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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of San Diego Gas & Electric Company (U902E) for a Certificate of Public Convenience and Necessity for the Sunrise Powerlink Transmission Project.

Application 06-08-010
(Filed August 4, 2006)

**ADMINISTRATIVE LAW JUDGE'S RULING
SETTING THE SCHEDULE FOR PHASE 2**

With the receipt of Reply Briefs due November 30, 2007, we have completed activity related to Phase 1. We anticipate release of the draft Environmental Impact Report/Environmental Impact Statement (EIR/EIS) by January 8, 2008. In the Scoping ruling, issued November 1, 2006, Assigned Commissioner Dian M. Grueneich and I ruled that after issuance of the draft EIR/EIS, parties could submit additional evidence providing new information or analysis that could materially affect the Commission's decision. Please note that participation in Phase 2 of this proceeding is not sufficient to register comments on the draft EIR/EIS. **As explained in the Scoping ruling: "Whether or not there are factual disputes requiring Phase 2 hearings on environmental matters, parties seeking to provide input on the final EIR/EIS must submit comments on the draft EIR/EIS within 90 days of its issuance. This comment period will be set in the Notice of Availability for the draft EIR/EIS."**

As also set forth in the Scoping ruling, we anticipate examining the following specific areas in Phase 2:

1. A comparison of different modeling efforts, and economic and reliability analyses as informed by the proposed alternatives and mitigation measures in the draft EIR/EIS;
2. Cost-benefit analyses of the proposed project and project alternatives as informed by the proposed alternatives and mitigation measures in the draft EIR/EIS, and by different modeling efforts;
3. Material factual inaccuracies or deficiencies in the draft EIR/EIS;
4. The effect of project alternatives on system reliability and the ability to deliver renewable energy to SDG&E customers;
5. The adequacy of San Diego Gas & Electric Company's (SDG&E) Electromagnetic Field mitigation plan; and
6. The project cost cap.

Finally, as admonished in the Scoping ruling, we will only allow Phase 2 evidentiary hearings to the extent that parties demonstrate the existence of material issues of disputed fact raised by new information contained in the draft EIR/EIS or as otherwise consistent with the framework described above. We cannot determine the extent to which parties can meet that burden until they have had an opportunity to review the draft EIR/EIS and state their positions. There are two ways that parties can establish the need for evidentiary hearings. One would be by preparing and serving Phase 2 testimony, in response to which other parties could move to strike testimony that does not meet the test described above. The other approach would be to file a motion for Phase 2 evidentiary hearings at any time after the release of the draft EIR/EIS, including an offer of proof to demonstrate how the proposed testimony would meet the test.

It is likely that there will be evidentiary hearings to, at a minimum, consider the cost and reliability implications of the alternatives set forth in the draft EIR/EIS. I expect SDG&E to prepare documented cost estimates for the several highest-ranked project alternatives. In addition, there are lingering issues related to transmission lines and fire that we will likely want to explore. In a subsequent ruling, after considering responses to the Utility Consumers' Action Network's (UCAN) Motion to Compel Additional SDG&E Testimony Related to Wildfires, I will set forth the questions to be addressed.¹

For all of these reasons, I will now set a Phase 2 schedule that will enable us to conduct evidentiary hearings as needed.

When we announced the initial schedule for Phase 2, we allowed 30 days from the issuance of the draft EIR/EIS for the service of direct testimony. In a motion dated July 16, 2007, the Center for Biological Diversity sought to extend that period to 90 days, matching the length of time available for submitting comments on the draft EIR/EIS, and reflecting the anticipated complexity of the project alternatives and the draft document. The California Farm Bureau Federation supported the motion, expressing the hope that extending the time would allow for more thoughtful review, and SDG&E opposed it, arguing that it is important to issue a final decision as soon as possible.

I grant the motion in part, by allowing more than 30 days for parties to prepare testimony, and deny it in part, by not allowing for the full 90 days that the Center for Biological Diversity seeks. I am persuaded that 30 days is

¹ Because of a procedural flaw in UCAN's motion, the Commission's Docket Office rejected the motion and suspended receipt of SDG&E's response. I will postpone responding to the motion until the filing imperfection is cured.

insufficient for reviewing a document as large and complex as the draft EIR/EIS that the Commission is preparing for this project. At the same time, any extension of time greater than that set forth in this ruling would make the completion of hearings the critical path item in the review of this project. We will consider the proposed project carefully and in great detail, but we must continue to do all we can to pursue a timely decision.

The schedule is as follows:

Publication of Draft EIR/EIS	January, 2008
Draft EIR/EIS Workshops Conducted by Environmental Review Team	January, 2008
Telephonic Discovery Conferences Begin Again, to Continue Weekly As Needed	February 5, 2008, 2:00 p.m. 877-347-9604 Code - 771069
Public Participation Hearing - Pine Valley	February 25, 2008, 6:30 p.m.
Public Participation Hearing - Borrego Springs	February 26, 2008, 1:00 p.m.
Public Participation Hearing - Ramona	February 26, 2008, 7:00 p.m.
All Parties Phase 2 Direct Testimony	March 12, 2008
All Parties Phase 2 Rebuttal Testimony	March 28, 2008
Fourth Prehearing Conference	April 2, 2008, San Francisco and By Telephone: 877-347-9604 Code - 771069
Phase 2 Evidentiary Hearings Begin	April 7, 8 & 9, 2008 at the California Center for Sustainable Energy 8690 Balboa Ave., Suite 100 San Diego, CA 92123-1502 On the first day, we will start at 10:00 a.m.
Phase 2 Evidentiary Hearings Continue Day-to-Day As Needed	April 14, 2008 at the Commission Courtroom 505 Van Ness Avenue San Francisco, CA 94102 On the first day, we will start at 10:00 a.m.

Public Comments on Draft EIR/EIS Due	April, 2008
Phase 2 Opening Briefs	May 30, 2008, or sooner, depending on the length of hearings
Phase 2 Reply Briefs	June 13, 2008 or sooner, depending on the length of hearings
Final EIR/EIS Published	June, 2008
Proposed Decision Mailed	July, 2008
First Commission Decision Opportunity	August, 2008

Details for the Public Participation Hearings are as follows:

Location	Day, Date, Time
MONDAY, FEB 25	
Mountain Empire High School 3305 Buckman Springs Rd. Pine Valley, CA 91962	Monday Feb. 25, 2008 6:30 p.m.
TUESDAY, FEB 26	
Borrego Springs Borrego Springs Resort 1112 Tilting T Drive Borrego Springs, CA 92004	Tuesday Feb. 26, 2008 1:00 p.m.
Ramona Charles Nunn Performing Arts Center 1521 Hanson Lane Ramona, CA 92065	Tuesday Feb. 26, 2008 7:00 p.m.

IT IS RULED that:

1. As set forth above, the Motion of the Center for Biological Diversity dated July 16, 2007 seeking a longer period of time for the service of Phase 2 direct testimony after the issuance of the draft EIR/EIS is granted in part, and denied in part.
2. The Phase 2 schedule is as described in the tables, above.

3. San Diego Gas & Electric Company shall provide notice of the Public Participation Hearings through bill inserts and newspaper advertisements, developed in consultation with the Commission's Public Advisor's Office.

Dated December 11, 2007, at San Francisco, California.

/s/ STEVEN A. WEISSMAN
Steven A. Weissman
Administrative Law Judge

