Environmental Health Coalition

COALICION de SALUD AMBIENTAL

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DOCKET
07-AFC-4
DATE MAR 13 2008
RECD. MAR 17 2008

March 13, 2008

Harry Scarborough, Vice President
MMC Energy, Inc.
11002 Ainswick Drive
Bakersfield, CA 93311
hscarborough@mmcenergy.com

RE: Chula Vista Energy Upgrade Project (07-AFC-4)
Data Requests [Set 3 (#s 55-56)]

Dear Mr. Scarborough:

Pursuant to Title 20, California Code of Regulations, section 1716, Environmental Health Coalition (EHC) submits the following data request. To provide the information requested, need additional time, or object to providing the requested information, you must send a written notification to the Committee and me within 30 days of receipt of this notice. This notification must contain the reasons for the inability to provide the information or the grounds for any objections. (Title 20, California Code of Regulations, Section 1716 (f)).

DATA REQUEST

55. The Special Use Permit staff report by the city of Chula Vista granting use of the limited industrial zone for a peaker plant on Main St and the Project Description section in the Negative Mitigation Declaration both state that, "major overhauls of the turbine generators and pollution control equipment will occur every two years" (Special Use Permit Staff Report, 09/26/00, p. 4-4). Please provide full and appropriate documentation confirming that such overhauls occurred in a timely manner as stated in the special use permit.
56. Please include a **signed** copy of the Special Use Permit.

For your convenience, the aforementioned (unsigned) permit was acquired from the City of Chula Vista and is attached. Thank you for your attention to these requests.

Sincerely,

Leo Miras,
Environmental Health Coalition

REDEVELOPMENT AGENCY AGENDA STATEMENT

ITEM NO.: 4

MEETING DATE: 09/26/00

ITEM TITLE:	**PUBLIC HEARING: TO CONSIDER GRANTING A SPECIAL USE PERMIT TO ALLOW A PEAK LOAD POWER PLANT ON THE PROPERTY LOCATED AT 3497 MAIN STREET WITHIN THE SOUTHWEST REDEVELOPMENT PROJECT AREA** **RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF CHULA VISTA ADOPTING MITIGATED NEGATIVE DECLARATION IS-00-39 AND APPROVING AN APPLICATION FOR A SPECIAL USE PERMIT TO ALLOW THE SITING OF A PEAK LOAD POWER PLANT AT 3497 MAIN STREET.** **RESOLUTION OF THE REDEVELOPMENT AGENCY APPROVING AN OWNER PARTICIPATION AGREEMENT WITH PG&E DISPERSED GENERATING COMPANY, LLC FOR THE CONSTRUCTION OF A PEAK LOAD POWER PLANT AT 3497 MAIN STREET WITHIN THE SOUTHWEST REDEVELOPMENT PROJECT**
SUBMITTED BY:	**COMMUNITY DEVELOPMENT DIRECTOR** LHFnCS
REVIEWED BY:	**EXECUTIVE DIRECTOR**

4/5THS VOTE: YES ☐ **NO** ☒

BACKGROUND

The applicant, PG&E Dispersed Generating Company, LLC, is requesting approval of a Special Use Permit, design plans and an Owner Participation Agreement ("OPA") for the construction of a Peak Load Power Plant. The Project involves the installation of electrical generating equipment, on a 3.5 acre property located south of Main Street and Albany Avenue close to the Otay River Valley (see Locator Map attached to OPA).

The Planning and Environmental Manager of the Community Development Department prepared an Initial Study and determined that project specific mitigation measures are required to reduce potential environmental impacts identified in the Initial Study to a less than significant level. A Mitigated Negative Declaration (copy attached) was prepared in accordance with the requirements of the California Environmental Quality Act

This project was originally presented to the Agency on August 22, 2000. The Agency continued the item to allow staff additional time to research the issues surrounding rising regional energy

costs and evaluate any opportunities presented by the proposed plant. Staff's preliminary analysis of the general regional energy cost and reliability issue has been presented under a separate report (see City Council Item No. 15) with respect to the PG&E Peak Load Plant, staff is still recommending Agency approval. However, staff has negotiated additional provisions into the OPA that will be discussed later in the report.

RECOMMENDATION

It is recommended that the Redevelopment Agency hold the required public hearing, take public testimony, if any, and adopt the Negative Declaration, grant the Special Use Permit, and approve the Owner Participation Agreement for the construction of the proposed Peak Load Power Plant.

BOARDS/COMMISSIONS RECOMMENDATION

On July 17, 2000, the Resource Conservation Commission reviewed and unanimously recommended certification of Mitigated Negative Declaration IS-00-39 (see Attachment 1).

At its meeting of August 7, 2000, the Design Review Committee reviewed the proposed project and recommended that the Redevelopment Agency approve it, subject to conditions (see Attachment 2).

The proposal was also presented to the Planning Commission at its meeting of August 9, 2000. The Commission recommended the Agency grant the Special Use Permit (see Attachment 3).

DISCUSSION

Site Characteristics

The project site is located at 3497 Main Street in the Southwest Redevelopment Area in the City of Chula Vista. The property consists of one parcel of approximately 3.52 acres that has no frontage on Main Street. The property is approximately 835 feet south of Main Street. A 20 foot wide private easement road provides access to the site.

The site is currently vacant and essentially level. It was used most recently as an operation and storage yard for three businesses; a house moving company, a sandblasting company, and an auto towing company. These businesses had moved out of the site by the time the application for the proposed project was submitted to the City for consideration. The site drains to the south and west into the Otay River and the future Otay Valley Regional Park.

Nature of the Project

The proposed Peak Load Power Plant is an electrical power generation plant powered by natural gas. The plant has a 49.5 megawatt maximum electricity generation capacity, and the County Air Pollution Control District has limited the plant to 4,800 hours per year of operation and no more than 16 hours on any given day. Peak Load plants' are designed to produce and sell electrical power during periods of high demand when electricity prices are high enough to support their relatively high operating costs. The plant is not designed to provide large amounts of low cost power. However, by producing additional electricity at peak load periods, the plant does serve to enhance local grid system reliability. During periods of low demand, peak load plants typically do not operate as it is not economically advantageous to do so.

If the goal of the Council is to provide low cost reliable electrical supply to the community, a peaker plant designed to produce electricity at relatively high costs to sell at the highest possible rates during peak periods will not produce the solution Council is seeking. The project is also limited in its ability to sell electricity directly to the City or other end users.

Detailed Project Description

The planned facility consists of one natural gas twinpak combustion turbine, gas compressor, electrical generator, and associated equipment (see copy of design plans attached to OPA). An underground gas pipeline in the access road will connect to the existing gas pipeline in Main Street. No fuel will be stored on site. The site is not proposed to be paved. The entire property is proposed to be surrounded by a 10' high chain link fence with opaque screening slats and landscaping on the outside.

The air cooled gas turbine (approximately 70 feet in length, 15 feet wide, and 11 feet high) is proposed to be within an enclosure 100 feet in width, 80 feet long, and 25 feet high. Water use will be limited to on-site domestic use, inlet chilling and combustor water injection (if utilized). Small cooling towers will be required for the inlet chilling system. The turbine will be fitted with air pollution control equipment, noise suppression devices and exhaust stack. The Selective Catalytic Reduction air pollution control equipment will use ammonia injection and will be approximately 70 feet in length, 35 feet wide, and 40 feet high. The exhaust stack will be 15 feet wide, 20 feet long, and 45 feet high. A nuisance fluid (turbine and gear box seepage) collection system and storage vault will be located within the turbine enclosure. The fluids will be removed by a licensed disposal firm on an as-needed basis.

An onsite electrical substation will transform the electrical output to 69,000 volts. The facility will tap into the existing 69,000 volt line along the eastern edge of the site. This overhead 69,000 volt transmission line will require upgrading with larger, higher capacity wires and the addition of three additional wires.

The facility will be unmanned and remotely operated by PG&E. PG&E personnel or a local subcontractor will routinely inspect, service, and maintain the facility. It is anticipated that operating and maintenance personnel will visit the facility 2 to 3 times per week. Vehicular traffic

OPA Provisions

As a result of Agency direction, staff was able to negotiate additional benefits from the project. The applicant has agreed to provide $20,000 as "seed money" for the purposes of constructing a photovoltaic power generating facility (solar panels) at the Otay Recreation Center or at another site, or for another energy related purpose. Additionally, if the City does proceed with development of the solar facility, the developer has agreed to provide up to $10,000 of consulting services to facilitate the development.

Additionally, the developer has agreed to a "meet and confer" provision whereby, at the City's request, they will meet to discuss acquisition or lease of this facility as well as a "right of first negotiation" if the developer elects to sell or lease the facility to another third party. The OPA also includes a "most favored nation" clause that requires the developer to provide the City with additional payments if it makes a higher public benefit contribution in connection with the development of a similar facility in San Diego County.

CONCLUSION

Based on the previous discussion, staff's conclusion is that the proposed project will represent an improvement for the area. The project has been designed to minimize its impacts and provide significant landscape enhancements to the site. It is staff's opinion that the construction of the proposed project will be beneficial for the City for the following reasons: it will generate additional electricity for the grid and provide enhanced system reliability during periods of peak demand. It will also put a vacant parcel to a higher and better use and bring new development to the area; it will enhance a site surrounded by auto dismantling and storage uses by providing an adequate combination of trees, shrubs, and ground covers; and it will contribute to the elimination of blighting influences, which furthers the goals and objectives of the Southwest Redevelopment Plan.

FISCAL IMPACT

The total estimated project valuation is approximately $15,000,000. This will generate tax increment revenues of approximately $150,000, which will be distributed as follows: Twenty percent ($30,000) for the Housing Set-Aside fund; of the remaining $120,000, fifty three percent ($63,600) will be allocated to other taxing entities as part of the tax sharing pass thru agreements; the rest ($56,400) will accrue to the Southwest Redevelopment Project Area fund. The proposed power plant is subject to the Utilities Users Tax with current revenue estimates ranging from $60,000 to $120,000 in annual taxes to the General Fund.

ATTACHMENTS

1. Resource Conservation minutes dated 7/17/00
2. Design Review minutes dated 8/7/00
3. Planning Commission minutes dated 8/9/00
4. Negative Declaration IS-00-39
5. Owner Participation Agreement with the following:
   - Exhibit A - Design Plans
   - Exhibit B - Conditions of Approval
   - Exhibit C - Locator Map

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RESOLUTION NO._____

RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF CHULA VISTA ADOPTING MITIGATED NEGATIVE DECLARATION IS-00-39 AND APPROVING AN APPLICATION FOR A SPECIAL USE PERMIT TO ALLOW THE SITING OF A PEAK LOAD POWER PLANT AT 3497 MAIN STREET.

A. RECITALS

1. Project Site

WHEREAS, the parcel which is the subject matter of this resolution is represented in Exhibit A attached hereto and incorporated herein by this reference, and for the purpose of general description is located at 3497 Main Street ("Project Site"); and,

2. Project Applicant

WHEREAS, on March 21, 2000 a duly verified application for a special use permit to allow the siting of a Peak Load Power Plant (SUPS-00-08) ("Project") was filed with the City of Chula Vista Community Development Department by PG&E Dispersed Generation, LLC ("Applicant"); and

3. Project Description; Application for Special Use Permit

WHEREAS, Applicant requests permission to site the Project at the Project Site. The Project consists of one natural gas twinpak combustion turbine, gas compressor, electrical generator, and associated equipment within the perimeter of the property fenced and screened by landscaping; and,

4. Planning Commission Record on Application

WHEREAS, the Planning Commission held a duly noticed Public Hearing to consider the Project application on August 9, 2000, and after considering all evidence and testimony presented recommended by a vote of 6-0 that the Redevelopment Agency approve a Special Use Permit for the Project; and,

5. Redevelopment Agency Record of Application

WHEREAS, a duly called and noticed public hearing on the Project was held before the Redevelopment Agency of the City of Chula Vista on September 12, 2000 to receive the recommendation of the Planning Commission, and to hear public testimony with regard to same.

NOW, THEREFORE, BE IT RESOLVED that the Redevelopment Agency does hereby find, order, determine and resolve as follows:

B. PLANNING COMMISSION RECORD

The proceedings and all evidence on the Project introduced before the Planning Commission at their public hearing on this project held on August 9, 2000 and the minutes and resolution resulting therefrom, are hereby incorporated into the record of this proceeding.

C. ENVIRONMENTAL DETERMINATION

The Planning and Environmental Manager prepared an Initial Study, and determined that project specific mitigation measures are required to reduce potential environmental impacts identified in the initial study to a less than significant level. A Mitigated Negative Declaration was prepared; and,

D. CERTIFICATION OF COMPLIANCE WITH CEQA

The Redevelopment Agency finds that the Mitigated Negative Declaration has been prepared in accordance with the requirements of the California Environmental Quality Act, and the Environmental Review Procedures of the City of Chula Vista.

The Redevelopment Agency finds that the Mitigated Negative Declaration reflects the independent judgement of the Redevelopment Agency of the City of Chula Vista and hereby adopts the Mitigated Negative Declaration.

E. SPECIAL USE PERMIT FINDINGS

The Redevelopment Agency of the City of Chula Vista does hereby make the findings required by the Agency 's Rules and Regulations for the issuance of special use permits, as herein below set forth, and sets forth, thereunder, the evidentiary basis that permits the stated finding to be made.

1. **That the proposed use at the location is necessary or desirable to provide a service or facility which will contribute to the general well being of the neighborhood or the community.**

The proposed peak load power plant is desirable because it enhances the reliability of the electricity distribution system in the region by more efficiently using the existing energy resources to generate electricity during peak demand periods.

2. **That such use will not under the circumstances of the particular case, be detrimental to the health, safety, or general welfare of persons residing or working in the vicinity or injurious to property or improvements in the vicinity.**

An environmental analysis was performed for the project site in accordance with the provisions of the California Environmental Quality Act. As a result of that environmental analysis specific mitigation conditions have been placed upon the project. Said conditions are included in the Mitigated Negative Declaration for the project and are incorporated herein as conditions of approval for SUPS-00-08.

8. At the building permit stage, a complete planting and irrigation plan per the City Landscape Manual will be required.

9. Construct the project as submitted, unless otherwise modified herein.
10. All mitigation measures identified within the Mitigated Negative Declaration for the project shall be complied with to the satisfaction of the Director of Planning and Building in perpetuity.

Public Works Department Conditions

11. Developer shall dedicate land for street right-of-way, including turnaround, sufficient to construct half of an industrial street in accordance with the City's adopted street standards at the time of dedication. Such dedication shall be made upon Developer or Developer's successor in interest acquiring a fee interest in the Property and the request of the Agency.

12. The following fees will be required if appropriate or if applicable, including but not limited to those fees identified below, based on the final building plans submitted.
    a. Sewer capacity and connection fees.
    b. Development Impact Fees
    c. Traffic Signal Fees

13. The Engineering Division will require the applicant to obtain a construction permit to perform any work in the City's right of way or easements.

14. A grading permit will be required prior to issuance of any building permit. Specific means of handling storm runoff will be addressed at the time of the grading plan review. All runoff will be subject to NPDES regulations. Hazardous materials will not be allowed to drain onto surrounding property.

15. Existing public sewer lines shall remain protected and driveable access shall be provided to all sewer manholes located on the property. Sewer easements shall be granted for all existing sewer lines on the property not within an existing easement.

Fire Department Conditions

16. A 20' minimum width Fire access is required with an all weather driving surface.

Applicant/operator shall and does hereby agree to indemnify, protect, defend and hold harmless City and Redevelopment Agency, its Council members, officers, employees, agents, and representatives, from and against any and all liabilities, losses, damages, demands, claims and costs, including court costs and attorney's fees (collectively, liabilities) incurred by the City arising, directly or indirectly, from (a) City's approval and issuance of any other permit or action, whether discretionary or non-discretionary, in connection with the use contemplated herein, and b) Applicant's installation and operation of the facility permitted hereby. Applicant/operator shall acknowledge their agreement to this provision by executing a copy of this Special Use Permit where indicated below. Applicant/operator's compliance with this provision is an express condition of this Special Use Permit and this provision shall be binding on any and all of Applicant's/operator's successors and assigns.

G. EXECUTION AND RECORDATION OF RESOLUTION OF APPROVAL

The applicant shall execute this document by signing the lines provided below, said execution indicating that the applicant has read, understood and agreed to the conditions contained herein. Upon execution, this document shall be recorded with the County Recorder's Office of the County of San Diego, and a signed, stamped copy returned to the Community Development Department. Failure to sign this document within ten days of approval shall indicate the applicant's desire that the project, and the corresponding application for building permits and/or a business license, be held in abeyance without approval. Said document will also be on file in the Community Development Department's files and known as Document No._____ .

