UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
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San Francisco, CA 94105-3901

NOV 01 2010

Dr. Jerry Pell
Office of Electricity Delivery and Energy Reliability,
OE-20
U.S. Department of Energy,
Washington, DC 20585

Subject: Draft Environmental Impact Statement (DEIS) for Energia Sierra Juarez U.S. Transmission Line Project, San Diego County, California [CEQ# 20100373]

Dear Mr. Pell,

The U.S. Environmental Protection Agency (EPA) has reviewed the Draft Environmental Impact Statement (DEIS) for the Proposed Energia Sierra Juarez U.S. Transmission Line Project (Project). Our review and comments are provided pursuant to the National Environmental Policy Act (NEPA), the Council on Environmental Quality (CEQ) Regulations (40 CFR Parts 1500-1508), and our NEPA review authority under Section 309 of the Clean Air Act (CAA).

Energia Sierra Juarez U.S. Transmission, LLC (ESJ) has submitted a Presidential permit request to the Department of Energy for the construction, operation, maintenance, and connection of either a 230 kilovolt (kV) or a 500-kV electric transmission line that would cross the international border between the U.S. and Mexico in the vicinity of Jacumba, CA in eastern San Diego County, CA. The transmission line would be 1.7 miles in length (0.65 miles in the U.S.) and would transmit up to 1,250 megawatts (MW) of wind-generated electricity from the proposed Energia Sierra Juarez Wind Project (ESJ Wind Project) near the La Rumerosa area in Mexico. The DEIS evaluates a 230-kV Double Circuit transmission line Alternative, a 500-kV Single Circuit Alternative, and the No Action Alternative.

EPA supports increasing the development of renewable energy resources in an expeditious and well planned manner. Using renewable energy resources such as wind power can help the nation meet its energy requirements while minimizing the generation of greenhouse gases, and we acknowledge the need for transmission to carry the power generated. While EPA is pleased with certain aspects of this Project, including efforts to minimize water use and ground water consumption; consideration and avoidance of culturally significant resources; and efforts to reduce the potential fire hazard the project presents; we have a number of concerns regarding the proposed project and its connected actions. We have enclosed our detailed comments, which describe our concerns about biological resources, air quality and mitigation measures. Based on our review, we have rated the DEIS as *Environmental Concerns – Insufficient Information* (EC-2). Please see the enclosed "Summary of EPA Rating Definitions."

It is EPA's understanding that the Energia Sierra Juarez Wind Project would be constructed, operated, and maintained in Mexico and is not, itself, the subject of any federal action subject to the requirements of NEPA; however, it appears to be dependent on the DOE permitting of the ESJ U.S. Transmission Line and the construction and operation of the East County (ECO) Substation switchyard on Bureau of Land Management lands. Thus, the impacts that the construction and operation of the wind park in Mexico will have upon the United States are considered relevant to the DOE's approval or denial of the ESJ U.S. Transmission Line project Presidential Permit request. While the DEIS contains a brief discussion of the impacts of the ESJ Wind project to the United States, more detailed information is required in order to assess the full extent of those impacts. We recommend that the Final Environmental Impact Statement (FEIS) include more detailed information regarding impacts to biological resources; in particular, raptors, migratory birds, and bats. We also recommend that the FEIS expand upon the measures that will be implemented by ESJ Wind to ensure maximum avoidance of bird and bat strikes.

We appreciate the opportunity to review this DEIS. When the FEIS is published, please send a copy to the address above (Mail Code: CED-2). If you have any questions, please contact Carter Jessop, the lead reviewer for this project, at (415) 972-3815 or jessop.carter@epa.gov, or me at (415) 972-3521.

Sincerely,

Tom Kelly

for Kathleen M. Goforth, Manager
Environmental Review Office

Enclosures: Summary of EPA Rating System
EPA's Detailed Comments

SUMMARY OF EPA RATING DEFINITIONS*

This rating system was developed as a means to summarize the U.S. Environmental Protection Agency's (EPA) level of concern with a proposed action. The ratings are a combination of alphabetical categories for evaluation of the environmental impacts of the proposal and numerical categories for evaluation of the adequacy of the Environmental Impact Statement (EIS).

