmission Plan and subsequent updates. The Proposed Project would not create a new or expanded distribution system that would indirectly allow for an increase in population, housing, or other development because the Proposed Project would not extend electrical service infrastructure into previously un-served areas. The Proposed Project would accommodate existing and planned power demands in SDG&E's service territory and increase transmission system reliability through the expansion of the Artesian 230kV Substation, allowing the offload of 69kV congestion at Sycamore Canyon Substation. SDG&E responds to projected development and forecasts, rather than inducing growth by extending infrastructure for future unplanned development. Therefore, the Proposed Project would not induce population growth in this manner. The Proposed Project would require a new temporary work force for construction activities; however, the anticipated work force is small relative to the existing local population and most of the construction force is anticipated to come from the existing local workforce from a pool of existing SDG&E electrical personnel and contractors. Operation and maintenance activities of the Proposed Project would be substantially similar to conditions for the existing transmission and power lines and substation facilities. Therefore, the Proposed Project would not induce growth within the Proposed Project area.

6.3 REFERENCES

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