_____ _____

Signature of Representative of PG&E Date

Presented by:

_____

Chris Salomone
Community Development Director

Approved as to form by:

_____

John M. Kaheny
City Attorney

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4-11

RESOLUTION NO. _____

RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF CHULA VISTA APPROVING OWNER PARTICIPATION AGREEMENT WITH THE WITH PG&E DISPERSED GENERATING COMPANY, LLC FOR THE CONSTRUCTION OF A PEAK LOAD POWER PLANT AT 3497 MAIN STREET WITHIN THE SOUTHWEST REDEVELOPMENT PROJECT

WHEREAS, PG&E Dispersed Generating Company, LLC leases the property at the southeast corner of Main Street and Mace Street, which is diagrammatically shown in the Locator Map attached to the Owner Participation Agreement and incorporated herein by reference; and,

WHEREAS, PG&E Dispersed Generating Company has presented development plans for the construction of a Peak Load Power Plant and associated site improvements located at 3497 Main Street ("Project"); and

WHEREAS, the site for the proposed Project is located within the Southwest Redevelopment Project Area under the jurisdiction and control of the Redevelopment Agency of the City of Chula Vista; and,

WHEREAS, the Design Review Committee and the Planning Commission reviewed and recommended that the Redevelopment Agency approve the proposed Project subject to the conditions listed in Exhibit B of the Owner Participation Agreement; and,

WHEREAS, the Redevelopment Agency of the City of Chula Vista has been presented an Owner Participation Agreement, said agreement being on file in the Office of the Secretary to the Redevelopment Agency and known as document RACO 00-__, approving the construction of the Project located 3497 Main Street, as depicted in Exhibit A (design plans) and subject to conditions listed in Exhibits B of said agreement.

NOW, THEREFORE, THE REDEVELOPMENT AGENCY OF THE CITY OF CHULA VISTA does hereby find, order, determine and resolve as follows:

1. The proposed project is consistent with the Southwest Redevelopment Plan and shall implement the purpose thereof; the project shall assist with the elimination of blight in the Project Area by putting to productive use a previously undeveloped and underutilized parcel and by generating significant tax increment revenues that can be used to find other blight eliminating programs and projects.
2. Redevelopment Agency of the City of Chula Vista hereby approves, in the form presented, the Owner Participation Agreement with PG&E Dispersed Generating Company, LLC for the construction of a Peak Load Power Plant and associated site improvements located at 3497 Main Street, within the Southwest Redevelopment Project Area in accordance with plans attached thereto as Exhibit A and subject to conditions listed in Exhibits B of said agreement.
3. The Chairman of the Redevelopment Agency is hereby authorized to execute the subject Owner Participation Agreement between the Redevelopment Agency and PG&E Dispersed Generating Company, LLC, in the form presented, with such minor modifications as may be approved or required by the Agency Attorney.
4. The Secretary of the Redevelopment Agency is authorized and directed to record said Owner Participation Agreement in the Office of the County Recorder of San Diego, California.

Presented by:

Chris Salomone
Community Development Director

Approved as to form by:

John Kaheny
Agency Attorney

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4-12

RESOURCE CONSERVATION COMMISSION
MINUTES
JULY 17, 2000

Public Services Building
Conference Room 1

CALLING MEETING TO ORDER:
Chairperson Burrascano called the meeting to order at 6:30 p.m.

ROLL CALL/MOTIONS TO EXCUSE:

RCC MEMBERS PRESENT:	Chair, Cindy Burrascano	Mr. Charles Bull
	Mr. Juan Diaz	Ms. Teresa Thomas
GUESTS	Mr. Philip Hinshaw, Peak Load Power Plant	
	Mr. Dale Mesple, Peak Load Power Plant	
	Mr. Steve Thomas, newly appointed RCC	
	Mr. Glen Coming, Friendship Board & Care	
STAFF PRESENT	Marilyn Ponseggi, Environmental Coordinator	
	Ben Guerrero, Community Development	
	Brian Hunter, Community Development	
	Jim Sandoval, Assistant Director of Planning	
	Leilani Warren, Recording Secretary	

NEW BUSINESS:

1. **Review of Negative Declaration IS-00-48, Friendship Board & Care, 247-249 Fourth Avenue.**

   Chairperson, Burrascano requested the agenda be taken out-of-order and that they start with the review of the Friendship Board & Care.

   Marilyn Ponseggi presented an overview of the project.

   Commissioner Thomas questioned if the project met American Disability Association (ADA) standards.

   Mr. Coming stated that the building was formerly used as an educational center and has already been approved by the City of Chula Vista and meets ADA standards.

   A motion was made that the Initial Study was adequate and the Negative Declaration be adopted.

   VOTE: MSC (Thomas/Bull) approved 4-0-0

APPROVAL OF MINUTES:

November 15, 1999 Minutes.

The Commissioners discussed the following corrections, and requested staff listen to the recording of the meeting to verify the accuracy of the minutes:

Page 3
(Question 1)
Q: Is there someone on staff who is a biological and landscape expert?
(Question 5)
Correction of spelling of the word "effects"
Q: What measures are being taken to monitor the upstream/downstream effects on the Willowy Monardella?
Burrascano stated that, as far she knows CBI is not doing any studies by Otay Lakes. (Question 8)
Clarification was requested for the percentages stated in the "Level of Conservation" portion for the Snake cholla.

Page 4.
(Question 2)
Light-footed clapper rail
Burrascano – the concern was that light-footed clapper rails have been reported from the upper drainage area in non-typical habitat and how they were dealing with that
(Question 4)
Change the word "Brach" to "BRAC"

Marilyn Ponseggi stated that the tapes would be reviewed and if the minutes don't convey what is actually on the tapes, those changes would be made and the minutes would be resubmitted for approval.

April 17, 2000 Minutes
Page 4. Change the word "surface" to "service".
Page 1. Change "Theresa" to "Teresa"

A motion was made to approve the minutes as amended.
VOTE: MSC (Bull/Thomas) approved 4-0-0

June 5, 2000 Minutes
Page 1 Change "Theresa" to "Teresa"
Page 5 Change to "San Diego County Solid Waste Hearing Panel"
Page 5 Change "ECO-Mundo" to "EcoMundo" and add, "in the fall 2000 semester and that it is a part of the Baja Study Certificate Program."

A motion was made to approve the minutes as amended.
VOTE: MSC (Bull/Diaz) approved 4-0-0

June 26, 2000 MINUTES
Page 1 Change "Theresa" to "Teresa"
Page 2 Change all "MND" to "ND"

A motion was made to approve the minutes as amended.
VOTE: MSC (Bull/Diaz) approved 4-0-0

NEW BUSINESS: - continued

2. **Review of the Mitigated Negative Declaration, IS-00-00, Peak Load Power Plant 3497 Main Street.**

Commissioner Thomas distributed information taken from the PG&E Corporation Web Page.

Ben Guerrero, Community Development, gave an overview of the project.

Commissioner Bull suggested a change on the bottom of the page 12, under NOISE, the last paragraph, the word "mitigation" be changed to "specific" so as to read . "A final set of specific measures cannot be defined at this time and a six-step mitigation program has been prepared that assures compliance."

The Commission discussed drainage from the site and its potential impact on the Otay River. In addition, the Commission was concerned about potential impacts to the river related to possible hazardous material spills on the site. The applicant addressed the Commissions concerns.

A motion was made to accept the staff's recommendation to adopt the MND.

VOTE: MSC (Bull/Diaz) approved 4-0-0

OLD BUSINESS:

Review of the Negative Declaration, IS-01-01, Superior Ready Mix Concrete (Amendment to the Otay Valley Road Project Area Implementation Plan/Design Manual Addendum to Permit Concrete Batch Plants)

Brian Hunter, Community Development, addressed some of the Commissioner's concerns and questions regarding this Initial Study/Negative Declaration that were raised at the last RCC meeting. He has expanded the discussion in the ND

to give the Commission a better understanding of the project per the requirements of CEQA. He also added an explanation of the definition of a batch plant. He stated that his staff was recommending that the amendment not be approved.

The project was discussed at length by the RCC.

A motion was made to recommend against approving the amendment to the Otay Valley Road Project Area Implementation Plan/Design Manual Addendum to permit Concrete Batch Plants.

VOTE: MSC (Bull/Thomas) approved 4-0-0

A motion was made to approve the Negative Declaration as recommended by the staff.

VOTE: MSC (Bull/Burrascano) approved 4-0-0

ENVIRONMENTAL REVIEW COORDINATOR'S COMMENTS:

Marilyn Ponseggi reminded the RCC that they all met Steve Thomas prior to the meeting. Mr. Thomas is the newest appointment to the RCC. The City Clerk will swear in Mr. Thomas tomorrow night and he will be at the next RCC meeting. Mr. Thomas is a traffic engineer with Traffic Design Consultants. The mayor is continuing to interview additional candidates. There are still two vacancies on the Commission to be filled.

Ms. Ponseggi will be on vacation the first part of August and her associates Edalia Olivo-Gomez and Marisa Lundstedt will be representing her at the RCC meetings and will be available to answer any questions that should arise.

CHAIRMAN'S COMMENTS: None

COMMISSIONERS COMMENTS: None

ADJOURNMENT: The meeting adjourned at 8:20 p.m. to a Regular Meeting on Monday, July 31, 2000, at 6:30 p.m. in Conference Room 1 (subject to change) of the Public Services Building, 276 Fourth Avenue, Chula Vista, CA.

Respectfully submitted,

Leilani Warren
Recording Secretary

E. PUBLIC HEARING ITEMS (Cont'd):

2. DRC-00-60 PG&E Electrical Power Plant
4397 Main Street
Siting of a peak load power plant

Staff Presentation

Mr. Brian Hunter *(Planning & Environmental Manager)* passed around photos of the site prior to everything being removed. The 10-acre site is now vacant. There is a 20-foot wide easement that comes down from Main Street to the project. The project is a peak load power plant proposed by PG&E in the southwest redevelopment area. That is a natural gas twin pack combustion turbine. The turbine itself is enclosed in a metal enclosure. There is a selective catalytic reduction air pollution control device and exhaust stack. All of the setbacks that are required in this zone are easily maintained. The height on this is to 45 feet; however, Section 19.16.040 of the Chula Vista Municipal Code exempts electrical power plants from any height limitations. A power plant is mechanical equipment and so, from a design standpoint, what is looked for is screening of the equipment. A 10-foot high chain link fence with opaque slating is proposed. Landscaping is also proposed all the way around the outside. The site has been conditioned so that the landscape plan has to be approved by the City Landscape Planner prior to issuance of any permits. It has been through preliminary review by him, and he has placed conditions that are in the report. The easement may turn out to be a public street, and there may be a requirement for dedication. Presently, there is no requirement for that, but staff has conditioned it in case that happens in the future. This project goes on to the Planning Commission and then to the Redevelopment Agency. There is no architecture; it is mechanical equipment that is screened with a combination of fencing and fairly bland coloring so it will blend in and/or be certain not to stand out.

Member Araiza wanted the City Landscape Planners' opinion on the landscape plan as shown whether, in fact, there is adequate screening. If what is rendered is really the intent across the whole site? Mr. Garry Williams *(Landscape Planner)* indicated that the trees that have been selected are Justanias, which have a big broad tall round tent. This will achieve complete screening around the perimeter and not create any sort of hard edge. Additional pockets of plants were brought in. What is seen on the rendering is the screening fence and then the head of the trees. The trees are not going to ultimately reach the height of the equipment. Potentially, the trees get 30-40 feet in height over time. There is nothing staff could approach on the interior of the site because it is left open for operation. There are no designated parking areas.

Member Araiza asked if what is specified will do the job? Mr. Williams responded in the affirmative.

Chair Aguilar asked how are the properties surrounding it eventually going to be developed or are they going to stay in the current use? Mr. Hunter stated that the property zoning in this area is limited industrial.

Chair Aguilar asked if there would be any residential around here in the future? Mr. Hunter responded in the negative. Residential is not the future of this area.

Applicant Presentation

Mr. Dale Mesple *(PG&E Dispersed Generation, 100 Pine Street, Suite 2860, San Francisco, CA 94111)* gave some background on why PG&E is in Chula Vista and what the project is intended to do. At the Otay substation, which is about 800 feet north of this site, there is a demand of about 400 mega watts. There are a number of ways in which to get power into the local area. One is to have big transmission lines that bring the power in that have generating facilities out in the boondocks, or you can have localized, small facilities that provide the power at the center of where the load is needed. The latter is more efficient. PG&E tries to locate adjacent to a substation as well as a high-pressure gas line. That way it minimizes the amount of infrastructure that is required. All that needs to be added is three wires to the existing transmission line that already goes along the frontage of the property. The natural gas pipeline is in Main Street. It will be extended down to the site. In terms of regulatory guidelines, PG&E is serious about meeting all of the environmental issues. They already have the authority to construct from the San Diego County Air Pollution District. It will be the cleanest peak load power plant of its type with knox emissions at 5 ppm, which is as low as any other plant in the nation. All other requirements of the City Code have been met. No variances have been requested on this project. The purpose of the plant is to support two things: a) high demand periods of electrical needs, and b) to support the transmission and distribution system. Typically, it would operate from 10:00 a.m. until 7:00 or 8:00 p.m. during the peak periods. In San Diego, that is July, August, September and sometimes October. It will be permitted, from an air pollution standpoint, to operate more than that. It can operate up to 3,000 to 4,000 hours a year. It will probably operate 1,000 to 1,500 hours a year. It also meets the peak demand and supports the transmission system.

There are four major environmental issues: noise, air, traffic and storm runoff. Noise – A survey was done, and there is potential for sensitive species of birds to exist in the Otay River bottom. PG&E has designed the project to meet the most stringent requirement, which is 60 dba at the property line. That also answers the question about the nearby residential area. The noise generators are 100 feet away

from the southern property line, and the residential properties are about 450 feet away. Air – PG&E has applied the best available control technology, which is selective catalytic reduction. That reduces the knox emissions down to 5 parts per million. Traffic – is not an issue with this facility as it is an unmanned facility. Operators will be going between this power plant and several others that are planned in the area. During the wintertime, when the plant is not running, operators will be there twice a week for security reasons and make sure everything is okay. During the peak season, operators will visit the site once a day. Storm runoff – There are two areas in the facility that have oil and ammonia in them: a) a transformer with about 1,500 gallons of oil that is used for insulation and cooling, and b) a 12,000-gallon ammonia tank, which is used in the emissions control system. In case there is a spill, they are piped into a second containment area. Storm runoff will go into the sewer.

From the design standpoint, the architect came up with a metal plaid building that has some lines and some setbacks and jogs in it that breaks up the view of the equipment. The pollution control for the selective catalytic reduction system is being modified so that it is closer to the ground. It will be about 33 feet high depending on the foundation setting. The exhaust stack is trying to hold to 35 feet. The only issue that will cause the stack to be higher is if for some reason an additional silencer has to be added to the exhaust stack. There is one other possibility in terms of monitoring the emissions; there must be a continuous monitoring system. That may require a 2- or 3-foot spool extension of the stack to put in the probes. PG&E would seek the advice of the DRC as to what colors to use on the building and the equipment. The last item is outdoor lighting. There will be security lighting on the building. It will be designed such that it will not be intrusive on the neighbors.

Committee Discussion/Recommendations

Chair Aguilar stated that, in her view, it was important to keep the building as simple as possible. In terms of color, she thought an earth tone color would be best.

Member Araiza felt that the earth tones were right but not yellow. Chair Aguilar and Member Mestler agreed.

Member Araiza thought the important thing is that you see the trees and lose the building. That way when you look at this site, you will see the mountains in the background and the trees and the building will disappear.

Member Alberdi agreed with Member Araiza. It should look like a functional building and it should not try to look like something else. He agreed that the building should try to blend with the landscaping color-wise so it just disappears.

MSC (Aguilar/Araiza) to approve the project with the conditions outlined in the staff report. Vote: (4-0-0-1) with Morlon absent.

4. PUBLIC HEARING: Consideration of the following application files by PG&E Dispersed Generation, LLC for 3497 Main Street – Special Use Permit to allow a Peak Load Power Plant.

Background: Brian Hunter, Planning and Environmental Manager, reported that the applicant has submitted an application for a Special Use Permit to allow the siting of a Peak Load Power Plant at 3497 Main Street, a site located 800 feet south of Main Street adjacent to the Otay River. The project consists of one natural gas twinpak combustion turbine, gas compressor, electrical generator, and associated equipment. Along the eastern boundary is an access road, which would contain an underground gas pipeline that would connect to the existing gas pipeline on Main Street. No fuel would be stored on site and the site is not proposed to be paved. The entire property would be surrounded by a 10 foot high chain link fence with opaque screening slats and landscaping on the outside.

An air-cooled gas turbine would be contained within an enclosed structure and the turbine would be fitted with air pollution control equipment, noise suppression devices and an exhaust stack. The height of the exhaust stack is 45 feet and although the height limit for this zone is 45 ft., there is no height limit per the Municipal Code for electrical power plants.

There is an electrical substation that is located to the north of the generator that would convert the electrical output to 69,000 volts and would tap into the existing 69,000 volt line that runs along the eastern edge of the site and goes back up to Main Street.

The site would be unmanned and would be remotely operated.

Staff Recommendation: That the Planning Commission adopt the resolution recommending that the Redevelopment Agency adopt the Mitigated Negative Declaration and approve the Special Use Permit in accordance with the Redevelopment Agency Resolution based on the findings of fact and subject to the conditions contained therein.

Commission Discussion:

Chair Thomas asked if street improvements could be incorporated as a condition to the project.