ENVIRONMENTAL IMPACT OF THE ACTION

"LO" (Lack of Objections)

The EPA review has not identified any potential environmental impacts requiring substantive changes to the proposal. The review may have disclosed opportunities for application of mitigation measures that could be accomplished with no more than minor changes to the proposal.

"EC" (Environmental Concerns)

The EPA review has identified environmental impacts that should be avoided in order to fully protect the environment. Corrective measures may require changes to the preferred alternative or application of mitigation measures that can reduce the environmental impact. EPA would like to work with the lead agency to reduce these impacts.

"EO" (Environmental Objections)

The EPA review has identified significant environmental impacts that should be avoided in order to provide adequate protection for the environment. Corrective measures may require substantial changes to the preferred alternative or consideration of some other project alternative (including the no action alternative or a new alternative). EPA intends to work with the lead agency to reduce these impacts.

"EU" (Environmentally Unsatisfactory)

The EPA review has identified adverse environmental impacts that are of sufficient magnitude that they are unsatisfactory from the standpoint of public health or welfare or environmental quality. EPA intends to work with the lead agency to reduce these impacts. If the potentially unsatisfactory impacts are not corrected at the final EIS stage, this proposal will be recommended for referral to the Council on Environmental Quality (CEQ).

ADEQUACY OF THE IMPACT STATEMENT

Category "1" (Adequate)

EPA believes the draft EIS adequately sets forth the environmental impact(s) of the preferred alternative and those of the alternatives reasonably available to the project or action. No further analysis or data collection is necessary, but the reviewer may suggest the addition of clarifying language or information.

Category "2" (Insufficient Information)

The draft EIS does not contain sufficient information for EPA to fully assess environmental impacts that should be avoided in order to fully protect the environment, or the EPA reviewer has identified new reasonably available alternatives that are within the spectrum of alternatives analyzed in the draft EIS, which could reduce the environmental impacts of the action. The identified additional information, data, analyses, or discussion should be included in the final EIS.

Category "3" (Inadequate)

EPA does not believe that the draft EIS adequately assesses potentially significant environmental impacts of the action, or the EPA reviewer has identified new, reasonably available alternatives that are outside of the spectrum of alternatives analyzed in the draft EIS, which should be analyzed in order to reduce the potentially significant environmental impacts. EPA believes that the identified additional information, data, analyses, or discussions are of such a magnitude that they should have full public review at a draft stage. EPA does not believe that the draft EIS is adequate for the purposes of the NEPA and/or Section 309 review, and thus should be formally revised and made available for public comment in a supplemental or revised draft EIS. On the basis of the potential significant impacts involved, this proposal could be a candidate for referral to the CEQ.

*From EPA Manual 1640, Policy and Procedures for the Review of Federal Actions Impacting the Environment.

U.S. EPA DETAILED COMMENTS ON THE DRAFT ENVIRONMENTAL IMPACT STATEMENT (DEIS) FOR THE ENERGIA SIERRA JUAREZ U.S. TRANSMISSION LINE PROJECT, SAN DIEGO COUNTY, CALIFORNIA, NOVEMBER 1, 2010

Biological Resources

EPA is concerned about the potential impact to biological resources of the United States that may result from the construction and operation of the ESJ Wind project in Mexico; which is integrally tied to the Energia Sierra Juarez (ESJ) U.S. Transmission project. Specifically, EPA is concerned about potential impacts to sensitive wildlife species, particularly migratory bird and bat species. The DEIS contains a brief discussion of the anticipated impacts of the ESJ Wind project; however this discussion is vague and incomplete. It does not include any species-specific information, nor does it attempt to qualitatively or quantitatively establish the severity of the anticipated impacts.