Mr. Hunter responded that it is not a street, but rather, an access easement. A condition has been included which addresses what will happen in the future if there is a need for a dedication, as determined by the City Engineer. The access easement will be improved to the requirements of the Fire Department in that it will be an all-weather, 20 foot wide access road.

Commissioner Castaneda inquired if a condition could be made directing the applicant to incorporate landscaping improvements on the northerly property that abuts Main Street.

Elizabeth Hull, Deputy City Attorney responded that staff could take that under advisement and will look into it before this item goes to the Redevelopment Agency, and if possible and appropriate, will include a condition to that effect.

Public Hearing Opened 7:45

Dale Mesley, 100 Pine Street, San Francisco, representing PG&E National Energy Group, stated that the purpose of this facility is to generate electricity to meet peak load periods during the summer. It is anticipated that it will operate a maximum of 16 hours a day from June through October. The other reason for the facility is to support the transmission and distribution system. With an increase in electric use, the transmission lines become over-loaded and to alleviate that, you either need to add more transmission lines, or you can add localized generation to offset that need, which is what this facility is intended for. It is also intended to provide voltage support to the system because when the system becomes overloaded, the voltage starts to diminish and can actually cause brown-outs.

The criteria for siting these facilities are that it be located inside the load center as close to a substation as possible and as close to a high pressure natural gas line, which are met for this proposal. All regulatory requirements must be met, and this project requires an Air Pollution Control authorization to construct, which has been issued by the APCD. This facility is not required to be licensed by the Energy Commission as their threshold is 50 megawatts and above; this facility will be approximately 44 megawatts.

Noise and run-off water are the two major environmental issues that have been identified. The river basin supports several sensitive species and the OVRP Plan contains guidelines indicating that noise levels shall not exceed 60 dba at the property line. The applicant intends to fully adhere to these standards.

As it relates to air emissions, the facility would utilize state-of-the-art technology known as Best Available Control Technology. This facility will be the cleanest plant of its type in the State of California.

As previously stated, this will be an unmanned facility and they will have inspector s going from site to site inspecting other facilities throughout San Diego County to ensure that everything is working properly. During the peak season, the inspections take place every day; during the off-season they occur 2 to 3 times per week.

As it relates to storm run-off, the site is sloped to the south and currently drains into the river bottom. This is proposed to continue, with grading directing run-off into a catch basin at the southwest corner, which will go through a filtering system.

The transformer contains approximately 15,000 gallons of transformer oil, which could potentially leak or break if an earthquake were to occur, therefore, the containment area is design to contain 150% of the oil with a back-up containment basin. If there is oil or contamination within the containment, a pump truck would be called in and it would be cleaned out according to DEH procedures.

When there is a rainstorm and the containment area is filled with rain water that is released into the catch basins, the procedures from DEH are that it be inspected and if it is clear, it can then be released, but if you are releasing to the river bottom you need to take a sample and have it tested. They plan to modify the design so that the secondary containment go into the sewer system.

Public Hearing Closed 8:05.

MSC (Willett/O'Neill) (6-0-1-0) that the Planning Commission adopt the resolution recommending that the Redevelopment Agency adopt the Mitigated Negative Declaration and approve the Special Use Permit in accordance with the Redevelopment Agency Resolution based on the findings of fact and subject to the conditions contained therein. Motion carried.

5. **PUBLIC HEARING:** **PCS-00-03; Tentative Subdivision Map knows as Eastlake Trails North Chula Vista Tract 00-03 for a 207 lot subdivision on 30.6 acres at the southeast corner of Otay Lakes Road and Hunte Parkway. Eastlake Company.**

Background: Jeff Steichen, Associate Planner reported that the applicant submitted a request for approval of a Tentative Subdivision Map within the Eastlake Trails Master Planned Community. The project site is 30.6 acres and is located at the southeast corner of Otay Lakes Road and Hunte Parkway.

The proposal is to subdivide the site into 207 single family and 4 open space lots. To the north, across Otay Lakes Road is the future site of Eastlake Woods, which is part of the Eastlake III development currently being planned. To the west, across Hunte Parkway is the existing Eastlake Greens development. To the south and east, is the remaining portion of Eastlake Trails, most of which was recently developed.

On May 4, 1999, the City Council approved the Master Tentative Map for the entire Eastlake Trails development. This Map created 749 individual single family lots as well as 4 super lots. The 4 super lots will add an additional 394 units for a total of 1,143 units. The first of the two super lots (TS-7 and TN-7) will be developed with multi-family products. TS-7 is currently being developed for 96 condominium unts and TN-7 will accommodate 90 future multi-family units. The remaining two super lots are identified as parcels as TN-5 and TN-6. These two parcels together constitutes the project site earmarked for a total of 207 of the 394 additional units anticipated by the Master Tentative Map.

The Site Utilization Plan for Eastlake Trails identifies the area in proximity to the project as Parcel R-4. This entire parcel is targeted to accommodate 533 units. The project site is a portion of Parcel R-4 and it proposes 207 units, which when added to the 325 units previous approved, adds up to just 1 less than the 533 target units, thus the proposed Tentative Map is consistent with the Site Utilization Plan.

Staff Recommendation: That the Planning Commission approve Resolution PCS-00-03 recommending that the City Council approve Tentative Subdivision Map Chula Vista Tract 00-03 in accordance with the City Council Resolution.

MSC (Willett/Thomas) (6-0-1-0) That the Planning Commission approve Resolution PCS-00-03 recommending that the City Council approve Tentative Subdivision Map Chula Vista Tract 00-03 in accordance with the City Council Resolution. Motion carried.

Mitigated Negative Declaration

ATTACHMENT 4

PROJECT NAME:	**PEAK LOAD POWER PLANT**
PROJECT LOCATION:	3497 Main Street, Chula Vista, CA
ASSESSOR'S PARCEL NO.:	629-06-204
PROJECT APPLICANT:	PG&E Dispersed Generation, LLC
CASE NO.:	IS-00-39 DATE: June 23, 2000 (Revised 7/20/00 to reflect comments from RCC meeting of 7/17/00)

A. PROJECT SETTING

The project site is located at 3497 Main Street in the City of Chula Vista, CA. The property consists of one legal parcel (APN 629-062-04-00) that has no frontage on Main Street. The property is approximately 835 feet south of Main Street. A 20'± private easement road provides access to the site. The road is partially paved.

On-Site Land Use

The site is currently used as an operation and storage site by three small businesses – a house moving equipment company, a sandblasting equipment company, and an auto towing company. Structures on-site include (1) a high-bay steel garage 43' x 14' x 18' high, (2) a 10' x 10' office/toilet building, and (3) a small 10' x 15' x 9 high portable, wooden office building on the southern portion of the property. A security fence surrounds the property.

The entire site has been graded and some areas improved with pea gravel or coarse sand. The southern portion of the site has been filled with imported soils. The site drains to the south into the Otay River, and to the west into a drainage swale that empties into the Otay River.

A 20'± sewer easement crosses the northern end of the site. A covered manhole is located near the western property line. Water from the Sweetwater Authority is available in the access road a few feet south of Main Street. A north-south 69 kV power line is located along the eastern property line.

Surrounding Land Uses

The properties to the north and east are occupied by auto storage and wrecking yards. The property to the west is vacant, but was previously used as a trailer storage yard. The surrounding area south of Main Street is characterized by similar auto storage and dismantling activities. A single-family home residential area is located across the vacant lot to the west. The Otay River is located along the property's southern boundary.

B. PROJECT DESCRIPTION

The planned facility would consist of one natural gas twinpak combustion turbine, gas compressor, electrical generator, and associated equipment. An underground gas pipeline in the access road would connect to the existing gas pipeline in Main Street. No fuel would be stored on site. The site is not proposed to be paved.

The air-cooled gas turbine (approximately 70 feet in length, 15 feet wide and 11 feet high) would be within an enclosure 100 feet in width, 80 feet long and 25 feet high. Water use would be limited to on-site domestic use, inlet chilling and combustor water injection (if utilized). Small cooling towers would be required for the inlet chilling system. The turbine would be fitted with air pollution control equipment, noise suppression devices and exhaust stack. The Selective Catalytic Reduction (SCR) air pollution control equipment would use ammonia injection and be approximately 70 feet in length, 35 feet wide and 40 feet high. The exhaust stack would be 15 wide, 20 long and 45 feet high. A nuisance fluid (turbine and gear box seepage) collection system

and storage vault would be located within the turbine enclosure. The fluids would be removed by a licensed disposal firm on an as-needed basis.

An on-site electrical substation would transform the electric output to 69,000 volts. The facility would tap into the existing 69,000-volt line along the eastern edge of the site. This overhead 69,000-volt transmission line may require upgrading with larger, higher capacity, wires. If required, San Diego Gas and Electric would be responsible for the re-wiring.

The facility would be unmanned and remotely operated by PG&E Dispersed Generating Company control center personnel. PG&E DG personnel or a local subcontractor would routinely inspect, service and maintain the facility. It is anticipated that operating and maintenance personnel would visit the facility 2 to 3 times per week. Vehicular traffic would be limited to operating and maintenance vehicles. Major overhauls of the turbine generators and pollution control equipment would occur every two years and require 2 to 3 weeks to complete by a crew of 10 to 15 technicians.

Grading and Drainage

The project site is a graded pad adjacent to the Otay River. Finish grading required for the project involves 2,578 cu.yds of earthwork. The maximum cut slope height would be four feet at the project site entrance.

Existing on-site drainage pattern flows southerly to the property line and westerly into a drainage swale that empties into the Otay River. The existing drainage swale is part of the City of Chula Vista storm drain system that conveys runoff from north of Main Street to the Otay River. This storm drain system would remain in its current condition with no alterations.

The proposed grading would direct surface runoff to a catch basin with a built-in filtration system in the southwest corner of the site. An 18-inch RCP storm drain would convey surface runoff to a headwall and energy dissipator located in an existing drainage swale immediately southwest of the project site. Development of the site would result in a negligible increase in the rate of surface runoff. The site would not be paved with impervious surfaces.

Stormwater Management

The facility will have two containment areas and a containment pond to minimize the potential release of non-storm water materials (transformer oil, aqueous ammonia) into the Otay River. The aqueous ammonia tank and electrical switchyard containment areas would be sized to hold 150% of the tank volume of ammonia and electrical transformer oil, respectively. The containment areas would also be sized to hold 150% of the rainfall falling within a containment area during a 100-year storm event. The switchyard facility, containing transformers filled with non-PCB oil, would be surrounded by a containment dike. In the event that an oil leak occurs, all oil would be contained within the diked area. The 12,000-gallon aqueous ammonia tank would also be enclosed within a containment dike. In the event of an ammonia tank leak, all ammonia would be contained within the diked area. The plant operator/maintenance personnel would inspect the containment areas during their normal plant inspections. In the event of an oil or ammonia leak, the containment basins would be pumped out and disposed of as required County of San Diego Department of Environmental Health (DEH) and Regional Water Quality Control Board (RWQCB) regulations.

The switchyard and ammonia tank containment areas would be connected to a containment pond designed to prevent the release of non-storm water materials into the storm water drain system. The plant operator/maintenance personnel would inspect the switchyard and aqueous ammonia containment areas during and after rainstorms. If oil or ammonia are not present, the storm water in the containment areas would be released into the containment pond. Storm water collected in the diked containment areas would be pumped into a tank truck for removal from the site as required by City, DEH, and RWQCB regulations.

After storm water is transferred to the containment pond it would be inspected a second time for oil, ammonia or other contaminants. If none are present, the operator/maintenance personnel would open the valves releasing the storm water into the sewer system. If contaminants are present, the containment pond would be pumped out and the materials disposed of as required by City, DEH, and RWQCB regulations

4-25

The facility will be required to obtain a State Industrial Activities Storm Water General Permit as required by Federal Regulations (40CFR, Parts 122,123, and 124) that implement the Clean Water Act of 1987. The goal of the permit is to reduce or eliminate stormwater pollution and other impacts to surface waters from industrial sites. The stormwater permit requires operators of industrial facilities to develop a Stormwater Pollution Prevention (SWPP) Plan. The Plan would identify existing and potential sources of stormwater pollution, and describe how the facility would reduce or eliminate the potential for stormwater pollution. The SWWPP Plan would outline the facilities stormwater contaminant assessment (high quantities of suspended solids). The plan would display a stormwater site map identifying drainage patterns, discharge structures and points, paved areas and buildings, areas of pollutant contact, and areas with soil erosion potential. The plan would include Best Management Practices (BMP's) to reduce the potential for stormwater pollution that include good housekeeping, preventive maintenance, spill clean-up procedures, stormwater flow control features, and employee training. The plan would identify practices and facility features designed to control pollution at its source. Another requirement is the development and implementation of a stormwater-monitoring plan in conjunction with the SWPP plan. PG&E Dispersed Generating Company would work closely with the Regional Water Quality Control Board (RWQCB) to determine BMP's and identify the most effective way to design features to control potential storm water contamination.

C. COMPLIANCE WITH ZONING AND PLANS

The facility is designed to be consistent with all governmental codes and regulations, including the Chula Vista IL industrial zone, conditions that may be included in the Conditional Use Permit, the conditions of the San Diego Air Pollution Control District Authority to Construct and Permit to Operate, and San Diego County Department of Environmental Health Permit for the ammonia storage tank.

D. IDENTIFICATION OF ENVIRONMENTAL EFFECTS

An Initial Study conducted by the City of Chula Vista (including the attached Environmental Checklist form) determined that the proposed project will have significant environmental biological resources and noise effects that can be mitigated to a less than significant level, and the preparation of an Environmental Impact Report will not be required. This Mitigated Negative Declaration has been prepared in accordance with Section 15070 of the State CEQA Guidelines.

Biological Resources

The project site was surveyed by Vincent N. Scheidt, biological consultant, on March 21 and April 29, 2000. The site and adjacent areas were surveyed each day, with particular attention given to areas where riparian birds were most likely to be found. The site is devoid of vegetation except for exotic plant material located in the drainage swale along the western property boundary. No animal species are present on-site. The site has not served as a wildlife dispersal corridor because the property has been fenced for several years. The area immediately south of the project site is a heavily vegetated riparian habitat associated with the Otay River. The Otay Valley Regional Park Concept Plan and the City of Chula Vista Multiple Species Conservation Program (MSCP) Subarea Plan identifies the adjacent area as "open space/preserve area."

Riparian woodland vegetation is present immediately beyond the southern fence line of the property. Indicators in this habitat include Black and Arroyo Willow *(Salix gooddingii, S. lasiolepis)*, Mule Fat *(Baccharis glutinosa)*, San Diego Marsh Elder *(Iva hayesiana)*, American Bulrush *(Scirpus olneyi)*, and Cattails *(Typha latifolia)*. Also present in and along the periphery of the riparian area are noxious and weedy species, including Castor Bean *(Ricinus communis)*, Tamarisk *(Tamarix)*, Giant Wild Reed *(Arundo donax)*, Indian Rice Grass *(Oryzopsis miliacea)*, and others. These have degraded the riparian habitat to a degree, although this wetland is still of regional significance to area wildlife.

The only animals associated with the project site itself are locally common species, such as Housefinch *(Carpodacus mexicanus)*, English Sparrows *(Passer domesticus)*, House Mouse *(Mus musculus)*, Western Fence Lizards *(Sceloporus occidentalis)* and other vertebrates that are tolerant of or dependent upon development. The riparian area, however, supports a diversity of native species, including Song Sparrows *(Melospiza melodia)*, Yellow Warblers *(Dendroica petechia)*, Least Bell's Vireos *(Vireo bellii pusillus)*, and others.

4-26

Utilization of the site will have no direct, adverse impacts to area wildlife or sensitive species. Only insignificant impacts, as defined by CEQA, to locally common species and weeds will result from site development. However, indirect impacts are considered potentially adverse and significant, as defined by CEQA. A number of obligate riparian songbirds were detected during the surveys for this report, including several sensitive species, and others are anticipated to occur in this area. These species could be adversely affected by noise created by the construction of the proposed power generating facility. Mitigation measures listed in the attached Mitigation Monitoring and Reporting Program would reduce the potential impacts to a less than significant level.

Noise

Noise sources associated with the proposed project can be identified within three categories: (1) construction noise; (2) mobile noise sources, generally consisting of noise from cars and trucks; and (3) stationary mechanical equipment operation. The Chula Vista Municipal Code exempts construction and demolition activities from its exterior noise level limitations. However, most municipalities consider construction activities on Sunday or Nighttime as intrusive. Construction noise will usually exceed typical background noise levels but will generally be for a short term and will generally occur during daytime hours on weekdays and Saturdays. Mobile noise sources after construction is completed will consist of operations and maintenance vehicles that will contribute negligible overall noise to the area and will not further be considered.

Noise from the stationary mechanical equipment will come from five dominant sources:

- The two separate engine air intakes and single turbine exhaust. Full acoustic data is not currently available for these engines; however, initial engineering estimates are for each of these three openings generate about 140 dB(A) directly at the opening.

- Direct noise radiation from the equipment, a currently unknown sound level, is estimated to be a maximum of 105 to 115 dB(A).

- The high pressure reciprocating natural gas compressor is estimated to operate at 100 dB(A) at a distance of 10 feet from the unit. This is based on data taken at other natural gas compressors. The manufacturer will supply actual data at the time of unit specification.

- The high volume air blower for generator cooling is estimated it to operate at 100 dB(A) at intake and exhaust openings. Full acoustic data is not currently available for the blower.

- Noise data for the absorption chillers and pumps, to be located inside the turbine enclosure, is not currently available. The manufacturer will supply sound data at the time of unit specification.

The stationary mechanical equipment could produce noise levels as high as 130 dB(A) at the property line if noise control measures are not included in the plant design. Precise noise data for each component in the plant is not available at this time because specific pieces of equipment to be installed have not been selected. Consequently, it is not possible to provide a final noise control system design at this time.

A variety of conventional noise reduction techniques would be included in the plant design. Noise reduction techniques would be installed, as needed, to reduce noise levels to 60 dB at the property line. Noise reduction techniques that would be utilized have noise reduction characteristic as follows:

Technique	Noise Reduction
In Line Silencer	2 to 5 dB per foot
Louvers	10 to 20 dB per unit
Lined Right Angle Turns in Ducts	4 to 8 dB per turn
Lined Covers at Inlet/Exhaust	4 to 8 dB (one per unit)
Noise Containment Walls	6 to 18 dB per unit

4-27

Note: The actual values of sound reduction are frequency and unit dependent. These values are intended only as an overview of capabilities.

As can be seen from the above list, 20 feet of silencer at 3 dB per foot (60 dB) plus two right angle turns (6 dB / turn), a louver (15 dB), and a cover (6 dB), provide approximately 93 dB reduction in noise. Therefore, noise from each of two combustion engine inlets at 140 dB(A) should be reduced to 47 dB(A). While this is relatively quiet, it should be noted that if all of the individual noise generating components are summed after reduction to an equivalent level for the five known listed noise generating components listed above, the sum of the noise would equal almost 57 dB(A). This analysis is not intended as a final description of techniques for this project. The final analysis would include specific details including full frequency analysis for each system component.

Portions of the project require special consideration for the noise mitigation systems. These include:

- The 900-degree (Fahrenheit) system exhaust. This will require silencing systems designed to ensure ongoing system functionality.
- The high-pressure natural gas compressor. The State of California mandates open-air ventilation requirements; these must be maintained by the noise quieting system.

A six-step mitigation program has been prepared that assures compliance with the City of Chula Vista Noise Ordinance standards and the 60 dB(A) guideline contained in the City of Chula Vista draft MSCP Subarea Plan. The six-step mitigation program is contained in the attached Noise Mitigation and Monitoring Program. A final set of mitigation measures will be formulated during the design and construction phase to address precise noise data from each component piece of equipment to be installed. Implementation of the specific noise attenuation mitigation program would reduce noise impacts to 60 dB(A) at the property line and result in a less than significant level of noise impact.

E. MITIGATION NECESSARY TO AVOID SIGNIFICANT IMPACTS

Project-specific mitigation measures are required to reduce potential environmental impacts identified in the Initial Study to a less than significant level. The mitigation measures will be made a condition of approval, as well as requirements of the attached Mitigation Monitoring and Reporting Program (Attachment "A").

I agree to implement the mitigation measures required as stated in the Mitigation Monitoring and Reporting Program attached to this Mitigated Negative Declaration.

Sr. V.P. — 7/28/00

Name, Title — Date

F. CONSULTATION

1. City of Chula Vista:

Bryon Estes, Redevelopment Coordinator
Miguel Tapia, Senior Community Development Specialist
Benjamin Guerrero, Environmental Projects Manager
Marilyn R. F. Ponseggi, Environmental Review Coordinator
Captain Edward Thomas, Fire Marshall
Samir Nuhaily, Engineering Department
Beverly Blessent, Planning Division
Ralph Leyva, Engineering Department
M.J. Donnelly, Engineering Department
Scott Harris, Plans Examiner
Elizabeth W. Hull, Deputy City Attorney

Applicant's Agent:
Dale Mesplé.

Biological Consultant
Vincent N. Scheidt (Douglas Eilar and Associates)

Acoustician
Charles Terry (Douglas Eilar and Associates)

2. Documents

Chula Vista General Plan (1989) and EIR (1989)
Title 19, Chula Vista Municipal Code
Biological Survey Report, (May 2000) Vincent N. Scheidt, Biological Consultant
Noise Impact Analysis, (May 24, 2000) Douglas Eiler & Associates, Env'l & Acoustical Consultants

G. INITIAL STUDY

This environmental determination is based on the attached Initial Study, any comments received on the Initial Study and any comments received during the public review period for this negative declaration. The report reflects the independent judgement of the City of Chula Vista. Further information regarding the environmental review of this project is available from the Chula Vista Planning Department, 276 Fourth Avenue, Chula Vista, CA 91910.

Brian Hunter
Planning & Environmental Manager, CD

Date: 6-23-00

4-29

Case No. IS-00-39

ENVIRONMENTAL CHECKLIST FORM

1. **Name of Proponent:** PG&E Dispersed Generation, LLC

2. **Lead Agency Name and Address:** City of Chula Vista
276 Fourth Avenue
Chula Vista, CA 91910

3. **Address and Phone Number of Proponent:** 100 Pine St., Ste. 2860
San Francisco, CA 94111
(415) 675-6472

4. **Name of Proposal:** **Peak Load Electrical Power Plant**

5. **Date of Checklist:** June 23, 2000 (Revised 7/20/00 to reflect comments from RCC meeting of 7/17/00)

	Potentially Significant Impact	Potentially Significant Unless Mitigated	Less than Significant Impact	No Impact
I. LAND USE AND PLANNING. *Would the proposal:*				
a) Conflict with general plan designation or zoning?	☐	☐	☐	☒
b) Conflict with applicable environmental plans or policies adopted by agencies with jurisdiction over the project?	☐	☐	☐	☒
c) Affect agricultural resources or operations (e.g., impacts to soils or farmlands, or impacts from incompatible land uses)?	☐	☐	☐	☒
d) Disrupt or divide the physical arrangement of an established community (including a low-income or minority community)?	☐	☐	☐	☒

Comments: The project site is located at 3497 Main Street in the City of Chula Vista, CA. The property consists of one legal parcel (APN 629-062-04-00) that has no frontage on Main Street. The property is approximately 835 feet south of Main Street. A 20'± private easement road provides access to the site. The road is partially paved.

On-Site Land Use

The site is currently used as an operation and storage site by three small businesses – a house moving equipment company, a sandblasting equipment company, and an auto towing company. Structures on-site include (1) a high-bay steel garage 43' x 14' x 18' high, (2) a 10' x 10' office/toilet building, and (3) a small 10' x 15' x 9 high portable, wooden office building on the southern portion of the property. A security fence surrounds the property.

4-30

	Potentially Significant Impact	Potentially Significant Unless Mitigated	Less than Significant Impact	No Impact

portion of the site has been filled with imported soils. The site drains to the south into the Otay River, and to the west into a drainage swale that empties into the Otay River.

A 20'± sewer easement crosses the northern end of the site. A manhole is located near the western property line. Water from the Sweetwater Authority is available in the access road a few feet south of Main Street. A north south 69 kV power line is located along the eastern property line.

Surrounding Land Uses

The properties to the north and east are occupied by auto storage and wrecking yards. The property to the west is vacant, but was previously used as a trailer storage yard. The surrounding area south of Main Street is characterized by similar auto storage and dismantling activities. A single-family home residential area is located across the vacant lot to the west. The Otay River is located along the property's southern boundary.

Project Description

The facility is designed to be consistent with all governmental codes and regulations, including the Chula Vista IL industrial zone, conditions that may be included in the Conditional Use Permit, the conditions of the San Diego Air Pollution Control District Authority to Construct and Permit to Operate, and San Diego County Department of Environmental Health Permit for the ammonia storage tank.

The planned facility would consist of one natural gas twinpak combustion turbine, gas compressor, electrical generator, and associated equipment. An underground gas pipeline in the access road would connect to the existing gas pipeline in Main Street. No fuel would be stored on site. The site is not proposed to be paved.

The air-cooled gas turbine (approximately 70 feet in length, 15 feet wide and 11 feet high) would be within an enclosure 100 feet in width, 80 feet long and 25 feet high. Water use would be limited to on-site domestic use, inlet chilling and combustor water injection (if utilized). Small cooling towers would be required for the inlet chilling system. The turbine would be fitted with air pollution control equipment, noise suppression devices and exhaust stack. The Selective Catalytic Reduction (SCR) air pollution control equipment would use ammonia injection and be approximately 70 feet in length, 35 feet wide and 40 feet high. The exhaust stack would be 15 wide, 20 long and 45 feet high.

An on-site electrical substation would transform the electric output to 69,000 volts. The facility would tap into the existing 69,000-volt line along the eastern edge of the site. This overhead 69,000-volt transmission line may require upgrading with larger, higher capacity, wires. If required, San Diego Gas and Electric would be responsible for the re-wiring.

The facility would be unmanned and remotely operated by PG&E Dispersed Generating Company (PG&E DG) control center personnel. PG&E DG personnel or a local subcontractor would routinely inspect, service and maintain the facility. It is anticipated that operating and maintenance personnel would visit the facility 2 to 3 times per week. Vehicular traffic would be limited to operating and maintenance vehicles. Major overhauls of the turbine generators and pollution control equipment would occur every two years and require 2 to 3 weeks to complete by a crew of 10 to 15 technicians.

II.	**POPULATION AND HOUSING.** *Would the proposal:*				
	a) Cumulatively exceed official regional or local population projections?	☐	☐	☐	☒

	Potentially Significant Impact	Potentially Significant Unless Mitigated	Less than Significant Impact	No Impact
b) Induce substantial growth in an area either directly or indirectly (e.g., through projects in an undeveloped area or extension of major infrastructure)?	☐	☐	☐	☒
c) Displace existing housing, especially affordable housing?	☐	☐	☐	☒

Comments: Implementation of the project would not create any additional employment opportunities or housing units in the area. The facility would be unmanned and remotely operated by PG&E DG control center personnel. There are no housing units located on the property. No significant population or housing impacts would result from construction and operation of the facility.

III. GEOPHYSICAL. *Would the proposal result in or expose people to potential impacts involving:*				
a) Unstable earth conditions or changes in geologic substructures?	☐	☐	☐	☒
b) Disruptions, displacements, compaction or overcovering of the soil?	☐	☐	☒	☐
c) Change in topography or ground surface relief features?	☐	☐	☒	☐
d) The destruction, covering or modification of any unique geologic or physical features?	☐	☐	☐	☒
e) Any increase in wind or water erosion of soils, either on or off the site?	☐	☐	☒	☐
f) Changes in deposition or erosion of beach sands, or changes in siltation, deposition or erosion which may modify the channel of a river or stream or the bed of the ocean or any bay inlet or lake?	☐	☐	☒	☐
g) Exposure of people or property to geologic hazards such as earthquakes, landslides, mud slides, ground failure, or similar hazards?	☐	☐	☐	☒

Comments: The site is underlain with stream-terrace deposits (QT) that occur locally as a thin veneer along larger drainage courses. The deposits include unconsolidated sand and gravel derived locally from the sedimentary, igneous, and metamorphic rocks of the area. The southern portion of the site has been filled with material from an unknown source. The site has been graded to a level pad.

The soils on the site consist of Huerhuero loam (HrC) with a 2-9% slope. These soils are noted as having a very slow infiltration rate when thoroughly wetted, consisting chiefly of (1) clay soils with a high swelling potential, (2) soils with a high permanent water table, (3) soils with claypan or clay layer at or

	Potentially Significant Impact	Potentially Significant Unless Mitigated	Less than Significant Impact	No Impact

near the surface, and (4) shallow soils over nearly impervious materials. These soils are also rated as having a moderate erosion hazard.

Grading and Drainage

The project site is a graded pad adjacent to the Otay River. Finish grading required for the project involves 2,578 cu.yds of earthwork. The maximum cut slope height would be four feet at the project site entrance.

The existing on-site drainage pattern is to the southern property line and the Otay River and to the west where runoff flows from the property into the Otay River. The existing drainage swale is part of the City of Chula Vista storm drain system that conveys runoff from north of Main Street to the Otay River. The existing storm drain system would remain in its current condition with no alterations.

The proposed grading would direct surface runoff to a catch basin with a built-in filtration system in the southwest corner of the site. An 18-inch RCP storm drain would convey surface runoff to a headwall and energy dissipator located in an existing drainage swale immediately southwest of the project site. Development of the site would result in a negligible increase in the rate of surface runoff. The site would not be paved with impervious surfaces. No significant impacts to water resources have been identified and no mitigation measures are required.

No significant geophysical impacts would result from the construction and operation of the plant. The Engineering Department as a standard requirement of grading permit approval would require a soils report and compliance with the applicable recommendations.

Source: Michael P. Kennedy and Siang S. Tan, Geology of National City, Imperial Beach and Otay Mesa Quadrangles, Southern San Diego Metropolitan Area, California, 1977

Source: U.S. Department of Agriculture, Soil Conservation Service, Soil Survey, San Diego Area, California, December 1973.

IV. **WATER.** *Would the proposal result in:*				
a) Changes in absorption rates, drainage patterns, or the rate and amount of surface runoff?	☐	☐	☒	☐
b) Exposure of people or property to water related hazards such as flooding or tidal waves?	☐	☐	☐	☒
c) Discharge into surface waters or other alteration of surface water quality (e.g., temperature, dissolved oxygen or turbidity)?	☐	☐	☒	☐
d) Changes in the amount of surface water in any water body?	☐	☐	☐	☒
e) Changes in currents, or the course of direction of water movements, in either marine or fresh waters?	☐	☐	☐	☒
f) Change in the quantity of ground waters, either through direct additions or withdrawals, or through interception of an aquifer by cuts or	☐	☐	☐	☒

	Potentially Significant Impact	Potentially Significant Unless Mitigated	Less than Significant Impact	No Impact
excavations?				
g) Altered direction or rate of flow of groundwater?	☐	☐	☐	☒
h) Impacts to groundwater quality?	☐	☐	☐	☒
i) Alterations to the course or flow of flood waters?	☐	☐	☐	☒
j) Substantial reduction in the amount of water otherwise available for public water supplies?	☐	☐	☐	☒

Comments: The only portions of the site that would be paved are the turbine and equipment enclosure and the electrical substation. The paved area would include approximately 14,000 sq. ft. (8-percent of the 3.8-acre site). A negligible increase in the rate and volume of runoff would occur as a result of the proposed development.

The existing drainage pattern would be maintained (see Section I above). Development of the project would result in a less than significant increase in the rate and volume of surface runoff. The containment system described in Section I above would reduce the potential for contaminants in the storm water runoff to a less than significant level.

The Federal Emergency Management Administration (FEMA) floodplain maps show the site as being within a 100-year floodplain. However, the FEMA maps were prepared prior to the filling of the site that occurred several years ago. The FEMA maps indicate the 100-year floodplain level at the site is 44 feet Above Mean Sea Level (AMSL). However, the site has been filled to a minimum elevation of 55 feet AMSL. Thus, the site is 10 to 11 feet above the 100-year floodplain level. The project would result in a less than significant impact to the Otay River valley floodplain and downstream waters.

No groundwater extraction is proposed. The containment system described in Section I above would reduce the potential for groundwater contamination to a less than significant level.

Stormwater Management

The facility will have two containment areas and a containment pond to minimize the potential release of non-storm water materials (transformer oil, aqueous ammonia) into the Otay River. The aqueous ammonia tank and electrical switchyard containment areas would be sized to hold 150% of the tank volume of ammonia and electrical transformer oil, respectively. The containment areas will also be sized to hold 150% of the rainfall falling within a containment area during a 100-year storm event. The switchyard facility, containing transformers filled with non-PCB oil, would be surrounded by a containment dike. In the event that an oil leak occurs, all oil would be contained within the diked area. The 12,000-gallon aqueous ammonia tank would also be enclosed within a containment dike. In the event of an ammonia tank leak, all ammonia would be contained within the diked area. The plant operator/maintenance personnel would inspect the containment areas during their normal plant inspections. In the event of an oil or ammonia leak, the containment basins would be pumped out and disposed of as required County of San Diego Department of Environmental Health (DEH) and Regional Water Quality Control Board (RWQCB) regulations.

The switchyard and ammonia tank containment areas would be connected to a containment pond designed to prevent the release of non-storm water materials into the storm water drain system. The plant operator/maintenance personnel would inspect the switchyard and aqueous ammonia containment areas during and after rainstorms. Storm water collected in the diked containment areas would be pumped into a tank truck for removal from the site as required by City, DEH, and RWQCB regulations. If oil or ammonia are not present, the storm water in the containment areas would be released into the containment

	Potentially Significant Impact	Potentially Significant Unless Mitigated	Less than Significant Impact	No Impact

pond.

After storm water is transferred to the containment pond it would be inspected a second time for oil, ammonia or other contaminants. If none are present, the operator/maintenance personnel would open the valves releasing the storm water into the sewer system. If contaminants are present, the containment pond would be pumped out and the materials disposed of as required by City, DEH, and RWQCB regulations. Back up warning devices on the valves will warn operators if the valves are inadvertently left open.