Recommendation:

- EPA recommends that the FEIS include a thorough analysis of the anticipated impacts to biological resources in the United States that would result from the ESJ Wind project. In addition, we recommend that the FEIS discuss how the ESJ Wind project will comply with the Migratory Bird Treaty Act (MBTA) and Bald and Golden Eagle Protection Act (BGEPA)

The DEIS identifies two components of the East County (ECO) Substation Project as connected actions related to the ESJ U.S. Transmission project: the ECO Substation switchyard and SWPL loop-in. Section 4.0 of the DEIS summarizes the contents of two environmental analyses that considered the impacts of these actions. The Sunrise Powerlink Revised Draft Environmental Impact Report/Supplemental Draft Environmental Impact Statement (RDEIR/SDEIS) included an assessment of the potential impacts of the proposed ECO Substation and SWPL loop-in as connected actions to the Sunrise Powerlink project, and the San Diego Gas and Electric company recently completed a "Proponent's Environmental Assessment (PEA)" of the ECO Substation Project as part of its permit application submitted to the California Public Utilities Commission. The DEIS indicates that the PEA and RDEIR/SDEIS differ in their determination of the significance of impacts regarding the permanent removal of vegetation and the extent of impacts to sensitive species. Without a more comprehensive environmental analysis, it is difficult to determine the full extent of impacts and what mitigation may be required under federal, state or local guidelines.

Recommendation:

- The FEIS should more completely and consistently characterize the impacts associated with the ECO Substation. The FEIS should include a discussion of all mitigation measures that would be implemented to reduce impacts to biological resources, including the site and extent of any compensatory mitigation that may be required.

Air Quality

EPA supports incorporating mitigation strategies to minimize fugitive dust emissions, as well as emission controls for particulate matter (PM) and ozone precursors for construction-related activity. We note the numerous applicant proposed mitigation (AMP) measures presented in sections 3.10.2 and commend the DOE for the additional mitigation measures presented in Section 3.10.3. In order to further reduce potential air quality impacts, EPA recommends that the FEIS consider the following measures in addition to those mitigations already proposed, committed to as AMPs, or necessitated by applicable State and local requirements.

Recommendations:
EPA recommends that best management practices, all applicable requirements under local or State rules, and the following additional measures be implemented, where appropriate, and incorporated into the FEIS, a Construction Emissions Mitigation Plan, and the Record of Decision.

Fugitive Dust Source Controls:

- Stabilize open storage piles and disturbed areas by covering and/or applying water or chemical/organic dust palliative where appropriate. This applies to both inactive and active sites, during workdays, weekends, holidays, and windy conditions.
- Install wind fencing, and phase grading operations, where appropriate, and operate water trucks for stabilization of surfaces under windy conditions.
- When hauling material and operating non-earthmoving equipment, prevent spillage, and limit speeds to 15 miles per hour (mph). Limit speed of earth-moving equipment to 10 mph.

Mobile and Stationary Source Controls:

- Reduce use, trips, and unnecessary idling of heavy equipment.
- Maintain and tune engines per manufacturer's specifications to perform EPA certification levels, where applicable, and to perform at verified standards applicable to retrofit technologies. Employ periodic, unscheduled inspections to limit unnecessary idling and to ensure that construction equipment is properly maintained, tuned, and modified consistent with established specifications.
- Prohibit any tampering with engines and require continuing adherence to manufacturer's recommendations
- If practicable, lease new, clean equipment meeting the most stringent of applicable Federal or State Standards.
- Utilize EPA-registered particulate traps and other appropriate controls where suitable, to reduce emissions of diesel particulate matter and other pollutants at the construction site.
- Limit vehicle speeds on unpaved roads to 15 mph.

Administrative controls:

- Identify all commitments to reduce construction emissions and incorporate these reductions into the air quality analysis to reflect additional air quality improvements that would result from adopting specific air quality measures.
- Meet EPA diesel fuel requirements for off-road and on-highway; and where appropriate use alternative fuels such as natural gas and electric.
- Develop construction traffic and parking management plan that minimizes traffic interference and maintains traffic flow.
- Identify sensitive receptors in the project area, such as children, elderly, and infirm, and specify the means by which you will minimize impacts to these populations. For example, locate construction equipment and staging zones away from sensitive receptors and fresh air intakes to buildings and air conditioners.

Mitigation

EPA commends the Department of Energy (DOE) for the inclusion of additional mitigation measures that supplement the applicant proposed mitigation (AMP) for each affected resource area. We feel that the proposed measures would benefit the environment and would serve to advance the goals of environmental responsibility and stewardship. We recommend that these measures be included in the FEIS and committed to in the Record of Decision as conditions for the issuance of the Presidential Permit.