The facility will be required to obtain a State Industrial Activities Storm Water General Permit as required by Federal Regulations (40CFR, Parts 122,123, and 124) that implement the Clean Water Act of 1987. The goal of the permit is to reduce or eliminate stormwater pollution and other impacts to surface waters from industrial sites. The stormwater permit requires operators of industrial facilities to develop a Stormwater Pollution Prevention (SWPP) Plan. The Plan would identify existing and potential sources of stormwater pollution, and describe how the facility would reduce or eliminate the potential for stormwater pollution. The SWWPP Plan would outline the facilities stormwater contaminant assessment (high quantities of suspended solids). The plan would display a stormwater site map identifying drainage patterns, discharge structures and points, paved areas and buildings, areas of pollutant contact, and areas with soil erosion potential. The plan would include Best Management Practices (BMP's) to reduce the potential for stormwater pollution that include good housekeeping, preventive maintenance, spill clean-up procedures, stormwater flow control features, and employee training. The plan would identify practices and facility features designed to control pollution at its source. Another requirement is the development and implementation of a stormwater-monitoring plan in conjunction with the SWPP plan. PG&E Dispersed Generating Company would work closely with the Regional Water Quality Control Board (RWQCB) to determine BMP's and identify the most effective way to design features to control potential storm water contamination.

V. AIR QUALITY. *Would the proposal:*				
a) Violate any air quality standard or contribute to an existing or projected air quality violation?	☐	☐	☐	☒
b) Expose sensitive receptors to pollutants?	☐	☐	☐	☒
c) Alter air movement, moisture, or temperature, or cause any change in climate, either locally or regionally?	☐	☐	☐	☒
d) Create objectionable odors?	☐	☐	☐	☒
e) Create a substantial increase in stationary or non-stationary sources of air emissions or the deterioration of ambient air quality?	☐	☐	☐	☒

Comments: The power plant consists of a simple cycle, natural gas-fired turbine operating at not more than 15,600 Btu/kW-hr with a net output not greater than 49.5 MW and heat input of 764.4 MMBtu/hr. The turbine would operate not more than 15.75 hours/day and not more than 4,980 hours/year. Startup and shutdown of the units would be limited to ensure operation would not exceed Air Quality Impact Analysis (AQIA) threshold levels. A Selective Catalytic Reduction (SCR) unit with an ammonia injection grid would be installed for control of oxides of nitrogen (NOx) emissions. A high temperature SCR system would be used to control NOx emissions to not more that 5 ppm @ 15% O2. Ammonia slip would be limited to 10 ppm @ 15% O2. Natural gas firing and good, efficient combustion practices would be used to minimize particulate matter (PM10), oxides of sulfur (SOx), and volatile organic compounds

	Potentially Significant Impact	Potentially Significant Unless Mitigated	Less than Significant Impact	No Impact

(VOC) emissions. Gas turbine operations would comply with Rule 69.3.1, as well as with other Air Pollution Control District (APCD) rules associated with fossil fuel fired operations.

A Best Available Control Technology (BACT) evaluation was prepared in fulfillment of the current San Diego APCD Regulation II, Rules 20.1 through 20.9, New Source Review (NSR). The BACT evaluation addressed control of NOx, VOC, PM10, SO2 and NH3 emissions from the proposed turbine. Annual NOx emissions from the site would be below major stationary source and AQIA thresholds. The BACT Evaluation submitted to the APCD demonstrated that the proposed turbine installation would be in compliance would all applicable emission rules, and that the emissions would be below the standards established by the APCD. No significant air quality impacts would result from the operation of the proposed turbine facility.

Source: PG&E Dispersed Generating Company, LLC, Application for Authority to Construct Chula Vista Power Plant Submitted to San Diego Air Quality Pollution Control District, January 6, 2000.

VI.	**TRANSPORTATION/CIRCULATION.** *Would the proposal result in:*				
	a) Increased vehicle trips or traffic congestion?	☐	☐	☐	☒
	b) Hazards to safety from design features (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	☐	☐	☐	☒
	c) Inadequate emergency access or access to nearby uses?	☐	☐	☐	☒
	d) Insufficient parking capacity on-site or off-site?	☐	☐	☐	☒
	e) Hazards or barriers for pedestrians or bicyclists?	☐	☐	☐	☒
	f) Conflicts with adopted policies supporting alternative transportation (e.g. bus turnouts, bicycle racks)?	☐	☐	☐	☒
	g) Rail, waterborne or air traffic impacts?	☐	☐	☐	☒
	h) A "large project" under the Congestion Management Program? (An equivalent of 2400 or more average daily vehicle trips or 200 or more peak-hour vehicle trips.)	☐	☐	☐	☒

Comments: The facility would be unmanned and remotely operated by PG&E DG control center personnel. PG&E DG personnel or a local subcontractor would routinely inspect, service and maintain the facility. It is anticipated that operating and maintenance personnel would visit the facility 2 to 3 times per week. Vehicular traffic would be limited to operating and maintenance vehicles. Aqueous ammonia would be delivered by tanker truck as needed. During the peak operating period of May through October one to two tanker trucks per week would be required. In the winter season few, if any, deliveries would be required. Major overhauls of the turbine generators and pollution control equipment would occur every two years and require 2 to 3 weeks to complete by a crew of 10 to 15 technicians.

Access to the site would be from Main Street via an existing access road located within a private easement. The access road would be improved as per City of Chula Vista requirements. No hazards to pedestrians or bicyclists would be created. The proposed electrical plant facility would be consistent with

	Potentially Significant Impact	Potentially Significant Unless Mitigated	Less than Significant Impact	No Impact

all local transportation policies, including parking, and would not result in impacts to rail, water, or air traffic. No significant transportation/circulation impacts would occur.

VII. BIOLOGICAL RESOURCES. *Would the proposal result in impacts to:*

a) Endangered, sensitive species, species of concern or species that are candidates for listing?	☐	☒	☐	☐
b) Locally designated species (e.g., heritage trees)?	☐	☐	☐	☒
c) Locally designated natural communities (e.g., oak forest, coastal habitat, etc.)?	☐	☐	☐	☒
d) Wetland habitat (e.g., marsh, riparian and vernal pool)?	☐	☐	☐	☒
e) Wildlife dispersal or migration corridors?	☐	☐	☐	☒
f) Affect regional habitat preservation planning efforts?	☐	☐	☐	☒

Comments: The site is devoid of vegetation except for exotic plant material located in the drainage swale along the western property boundary. No animal species are present on-site. The site has not served as a wildlife dispersal corridor because the property has been fenced for several years. The area immediately south of the project site is a heavily vegetated riparian habitat associated with the Otay River. The Otay Valley Regional Park Concept Plan and the City of Chula Vista Multiple Species Conservation Program (MSCP) Subarea Plan identifies the adjacent area as "open space/preserve area."

Vincent N. Scheidt conducted a focused biological survey of the adjacent area to the south in March and April 2000. Riparian woodland vegetation is present immediately beyond the southern fence line of the property. Indicators in this habitat include Black and Arroyo Willow *(Salix gooddingii, S. lasiolepis)*, Mule Fat *(Baccharis glutinosa)*, San Diego Marsh Elder *(Iva hayesiana)*, American Bulrush *(Scirpus olneyi)*, and Cattails *(Typha latifolia)*. Also present in and along the periphery of the riparian area are noxious and weedy species, including Castor Bean *(Ricinus communis)*, Tamarisk *(Tamarix)*, Giant Wild Reed *(Arundo donax)*, Indian Rice Grass *(Oryzopsis miliacea)*, and others. These have degraded the riparian habitat to a degree, although this wetland is still of regional significance to area wildlife.

The only animal species associated with the project site itself are locally common species, such as Housefinch *(Carpodacus mexicanus)*, English Sparrows *(Passer domesticus)*, House Mouse *(Mus musculus)*, Western Fence Lizards *(Sceloporus occidentalis)* and other vertebrates that are tolerant of or dependent upon development. The riparian area, however, supports a diversity of native species, including Song Sparrows *(Melospiza melodia)*, Yellow Warblers *(Dendroica petechia)*, Least Bell's Vireos *(Vireo bellii pusillus)*, and others.

Utilization of the site will have no direct, adverse impacts to area wildlife or sensitive species. Only insignificant impacts, as defined by CEQA, to locally common species and weeds will result from site development. However, indirect impacts are considered potentially adverse and significant, as defined by CEQA. A number of obligate riparian songbirds were detected during the surveys for this report, including several sensitive species, and others are anticipated to occur in this area. These species could be adversely affected by noise created by the construction of the proposed power generating facility. Mitigation measures listed in the attached Mitigation Monitoring and Reporting Program would reduce the potential

	Potentially Significant Impact	Potentially Significant Unless Mitigated	Less than Significant Impact	No Impact

impacts to a less than significant level.

Noise produced by the operation of the plant could result in adverse impacts to sensitive species occupying the riparian habitat south of the project site. An analysis of plant operation noise is contained in Section X of this Initial Study.

Sources:
City of Chula Vista, Otay Valley Regional Park Concept Plan February 21, 1997, p. 37.
City of Chula Vista, Multiple Species Conservation Program Subarea Plan, January 4, 2000 (Administrative Draft).
Scheidt, Vincent N. A Biological Resources Survey Report for the Proposed PG&E Dispersed Generating Company Power Generating Plant, May 2000.

VIII.	**ENERGY AND MINERAL RESOURCES.** *Would the proposal:*				
a)	Conflict with adopted energy conservation plans?	☐	☐	☐	☒
b)	Use non-renewable resources in a wasteful and inefficient manner?	☐	☐	☐	☒
c)	If the site is designated for mineral resource protection, would this project impact this protection?	☐	☐	☐	☒

Comments: The proposed facility is an electrical power generation plant designed to meet the local and regional electrical requirements as well as providing for regional transmission system and local distribution grid support. Providing transmission and distribution grid support as well as additional electrical capacity would enhance the reliability of electrical service to the San Diego region. The project site does not contain any known mineral resources. No significant energy or mineral resource impacts would occur and no mitigation measures are required.

IX.	**HAZARDS.** *Would the proposal involve:*				
a)	A risk of accidental explosion or release of hazardous substances (including, but not limited to: petroleum products, pesticides, chemicals or radiation)?	☐	☐	☒	☐
b)	Possible interference with an emergency response plan or emergency evacuation plan?	☐	☐	☐	☒
c)	The creation of any health hazard or potential health hazard?	☐	☐	☒	☐
d)	Exposure of people to existing sources of potential health hazards?	☐	☐	☒	☐
e)	Increased fire hazard in areas with flammable brush, grass, or trees?	☐	☐	☐	☒

	Potentially Significant Impact	Potentially Significant Unless Mitigated	Less than Significant Impact	No Impact

Comments: Main Street is identified as an Evacuation Route in the City's General Plan (p. 8-6). The unmanned power plant, located south of Main Street, would not result in a significant impact to the City's emergency response plan or emergency evacuation plan because the plant would not require evacuation. Traffic congestion would not occur as a result of the plant's operation and maintenance.

A Hazardous Materials Business Plan would be prepared in accord with the requirements of the County Department of Environmental Health requirements. The Business Plan would identify emergency response coordination with the City's emergency responders, emergency drills, and associated training.

Hazardous materials that would be used at the proposed plant include transformer oil, lubrication oil, cleaning fluids, and aqueous ammonia used in the control of NOx turbine emissions. The aqueous ammonia is the primary hazardous material of concern for accidental release. The aqueous ammonia would be in a 19% concentration, and would be stored in a single 12,000-gallon tank.

A Risk Management Plan (RMP) that identifies safety procedures, accident prevention, analysis of external events, and emergency response procedures would be submitted to the County of San Diego, Department of Environmental Health, Hazardous Materials Division for approval as required by the California Accidental Release Program (CalARP). The RMP would identify the potential effects of accidental releases and design features to minimize risk. The design features would include containment berms and secondary containment as shown on the project site plan, emergency shutdown procedures, ammonia sensors, training procedures, emergency response, and other safety procedures required by CalARP.

Preliminary modeling prepared for the project indicates no adverse health affects would be experienced under reasonable accident scenarios utilizing on-site control features required by the RMP. Final modeling results would be submitted to the County Department of Environmental Health (DEH). The DEH would issue the RMP for public review and comment; public review is anticipated to occur in July 2000.

Natural gas used to fuel the turbine would be delivered to the site by an extension of the existing underground natural gas line in Main Street. Natural gas from the underground line would be injected directly into the turbine and would not be stored on-site. Automatic shutoff valves would close the gas line in the event of a plant malfunction or ground shaking activity that could allow natural gas to escape to the atmosphere. An automatically operated fire suppression system would be installed at the facility to extinguish gas or electrical fires.

Flammable brush, grass, and trees are not present on-site or on the adjacent properties. The project would not result in a significant fire hazard

X.	**NOISE.** *Would the proposal result in:*				
	a) Increases in existing noise levels?	☐	☒	☐	☐
	b) Exposure of people to severe noise levels?	☐	☒	☐	☐

Comments: The project site is surrounded by industrial land uses to the north, east, and west. The adjacent area to the south, within the City of San Diego, is designated as "open space/habitat preserve." The nearest residential property line is 360 feet west of the project site. The City of Chula Vista MSCP Subarea Plan requires that excessively noisy uses or activities adjacent to breeding areas, including temporary grading activities, must incorporate noise reduction measures or be curtailed during the

Potentially Significant Impact	Potentially Significant Unless Mitigated	Less than Significant Impact	No Impact

breeding season of sensitive bird species. The applicable noise standards are:

- The City of Chula Vista Municipal. Code (§19.68.030) noise standard for light industrial land use areas is 70 dB during the hours of 7:00 A.M. and 10:00 P.M. on weekdays (8:00 A.M. to 10:00 P.M. on weekends) and 70 dB during the hours of 10:00 P.M. and 7:00 A.M. on weekdays (10:00 P.M. to 8:00 A.M. on weekends).

- The City of Chula Vista Municipal. Code (§19.68.030) noise standard for residential land use areas is 55 dB during the hours of 7:00 A.M. and 10:00 P.M. on weekdays (8:00 A.M. to 10:00 P.M. on weekends) and 45 dB during the hours of 10:00 P.M. and 7:00 A.M. on weekdays (10:00 P.M. to 8:00 A.M. on weekends).

- The City of Chula Vista MSCP Subarea Plan (p.64) states that, "Construction noise within 500 feet of an occupied nest for the coastal California gnatcatcher, least Bell's vireo and raptors should not exceed 60 dB during the following periods: February 15 through August 15 for the coastal California gnatcatcher, March 1 through September 15 for the least Bell's vireo, and December 1 through June 31 for raptors. If grading activities are proposed within 500 feet of an occupied nest identified in a pre-construction survey during the applicable breeding season(s), noise reduction techniques, such as temporary noise walls or berms, shall be incorporated into the construction plans to reduce noise levels below 60 dB Leq. Outside the bird breeding season(s), no restrictions shall be placed on temporary construction noise.

Noise sources associated with the proposed project can be identified within three categories: (1) construction noise; (2) mobile noise sources, generally consisting of noise from cars and trucks; and (3) stationary mechanical equipment operation. The Chula Vista Municipal Code exempts construction and demolition activities from its exterior noise level limitations. However, most municipalities consider construction activities on Sunday or Nighttime as intrusive. Construction noise will usually exceed typical background noise levels but will generally be for a short term and will generally occur during daytime hours on weekdays and Saturdays. Mobile noise sources after construction is completed will consist of operations and maintenance vehicles that will contribute negligible overall noise to the area and will not further be considered.

Noise from the stationary mechanical equipment will come from five dominant sources:

- The two separate engine air intakes and single turbine exhaust. Full acoustic data is not currently available for these engines; however, initial engineering estimates are for each of these three openings generate about 140 dB(A) directly at the opening.

- Direct noise radiation from the equipment, a currently unknown sound level, is estimated to be a maximum of 105 to 115 dB(A).

- The high pressure reciprocating natural gas compressor is estimated to operate at 100 dB(A) at a distance of 10 feet from the unit. This is based on data taken at other natural gas compressors. The manufacturer will supply actual data at the time of unit specification.

- The high volume air blower for generator cooling is estimated it to operate at 100 dB(A) at intake and exhaust openings. Full acoustic data is not currently available for the blower.

- Noise data for the absorption chillers and pumps, to be located inside the turbine enclosure, is not currently available. The manufacturer will supply sound data at the time of unit specification.

Potentially Significant Impact	Potentially Significant Unless Mitigated	Less than Significant Impact	No Impact

The stationary mechanical equipment could produce noise levels as high as 130 dB(A) at the property line if noise control measures are not included in the plant design. Precise noise data for each component in the plant is not available at this time because specific pieces of equipment to be installed have not been selected. Consequently, it is not possible to provide a final noise control system design at this time.

A variety of conventional noise reduction techniques would be included in the plant design. Noise reduction techniques would be installed, as needed, to reduce noise levels to 60 dB at the property line. Noise reduction techniques that would be utilized have noise reduction characteristic as follows:

Technique	Noise Reduction
In Line Silencer	2 to 5 dB per foot
Louvers	10 to 20 dB per unit
Lined Right Angle Turns in Ducts	4 to 8 dB per turn
Lined Covers at Inlet/Exhaust	4 to 8 dB (one per unit)
Noise Containment Walls	6 to 18 dB per unit

Note: The actual values of sound reduction are frequency and unit dependent. These values are intended only as an overview of capabilities.

As can be seen from the above list, 20 feet of silencer at 3 dB per foot (60 dB) plus two right angle turns (6 dB / turn), a louver (15 dB), and a cover (6 dB), provide approximately 93 dB reduction in noise. Therefore, noise from each of two combustion engine inlets at 140 dB(A) should be reduced to 47 dB(A). While this is relatively quiet, it should be noted that if all of the individual noise generating components are summed after reduction to an equivalent level for the five known listed noise generating components listed above, the sum of the noise would equal almost 57 dB(A). This analysis is not intended as a final description of techniques for this project. The final analysis would include specific details including full frequency analysis for each system component.

Portions of the project require special consideration for the noise mitigation systems. These include:

- The 900-degree (Fahrenheit) system exhaust. This will require silencing systems designed to ensure ongoing system functionality.
- The high-pressure natural gas compressor. The State of California mandates open-air ventilation requirements; these must be maintained by the noise quieting system.

A six-step mitigation program has been prepared that assures compliance with the City of Chula Vista Noise Ordinance standards and the 60 dB(A) guideline contained in the City of Chula Vista draft MSCP Subarea Plan. The six-step mitigation program is contained in the attached Noise Mitigation and Monitoring Program. A final set of mitigation measures will be formulated during the design and construction phase to address precise noise data from each component piece of equipment to be installed. Implementation of the specific mitigation program would reduce noise impacts to60 dB(A) at the property line and result in a less than significant level of noise impact.

XI. PUBLIC SERVICES. *Would the proposal have an effect upon, or result in a need for new or altered government services in any of the following areas:*

a) Fire protection?	☐	☐	☐	☒

	Potentially Significant Impact	Potentially Significant Unless Mitigated	Less than Significant Impact	No Impact
b) Police protection?	☐	☐	☐	☒
c) Schools?	☐	☐	☐	☒
d) Maintenance of public facilities, including roads?	☐	☐	☐	☒
e) Other governmental services?	☐	☐	☐	☒

Comments: No new or altered governmental services would be required to serve the project. The Fire Department has specified that the existing access road be improved to a minimum 20-foot wide all weather driving surface between Main Street and the project site. No impact to schools would occur because the project would not generate any students. School fees would be paid as required by the school districts. Development impact fees and traffic signal fees would be paid as required by the City of Chula Vista fee schedule. Fire and police protection can be adequately provided to the site.

XII. Thresholds. *Will the proposal adversely impact the City's Threshold Standards?* ☐ ☐ ☐ ☒

As described below, the proposed project does not adversely impact any of the Threshold Standards.

a) Fire/EMS ☐ ☐ ☐ ☒

The Threshold Standards requires that fire and medical units must be able to respond to calls within 7 minutes or less in 85% of the cases and within 5 minutes or less in 75% of the cases. The City of Chula Vista has indicated that this threshold standard would be met, since the nearest fire station is three miles away and would be associated with a six-minute response time. The proposed project would comply with this Threshold Standard.

Comments: The fire/EMS threshold would be met as reported by the Fire Department.

b) Police ☐ ☐ ☐ ☒

The Threshold Standards require that police units must respond to 84% of Priority 1 calls within 7 minutes or less and maintain an average response time to all Priority 1 calls of 4.5 minutes or less. Police units must respond to 62.10% of Priority 2 calls within 7 minutes or less and maintain an average response time to all Priority 2 calls of 7 minutes or less. The proposed project would comply with this Threshold Standard.

Comments: The police threshold would be met as reported by the Police Department.

c) Traffic ☐ ☐ ☐ ☒

The Threshold Standards require that all intersections must operate at a Level of Service (LOS) "C" or better, with the exception that Level of Service (LOS) "D" may occur during the peak two hours of the day at signalized intersections. Intersections west of I-805 are not to operate at a LOS below their 1987 LOS. No intersection may reach LOS "E" or "F" during the average weekday peak hour. Intersections of arterials with freeway ramps are exempted from this Standard. The proposed project would comply with this Threshold Standard.

Comments: As indicated by the Traffic Section of the City's Engineering Division comments, the traffic threshold would be met because the project would result in only two or three trips per week.

☐ ☐ ☐ ☒

	Potentially Significant Impact	Potentially Significant Unless Mitigated	Less than Significant Impact	No Impact

d) Parks/Recreation

The Threshold Standard for Parks and Recreation is 3-acres/1,000 population. The proposed project would not result in additional population.

Comments: No additional park and recreation facilities would be required because the project would not increase the population of the City of Chula Vista.

e) Drainage ☐ ☐ ☐ ☒

The Threshold Standards require that storm water flows and volumes not exceed City Engineering Standards. Individual projects would provide necessary improvements consistent with the Drainage Master Plan(s) and City Engineering Standards. The proposed project would comply with this Threshold Standard.

Comments: The project is designed to comply with all of the City Engineering Standards, Drainage Master Plan requirements, and RWQCD regulations. Section I above describes the proposed on-site drainage facilities. The project design would be consistent with the drainage threshold standard.

f) Sewer ☐ ☐ ☐ ☒

The Threshold Standards require that sewage flows and volumes not exceed City Engineering Standards. Individual projects would provide necessary improvements consistent with Sewer Master Plan(s) and City Engineering Standards. The proposed project would comply with this Threshold Standard.

Comments: No sewer facilities are proposed to be installed at the power plant facility.

g) Water ☐ ☐ ☐ ☒

The Threshold Standards require that adequate storage, treatment, and transmission facilities are constructed concurrently with planned growth and those water quality standards are not jeopardized during growth and construction. The proposed project would comply with this Threshold Standard.

Applicants may also be required to participate in whatever water conservation or fee off-set program the City of Chula Vista has in effect at the time of building permit issuance.

Comments: Potable water would be extended to the site from the existing water main in Main Street. Potable water would be used only for the drinking needs of operating personnel and equipment maintenance. The natural gas turbine and other equipment would be air-cooled and would not require water for cooling purposes or operation. However, the plant may choose to use water injection for a more efficient pollution control. Inlet chilling may be used to minimize power output degradation due to high ambient temperature. These uses, if utilized, would range from 3,000 gallons/hr to 6,000 gallons/hr. The operation of the power plant facility would not result in a significant impact to the City of Chula Vista water system.

XIII. UTILITIES AND SERVICE SYSTEMS. *Would the proposal result in a need for new systems, or substantial alterations to the following utilities:*

a) Power or natural gas? ☐ ☐ ☐ ☒

b) Communications systems? ☐ ☐ ☐ ☒

	Potentially Significant Impact	Potentially Significant Unless Mitigated	Less than Significant Impact	No Impact
c) Local or regional water treatment or distribution facilities?	☐	☐	☐	☒
d) Sewer or septic tanks?	☐	☐	☐	☒
e) Storm water drainage?	☐	☐	☐	☒
f) Solid waste disposal?	☐	☐	☐	☒

Comments: Electrical service would be obtained from circuits located on the existing 69 kV electrical transmission line along the eastern property line. An underground natural gas line would be extended to the site from the existing natural gas line in Main Street. An underground telephone line would be extended to the site from the nearest available service. Water service would be extended to the site from the existing water main in Main Street. Sewer service is not proposed to be installed at the facility; however, it should be noted that an existing sewer line crosses the property in and east-west direction along the northern property line. The project site would be graded to drain to a new catch basin at the southwest corner of the site. This catch basin would discharge into an existing drainage swale that is part of the City of Chula Vista storm drain system. A negligible quantity of solid waste would be generated by the unmanned power plant. New services systems, or substantial alteration of existing systems, would not be required for the operation and maintenance of the power plant.

XIV. **AESTHETICS.** *Would the proposal:*

a) Obstruct any scenic vista or view open to the public or would the proposal result in the creation of an aesthetically offensive site open to public view?	☐	☐	☐	☒
b) Cause the destruction or modification of a scenic route?	☐	☐	☐	☒
c) Have a demonstrable negative aesthetic effect?	☐	☐	☒	☐
d) Create added light or glare sources that could increase the level of sky glow in an area or cause this project to fail to comply with Section 19.66.100 of the Chula Vista Municipal Code, Title 19?	☐	☐	☐	☒
e) Reduce an additional amount of spill light?	☐	☐	☐	☒

Comments: The project site is not located in the viewshed of an identified scenic route, vista, or view. The site is located in an industrially zoned area and is surrounded on the north and east by existing industrial development. The currently vacant property to the west was previously used for an industrial activity, and is planned for reuse as an industrial activity. An existing single-family residential area is located westerly of the vacant property. The project site is screened from westerly views by mature vegetation along the drainage swale that parallels the western property line and by fencing along the drainage swale. Single-family residences are located 1,350 feet to the south across the Otay River valley. These residences are elevated approximately 40 feet above the project site, and have a distant downward

	Potentially Significant Impact	Potentially Significant Unless Mitigated	Less than Significant Impact	No Impact

view across the project site. The distant southerly views of the site are partly obscured by mature trees along the southern property line. The proposed power plant project would not result in a significant impact to views from the north, east, west, or from the distant southerly views.

The Otay Valley Regional Park is located immediately south of the project site. The dense riparian vegetation along the river channel extends to the southern boundary of the site. This vegetation completely screens the site from view to hikers using the existing trails along the river channel. Consequently, the proposed power plant would not result in a significant visual impact to trail users. The Otay Valley Regional Park Concept Plan shows a conceptual trail along both sides of the river channel. However, the alignment of the trails is at a concept stage and an exact alignment has not been identified. Given the location of the existing trail along the north side of the channel, and the configuration of properties abutting the park, the future trail alignment is likely to be located near the existing trail. Thus, it is anticipated that the power plant would not have a demonstrable negative aesthetic effect on future trail or park users.

No night lighting of the facility is proposed except for required safety lighting. Implementation of City Code standards would reduce light and glare produced by the installation of safety lights to a less than significant level.

The project landscape plan proposes a ten-foot high chain-link fence with opaque screening slats around the perimeter of the site. Tristania conferta and Pinus canariensis trees in 15-gallen and 24-inch boxes are proposed to be planted along both sides of the fence with grouping of trees in selected locations. The existing slopes along the eastern property boundary would be planted with one-gallon Cotoneaster dammeri, four-feet on center. The proposed fencing and landscaping would further screen the power plant from off-site views.

XV. CULTURAL RESOURCES. *Would the proposal:*				
a) Will the proposal result in the alteration of or the destruction or a prehistoric or historic archaeological site?	☐	☐	☐	☒
b) Will the proposal result in adverse physical or aesthetic effects to a prehistoric or historic building, structure or object?	☐	☐	☐	☒
c) Does the proposal have the potential to cause a physical change which would affect unique ethnic cultural values?	☐	☐	☐	☒
d) Will the proposal restrict existing religious or sacred uses within the potential impact area?	☐	☐	☐	☒
e) Is the area identified on the City's General Plan EIR as an area of high potential for archeological resources?	☐	☐	☐	☒

Comments: There are no known cultural resources on the project site, or in the immediate surrounding area. The site has been previously filled with imported material from an unknown source. Consequently, the proposed project would not result in a significant impact to cultural resources.

XVI. PALEONTOLOGICAL RESOURCES. *Will the*	☐	☐	☐	☒

	Potentially Significant Impact	Potentially Significant Unless Mitigated	Less than Significant Impact	No Impact
proposal result in the alteration of or the destruction of paleontological resources?				

Comments: The site has been graded and imported fill material placed on-site. Adjacent areas to the east and west have been similarly graded and filled. There are no known paleontological resources on the site or in the adjacent area. The extent of proposed grading is limited; therefore no potential impacts to paleontological resources are anticipated.

XVII. RECREATION. *Would the proposal:*

a) Increase the demand for neighborhood or regional parks or other recreational facilities?	☐	☐	☐	☒
b) Affect existing recreational opportunities?	☐	☐	☐	☒
c) Interfere with recreation parks & recreation plans or programs?	☐	☐	☐	☒

Comments: There are no recreational facilities in the vicinity of the site other than the Otay Valley Regional Park located to the south. The proposed power plant would not result in significant impacts to the park as discussed in Section XIV (Aesthetics) above. Existing and/or future uses of the park would not be significantly impacted by the power plant.

XVIII. MANDATORY FINDINGS OF SIGNIFICANCE:

See *Negative Declaration for mandatory findings of significance. If an EIR is needed, this section should be completed.*

a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods or California history or prehistory?	☐	☒	☐	☐

Comments: A number of obligate riparriparian sds were detected, including several sensitive species, and others are anticipated to occur in this area. All of these could be adversely affected by noise created by the proposed power generating facility. Such effects can be mitigated to a less than significant level through the implementation of mitigation measures included in the attached Mitigation Monitoring and Reporting Program.

b) Does the project have the potential to achieve short-term, to the disadvantage of long-term, environmental goals?	☐	☐	☐	☒

Comments: The construction and operation of Peak Load Power Plant at this location would not result in a significant impact to adopted long-term environmental goals of the City of Chula Vista as stated in the General Plan and other adopted planning documents.

c) Does the project have impacts that are individually limited, but cumulatively	☐	☐	☐	☒

XX. AGREEMENT TO IMPLEMENT MITIGATION MEASURES

By signing the line(s) provided below, the Applicant(s) and/or Operator(s) stipulate that they have each read, understood and have their respective company(s) authority to and do agree to the mitigation measures contained herein, and would implement same to the satisfaction of the Environmental & Planning Manager for the Community Development Department. Failure to sign the line(s) provided below prior to posting of this [Mitigated] Negative Declaration with the County Clerk shall indicate the Applicant(s) and/or Operator(s) desire that the Project be held in abeyance without approval and that Applicant(s) and/or Operator(s) shall apply for an Environmental Impact Report.

_____

Printed Name and Title of Authorized Representative of
[Property Owner's Name]

_____ _____

Signature of Authorized Representative of
[Property Owner's Name]

Date

_____

Printed Name and Title of
[Operator if different from Property Owner]

_____ _____

Signature of Authorized Representative of
[Operator if different from Property Owner]

Date

XXI. ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" or "Potentially Significant Unless Mitigated," as indicated by the checklist on the following pages.

☐ Land Use and Planning	☐ Transportation/Circulation	☐ Public Services
☐ Population and Housing	■ Biological Resources	☐ Utilities and Service Systems
☐ Geophysical	☐ Energy and Mineral Resources	☐ Aesthetics
☐ Water	☐ Hazards	☐ Cultural Resources
☐ Air Quality	■ Noise	☐ Recreation
☐ Paleontology	■ Mandatory Findings of Significance	

XXII. DETERMINATION:

On the basis of this initial evaluation:

I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared. ☐

I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because the mitigation measures described on an attached sheet have been added to the project. A MITIGATED NEGATIVE DECLARATION will be prepared. ■

I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required. ☐

I find that the proposed project MAY have a significant effect(s) on the environment, but at least one effect: 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets, if the effect is a "potentially significant impacts" or "potentially significant unless mitigated." An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed. ☐

I find that although the proposed project could have a significant effect on the environment, there WILL NOT be a significant effect in this case because all potentially significant effects (a) have been analyzed adequately in an earlier EIR pursuant to applicable standards and (b) have been avoided or mitigated pursuant to that earlier EIR, including revisions or mitigation measures that are imposed upon the proposed project. An addendum has been prepared to provide a record of this determination. ☐

Signature

6-23-00
Date

Brian Hunter
Planning & Environmental Manager
City of Chula Vista

MITIGATION MONITORING AND REPORTING PROGRAM

Mitigation Measure No.	Mitigation Measure	Method of Verification	Timing of Verification				Responsible Party	Completed		Comments
				Pre Const	During Const	Post Const		Initials	Date	
	BIOLOGY									
1	Temporary noise barriers shall be incorporated into the construction plans. These barriers shall be used if construction occurs during the period from 15 February to 15 August. No construction noise reduction measures are required during the period from 16 August to 14 February.	Field Inspection		X	X		Applicant			
2	If construction requires the removal of the chain link fence which currently surrounds the proposed development area, temporary construction fencing shall be erected at the location of the fence to be removed. This temporary fencing shall be installed immediately following removal of the existing fence. Permanent chain-link fencing shall be erected to replace the construction fence at the same location. The location of both the temporary and permanent fences shall be established in the field and verified in writing by a biologist to the satisfaction of the Environmental Projects Manager, CD City of Chula Vista.	Field Inspection & Letter Report to City		X			Applicant			
3	At the completion of construction, a biologist shall survey the project site and surrounding area. A report shall be submitted to the Environmental Projects Manager, CD noting the condition of the riparian habitat in the area prior to and following construction. The report shall also verify that noise barriers were used if any construction occurred during the period from 15 February to 15 August.	Field Inspection		X	X		Applicant			

4-50

MITIGATION MONITORING AND REPORTING PROGRAM

Mitigation Measure No.	Mitigation Measure	Method of Verification	Timing of Verification				Responsible Party	Completed		Comments
				Pre Const	During Const	Post Const		Initials	Date	
	NOISE									
1	Prior to the commencement of construction, an acoustical analysis of the final plant design shall be completed to the satisfaction of the City of Chula Vista. The analysis shall be based on the manufacturer's data or engineering estimates for major noise generating sources (engine air intakes, turbine exhaust, high pressure natural gas compressor, high volume air blower, absorption chillers, pumps, and direct equipment noise radiation). The analysis will document project features that will achieve 60 dB(A) at the property line.	Field Inspection		X	X		Applicant			
2	Acoustical tests of the plant shall be completed as soon as practical during the construction period. Additional noise control measures shall be implemented if the measured sound levels at the property line exceed 60 dB(A). Noise monitoring procedures are as follows: • Acoustical consultant will utilize a Type I (Precision) or Type 2 (General Purpose) Sound Level Meter meeting the requirements of the latest revision of American National Standard Institute (ANSI) S1.4. Specification for Sound Level Meters. • Use calibrated sound level meters, microphones, and calibrators with certified laboratory conformance per the manufactures specifications. • Acoustical instruments should be field calibrated according to the manufacturer's specifications, prior to and following use. • All measurements will use the A-weighting network and the SLOW response of the sound level meter unless otherwise specified. • Impulsive or impact noises will be measured using the C-Weighting network and the FAST response of the sound level meter. • All measurement microphones will be fitted with an appropriate windscreen, and measurements will be taken at least six feet away from the nearest reflective surface. • Noise level measurement periods for intermittent noise shall be a minimum of 15 minutes.	Field Inspection			X		Applicant			

4-51

MITIGATION MONITORING AND REPORTING PROGRAM

Mitigation Measure No.	Mitigation Measure	Method of Verification	Timing of Verification				Responsible Party	Completed		Comments
				Pre Const	During Const	Post Const		Initials	Date	
	NOISE (cont'd)									
2 (cont'd)	• If, in the estimation of the Noise consultant, outside noise sources contribute significantly to the measured noise level, the measurements will be repeated with the same outside source contributions when construction is inactive to determine the background noise level. • Noise monitoring locations will be clearly identified on a drawing	Field Inspection			X		Applicant			
3	Final acoustical tests of the plant shall be conducted upon the completion of construction. If the noise level at the property line exceeds 60 dB(A), plant operations shall cease and the plant design shall be modified to achieve the required level of noise reduction. In this case a new acoustical analysis shall be prepared.	Field Inspection				X	Applicant			
4	A Noise Monitoring Report shall be submitted to the Environmental Projects Manager, CD, City of Chula Vista upon completion of the acoustical test. The noise measurement report shall include: • Date, Time, and Location • Duration of Measurement • Instrument and Calibration • DB(A) L_{eq} • Notes • Name of Acoustician	Submission of report				X	Applicant			
5	All construction equipment shall be maintained in good condition with factory installed or equivalent noise control systems.	Field Inspection		X			Applicant			

4-52

Recording Requested By:
CHULA VISTA REDEVELOPMENT AGENCY
276 Fourth Avenue
Chula Vista, CA 91910

When Recorded Mail To:
CHULA VISTA REDEVELOPMENT AGENCY
276 Fourth Avenue
Chula Vista, CA 91910
Attn: Judi Bell

(Space Above This Line For Recorder)

APN: 629-062-04

OWNER PARTICIPATION AGREEMENT
PG&E Dispersed Generating Company, LLC
3497 Main Street

THIS AGREEMENT (the "Agreement") is entered into by the **REDEVELOPMENT AGENCY OF THE City OF CHULA VISTA**, a public body corporate and politic (hereinafter referred to as **"AGENCY"**), and **PG&E Dispersed Generating Company, LLC**, a Delaware limited liability company, (hereinafter referred to as **"DEVELOPER"**) effective as of September 26, 2000.

WHEREAS, the **DEVELOPER** desires to develop real property within the **SOUTHWEST REDEVELOPMENT PROJECT AREA** (the "Project Area") which is subject to the jurisdiction and control of the **AGENCY** and the City of Chula Vista (collectively, the "City"); and,

WHEREAS, the **DEVELOPER** has presented plans for development to the Planning Commission (the "Commission") and the Design Review Committee (the "Committee") for the construction of a 49 megawatt electrical generating facility (the "Project"); and,

WHEREAS, said plans for development have been recommended for approval by the Commission and the Committee; and,

WHEREAS, the **AGENCY** has considered the recommendations of the Commission and the Committee and has approved the Project and design plans subject to certain terms and conditions; and,

WHEREAS, the **AGENCY** desires that said Project be implemented and completed as soon as it is practicable in accordance with the terms of this Agreement.

NOW, THEREFORE, the **AGENCY** and the **DEVELOPER** agree as follows:

1. The property to be developed is described as **Assessor's Parcel Number 629-062-04** located **at 3497 Main Street**, in Chula Vista, California, shown on locator map attached hereto as **Exhibit "C"** and by this reference incorporated herein (the "Property"). The Property is leased by **DEVELOPER** pursuant to that certain unrecorded Ground Lease and Grant of Easements dated March 28, 2000, between **DEVELOPER**, as Tenant, and John S. Marquez and Carole G. Marquez, Trustees U.D.T., March 20,

1991, as Landlord, a short form memorandum of which has been recorded in the office of the County Recorder, San Diego, California on April 12, 2000, as Document No. 2000-0187125 (the "Lease").

2. The term of this Agreement shall be from the date the **AGENCY** approves this Agreement until expiration of the Lease, including all extensions thereof, or earlier termination of the Lease.

3. The **DEVELOPER** covenants and agrees by and for himself, his heirs, executors, administrators and assigns and all persons claiming under or through them the following:

A. If **DEVELOPER** develops the Property and the Project it shall be in accordance with the **AGENCY** approved development proposal attached hereto as **Exhibit "A."**

B. **DEVELOPER** shall obtain all necessary federal, state and local governmental permits and approvals and abide by all applicable federal, state and local laws, regulations, policies and approvals in connection with the development of the Project. **DEVELOPER** further agrees that this Agreement is contingent upon **DEVELOPER** securing said permits and approvals. **DEVELOPER** shall be responsible for all applicable development impact and processing fees.

C. **DEVELOPER** shall use commercially reasonably efforts to:

(i) obtain building permits within one year from the date of this Agreement;

(ii) commence development of the Project promptly upon receipt of the last required permit; and

(iii) diligently pursue the Project to completion, which in any event shall be completed within two (2) years from the date of issuance of the last required building permit.

In the event **DEVELOPER** fails to meet these deadlines, approval of **DEVELOPER**'s development proposals shall be void and this Agreement shall have no further force or effect and **DEVELOPER** shall have no liability to the **AGENCY** or the City under this Agreement; provided, however, if **DEVELOPER** is using good faith efforts to satisfy each of the foregoing requirements, then **DEVELOPER** shall have such additional time to meet the targets as is reasonably necessary and the approval of the development proposals and this Agreement shall continue in full force and effect.

D. In all instruments granting or conveying an interest in the Property, the following language shall appear:

> *"The grantee herein covenants by and for himself, his heirs, executors, administrators and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee himself or any persons claiming under or through him establish or permit any such practice of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees,*

subtenant lessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

E. In all leases demising an interest in all or any part of the Property, the following language shall appear:

"The lessee herein covenants by and for himself, his heirs, executors, administrators and assigns, and all persons claiming under or through him, and this lease is made and accepted upon and subject to the following conditions:

That there shall be no discrimination against or segregation of, any person or group of persons, on account of race, color, creed, national origin, or ancestry, in the leasing, subleasing, transferring use, occupancy, tenure, or enjoyment of the premises herein leased, nor shall the lessee himself or any persons claiming under or through him, establish or permit any such practices of discrimination or segregation with reference to the selection, location, number or use, or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased."

4. The Property shall be developed subject to the conditions imposed by the Commission, the Committee and the **AGENCY** as described in **Exhibit "B"** attached hereto and incorporated herein by this reference. **DEVELOPER** acknowledges the validity of and agrees to accept such conditions.

5. Upon the completion of the Project, if at all, **DEVELOPER** agrees as follows:

A. DUTY TO MAINTAIN GOOD CONDITION. Subject to Subsections C, D & E below, **DEVELOPER** shall, at **DEVELOPER's** sole cost and expense, maintain the Property which includes all improvements thereon in good condition and repair, consistent with the nature and use of the Property as an electrical generating facility, and in accordance with all applicable laws, permits, licenses and other governmental authorizations, rules, ordinances, orders, decrees and regulations now or hereafter enacted, issued or promulgated by federal, state, county, municipal, and other governmental agencies, bodies and courts having or claiming jurisdiction and all their respective departments, bureaus, and officials.

B. GOOD CONDITION DEFINED. Good condition and repair, means maintenance which is necessary to keep the Property in an efficient and attractive condition and substantially equal in quality to the condition which exists when the Project has been completed in accordance with the approved plans, excepting normal wear and tear.

C. In order to enforce the maintenance provisions in Subsection A above, the parties agree that:

(i) the City's Community Development Director (the "Director") is empowered to make reasonable determinations as to whether the Property is in good condition. If he determines it is not, he: (1) will notify **DEVELOPER** in writing, and (2) extend a reasonable time to cure, provided, however, such cure period shall not be less than forty-five (45) days. In addition, if such cure cannot reasonably be effectuated within such time period, **DEVELOPER** shall have such additional time as may be necessary to effectuate such cure; provided, that **DEVELOPER** commences such cure within such time period and thereafter diligently proceeds the same to

completion. If a cure or a diligent effort to cure has not been made within the applicable time (as the same may be extended), the Director is authorized to effectuate the cure by City forces or otherwise, the cost of which will be promptly reimbursed by the **DEVELOPER**; and

(ii) **AGENCY** or its agents shall have the right to go on the Property and perform the necessary maintenance and the cost of said maintenance shall become a lien against the leasehold estate of the Lease (the "Leasehold Estate"). **AGENCY** shall have the right to enforce this lien by foreclosing on the Leasehold Estate; provided, however, unless **DEVELOPER** is the owner of the Property, in no event shall such lien or foreclosure thereof affect the fee simple title to the Property.

(iii) Notwithstanding anything herein to the contrary, in the event that there shall be a dispute among the parties arising out of or relating to the maintenance provisions of this Section 5, or the breach thereof, the parties agree that the City Manager or his designee shall resolve such dispute; provided, however, any decision made by the City Manager may be appealed to the **AGENCY**, and any such decision made by the **AGENCY** may be appealed to a court of competent jurisdiction. All City action to cure shall be suspended pending the outcome of such an appeal to the City Manager, or an appeal to **AGENCY**, or an appeal to a court of competent jurisdiction. In the event that the Director decides without dispute, or the City Manager decides in dispute, that the City has to cure and the amount of the cure, then **DEVELOPER** shall reimburse the City within forty-five (45) days of receipt of a written demand. If not reimbursed, such cost shall constitute a lien and the City is authorized to record said lien with the County Recorder, against the Leasehold Estate, as provided in Clause (ii) of Subsection 5.C. above.

D. If the Property or any improvement thereon shall be damaged by fire, flood, tornado, by the elements, or otherwise, **DEVELOPER** shall, either repair said damage and restore the Property and any improvements to their previous or like condition or raze such improvements, provided that **DEVELOPER** leaves the Property in a clean and safe condition.

E. **DEVELOPER**, may in its sole discretion, at any time, raze any improvements on the Property, provided that **DEVELOPER** leaves the Property in a clean and safe condition.

F. In the event that **DEVELOPER** or its successor acquires in fee the Property for the continued operation of the Project beyond the lease term and extensions thereof, and in the event that Albany Avenue is extended and widened south of Main Street to the Property, **DEVELOPER** agrees to dedicate up to 36 feet from the eastern boundary of the Property as may be necessary for the widening and improvement of Albany Avenue; provided, further, **DEVELOPER** agrees to dedicate additional necessary land for the construction of a cul-de-sac at the end of Albany Avenue (in accordance with the City's standards).

6. **DEVELOPER** shall have the following additional obligations:

A. **DEVELOPER** agrees to meet and confer with the City from time to time as the City may reasonably request in connection with exploring agreements, contracts or other arrangements with respect to the City's acquisition or lease of the Project; provided, however, that neither party shall be required or obligated to enter into any such

agreements, contracts or other arrangements except upon such terms and conditions as are satisfactory to each party in its sole and absolute discretion.

B. **DEVELOPER** agrees that the City shall have a right of first negotiation with regard to a proposed transfer, sale or lease of the Project by **DEVELOPER**; provided, however, that such right of first negotiation shall be inapplicable to any Exempt Transaction, as the term is defined in Subsection 6.C. below. Such right of first negotiation shall be upon the following terms and conditions:

(i) Prior to the transfer, sale or lease of the Project to a third party, **DEVELOPER** will notify the City in writing of such proposed transaction.

(ii) The City shall have twenty (20) days from the receipt of the notice of such proposed transaction to negotiate the basic terms on an agreement for the transfer, sale or lease of the Project to the City; provided, however, that such terms shall be satisfactory to each party in its sole and absolute discretion.

(iii) If the parties agree in writing upon the basic terms of an agreement within such twenty (20) day period, then they shall in good faith negotiate the terms of a definitive agreement within twenty (20) days after the end of such twenty (20) day period.

(iv) If the parties fail to agree in writing upon the basic terms on an agreement within such twenty (20) day period or if they fail to enter into a definitive agreement within such subsequent twenty (20) day period, then **DEVELOPER** shall be free to pursue such proposed transfer, sale or lease to such third party, or with any other party, and upon terms and conditions satisfactory to **DEVELOPER** whether or not more or less favorable to **DEVELOPER**.

C. EXEMPT TRANSACTION DEFINED. Exempt Transaction means, at any time after the execution of this Agreement: (i) any sale, lease, transfer or other conveyance of the Project or any portion thereof or interest therein by **DEVELOPER** or any Affiliate of **DEVELOPER**, as the term is defined in Subsection 6.D. below, to another Affiliate of **DEVELOPER**; (ii) a sale or transfer of all or substantially all of the outstanding stock, membership interest or other equity interests of **DEVELOPER** or of any Affiliate of **DEVELOPER**, as applicable, or a sale or transfer of all or substantially all of the assets of **DEVELOPER** or of any Affiliate of **DEVELOPER**; (iii) a merger, consolidation or stock or equity exchange to which **DEVELOPER** or any Affiliate of **DEVELOPER** is a party; or (iv) any sale, transfer or other conveyance of the Project or any portion thereof or interest therein pursuant to a transaction involving one or more electrical generating facilities in addition to the Project located outside the City.

D. AFFILIATE DEFINED. Affiliate means any entity or individual which, directly or indirectly (including through one or more intermediaries), controls or is controlled by or is under common control with any entity or individual. For purposes of this definition, the term "control" (including the correlative meanings of the terms "controlled by" and "under common control with"), as used with respect to any entity or individual, shall mean the possession, directly or indirectly (including through one or more intermediaries), of the power to direct or cause the direction of the management and policies of such entity or individual, through the ownership or control of voting securities, membership interests,

partnership interests or other equity interests, by contract or otherwise.

E. Upon the completion of the Project, if at all, **DEVELOPER** agrees to contribute Twenty Thousand Dollars ($20,000) to the City for the purposes of constructing a photovoltaic energy system development at the City's Otay Gymnasium and Recreation Center or at another site designated by the City, or for such other energy related purpose the City deems appropriate. If the City does proceed with the development of a photovoltaic energy system, then **DEVELOPER** agrees to provide, at no cost to the City, up to Ten Thousand Dollars ($10,000) of consulting services to facilitate such development, such $10,000 fee to be calculated at a rate of One Hundred Twenty-Five Dollars ($125) per hour of consulting services, without regard to whether such services are provided by an outside third party or by an employee of **DEVELOPER** or any Affiliate of **DEVELOPER**. Such services shall be provided by a qualified consultant designated by **DEVELOPER** and reasonably approved by the City. **DEVELOPER's** obligation to provide any consulting service under this Section shall terminate one year after the completion of the Project.

F. **DEVELOPER** agrees to pay, to the same extent applicable to all other users, the City's utility user's tax imposed pursuant to Chula Vista Municipal Code Chapter 3.44 with respect to inbound natural gas or electricity used by the Project. Such tax is currently collected by SDG&E, the City's franchised natural gas/electricity provider.

G. **DEVELOPER** agrees that if (a) **DEVELOPER** obtains approval for the development of a project similar to the Project within one (1) year of the execution of this Agreement, (b) such project is not an Exempt Project, as the term is defined in Subsection 6.H below, (c) as a condition of such approval **DEVELOPER** must provide services or make a payment of cash to the local permitting authority in connection therewith (the "Other Agency Contribution"), and (d) such Other Agency Contribution is, in the aggregate, greater in value than those services provided or cash payments made to the City under Subsection 6.E. above (the "City Contribution"), then **DEVELOPER** shall offer to the City, on the same terms as provided to such other local permitting authority, the incremental difference in value between the Other Agency Contribution and the City Contribution; provided, however, that in calculating the value of any Other Agency Contribution, (i) the value of any cash payments to be made or services to be provided by **DEVELOPER** shall be reduced by the value of any assistance provided to **DEVELOPER** by such local permitting authority in whatever form, and (ii) the Other Agency Contribution shall not include any Exempt Fees, as the term is defined in Subsection 6.I. below; provided, further, that **DEVELOPER's** obligation to provide any services or to make any cash payments to the City under this Subsection 6.G shall not exceed, in the aggregate, One Hundred Twenty Thousand Dollars ($120,000).

H. EXEMPT PROJECT DEFINED. An Exempt Project shall mean any of the following: (i) any development by **DEVELOPER** outside of San Diego County, California; (ii) any development by any Affiliate of **DEVELOPER** whether or not outside San Diego County, California; (iii) any development of an electrical generating facility which operates under different circumstances or serves a different function than the Project (i.e., does not operate as a Peaker plant); (iv) the development of any electrical generating facility or facilities, in a single project, which generates, in the aggregate, more electric capacity than 49 megawatts; or (v) any development of an electrical generating facility which is not substantially the same as the Project.

l. EXEMPT FEE DEFINED. An Exempt Fee shall mean the providing of services or cash payments by **DEVELOPER** for any of the following: (i) any and all locally imposed taxes, assessments, impact or processing fees or any other charges in whatever form, imposed with respect to such similar project as generally applied to other developments within such other jurisdiction; or (ii) any Other Agency Contribution mandated by either state or local law which is in enacted prior to **DEVELOPER's** submission of such project for approval to such local permitting authority.

7. **AGENCY** and **DEVELOPER** agree that the covenants of the **DEVELOPER** expressed herein shall run with the Leasehold Estate. **DEVELOPER** shall have the right, without prior approval of **AGENCY**, to assign its rights and delegate its duties under this Agreement and **DEVELOPER** shall thereupon be relieved, released and discharged from its duties under this Agreement.

8. **AGENCY** and **DEVELOPER** agree that the covenants of the **DEVELOPER** expressed herein are for the express benefit of the **AGENCY** and for all owners of real property within the boundaries of the Project Area as the same now exists or may be hereafter amended. **AGENCY** and **DEVELOPER** agree that the provisions of this Agreement may be specifically enforced in any court of competent jurisdiction by the **AGENCY** on its own behalf or on behalf of any owner of real property within the boundaries of the Project Area. Except for the **AGENCY**, however, no owner of real property within the boundaries of the Project Area shall have the right to enforce any of the provisions of this Agreement independently.

9. **AGENCY** and **DEVELOPER** agree that this Agreement may be recorded by **AGENCY** in the Office of the County Recorder of San Diego County, California.

10. **DEVELOPER** shall and does hereby agree to indemnify, protect, defend and hold harmless **AGENCY** and the City of Chula Vista, and their respective Council members, officers, employees, agents and representatives, from and against any and all liabilities, losses, damages, demands, claims and costs, including court costs and reasonable attorneys' fees incurred by the **AGENCY** arising, directly or indirectly, from (a) **AGENCY**'s approval of this Agreement, and (b) **AGENCY**'s or the City of Chula Vista's approval or issuance of other permits or actions, whether discretionary or non-discretionary, in connection with the Project contemplated herein, and **DEVELOPER**'s construction and operation of the Project permitted hereby.

11. In the event of any dispute between the parties with respect to the obligations under this **AGREEMENT** that results in litigation, the prevailing party shall be entitled to recover its reasonable attorneys' fees and court costs from the non-prevailing party.

12. Time is of the essence for each and every obligation hereunder.

13. If **DEVELOPER** fails to fulfill its obligations hereunder after due notice and reasonable opportunity to cure, which in no event shall be less than forty-five (45) days, unless a cure cannot reasonably be effectuated within such time period, in which case such additional time as may be necessary to cure shall be granted, **DEVELOPER** shall be in default hereunder, and in addition to any and all other rights and remedies **AGENCY** may have, at law or in equity, **AGENCY** shall have the right to terminate its approval of the Project and this Agreement; provided, however, if litigation has commenced between **DEVELOPER** and any party in connection with the rights and obligations under this Agreement, **AGENCY** may not terminate its approval of the Project and this Agreement until the completion of such litigation, including any appeals thereof.

14. No breach of any provision of this Agreement shall defeat or render invalid the lien of any mortgage now or hereinafter affecting any portion of the Leasehold Estate. In particular, any lien imposed against the Property or the Leasehold Estate under this Agreement shall be subject and subordinate to any mortgage encumbering any portion of the Property or the Leasehold Estate; provided, however, that the rights of any mortgagee are subject to all of the provisions of this Agreement, and if any portion of the Property or the Leasehold Estate subject to such mortgage is sold under a foreclosure of any mortgage or is conveyed to the mortgagee or any other person in lieu of foreclosure, any purchaser at such sale or any grantee and the successors and assigns of any such purchaser or grantee shall hold any and all property so purchased and acquired subject to all of the provisions of this Agreement.

15. The use of the masculine pronoun includes the feminine and neutral genders; the use of the singular form of a pronoun includes the plural and vice-versa.

16. This Agreement, together with the Exhibits hereto and such other documents as are contemplated hereunder, constitutes the entire agreement of the parties in respect of the subject matter hereof, and may not be changed except by an agreement in writing signed by the parties.

17. The City shall, upon reasonable request of **DEVELOPER**, furnish an estoppel statement stating whether or not the City knows of any default under this Agreement, and if so, specifying the nature of such default with particularity.

[Signature Page Follows]

Signature Page

IN WITNESS WHEREOF THE PARTIES HAVE ENTERED INTO THIS AGREEMENT EFFECTIVE AS OF THE DATE FIRST WRITTEN ABOVE.

"AGENCY"

REDEVELOPMENT AGENCY OF THE City OF CHULA VISTA

DATED: _____ By:

Shirley Horton, Chairman

"DEVELOPER"

PG&E Dispersed Generating Company, LLC,
a Delaware limited liability company

DATED: _____ By:

Print Name: _____

Title: _____

NOTARY: Please attach acknowledgment card.

APPROVED AS TO FORM BY:

_____
John M. Kaheny, Agency Attorney

H:\home\attorney\agree\PG&E clean

STATE OF _____

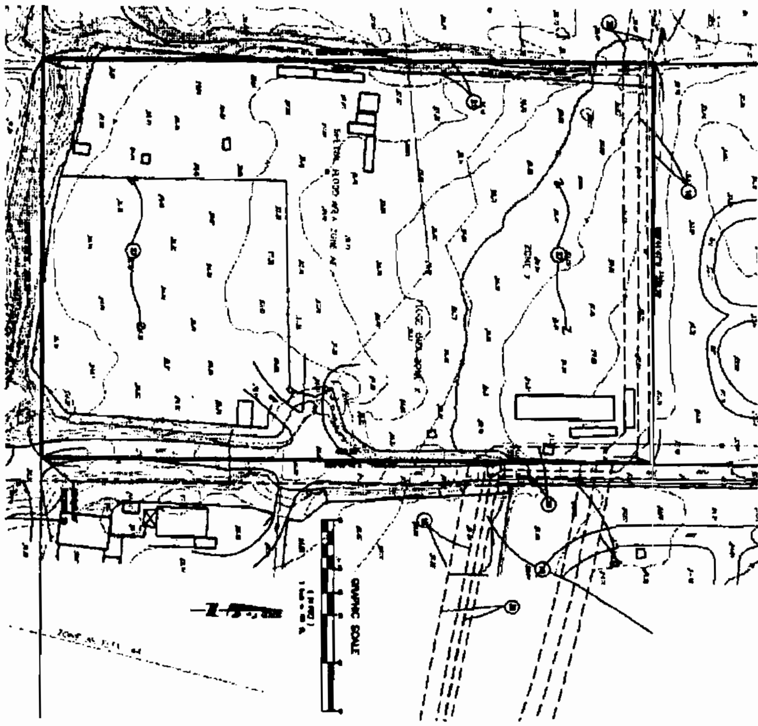
COUNTY OF [_____]

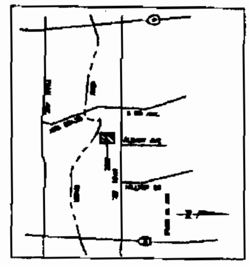
On _____, before me, _____, Notary Public, personally appeared _____ and _____, " personally known to me OR " proved to me on the basis of satisfactory evidence to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

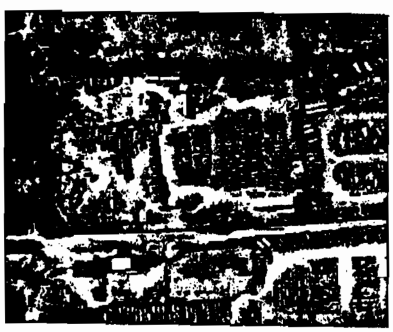
WITNESS my hand and official seal.

_____

Signature of Notary

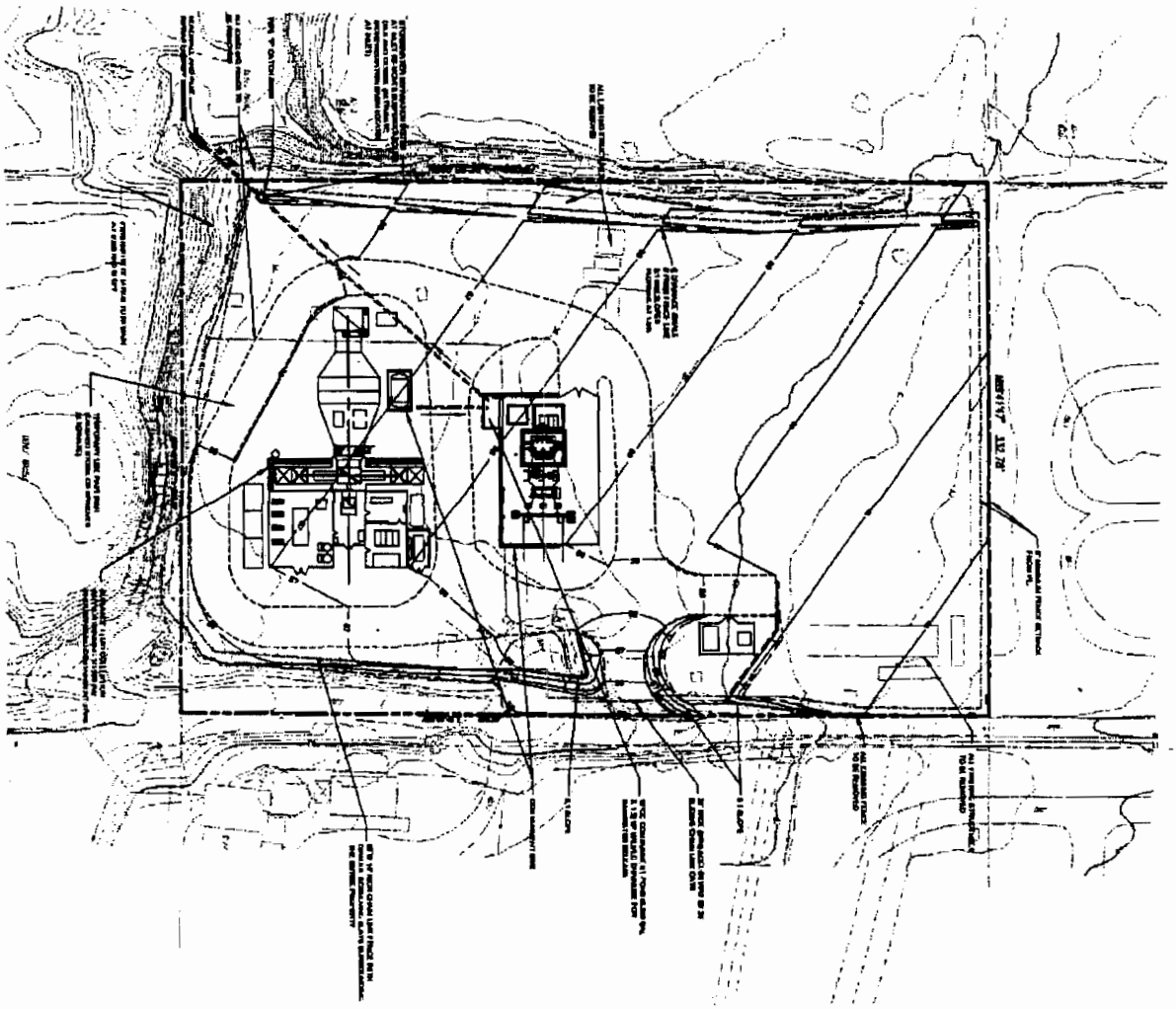






4-64

SHEET 1 OF 4 SHEETS	PROJECT DATA, BOUNDARY AND TOPOGRAPHY PEAK LOAD ELECTRICAL POWER PLANT C.V.P. SUBMITTAL	P G and E DISPERSED GENERATION, LLC 100 PINE STREET, SUITE 2960 SAN FRANCISCO, CA 94111	The Keith Companies TKC
SCALE: 1" = 40' JOB No. 13677			



GRAPHIC SCALE

LEGEND

PROPERTY LINE
EXISTING CONTOUR LINE
PROPOSED CONTOUR LINE
FENCE
EDGE CAURRED STONE PAVING
DRAINAGE CHANNEL C
DRAINAGE PIPE
VALLEY
SLOPE ARROW

PROJECT LOCATION

LEGAL DESCRIPTION

ASSESSOR'S PLAT

OWNER(S)

PROPERTY OWNER

PREPARED BY:

BENCHMARK NOTES

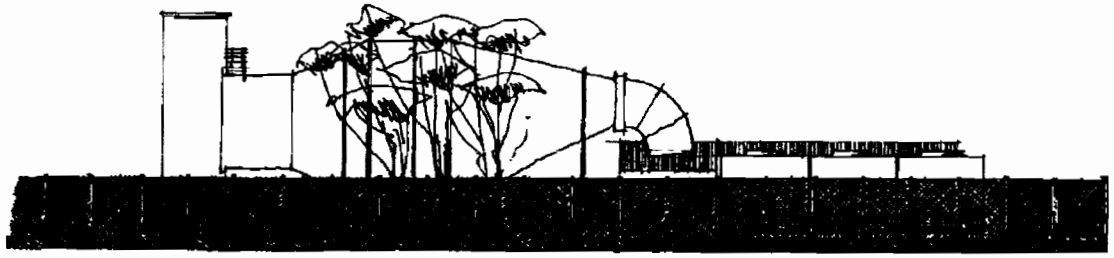
SITE PLAN

PEAK LOAD ELECTRICAL
POWER PLANT
C.V.P. SUBMITTAL

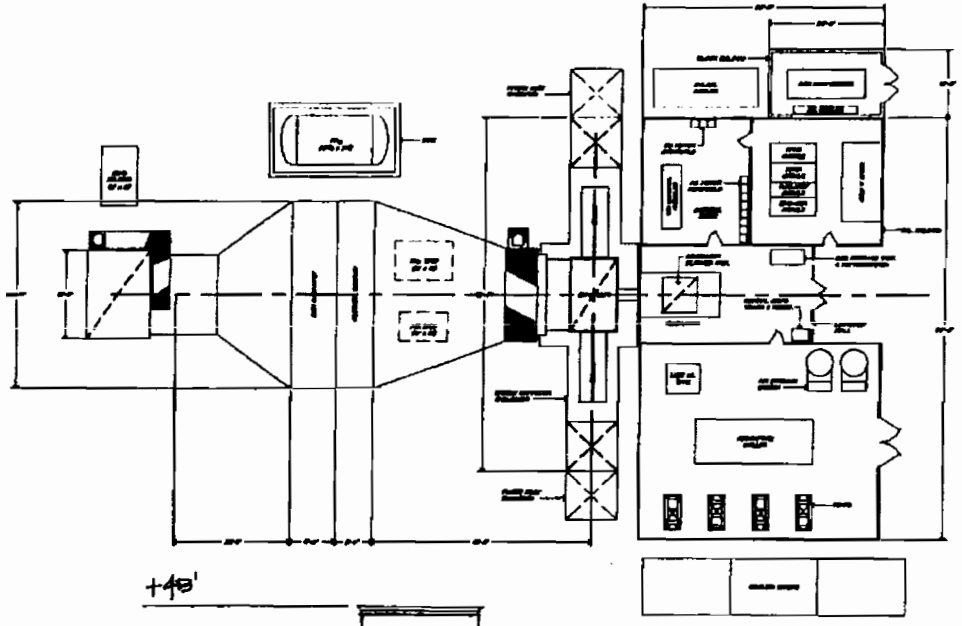
P G and E
DISPERSED GENERATION, LLC
101 PINE STREET, SUITE 2650
SAN FRANCISCO,CA.94111
415-675-6472

The Keith Companies TKC

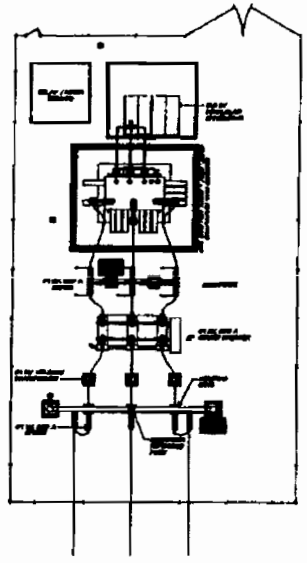
4-65



PARTIAL SOUTH ELEVATION

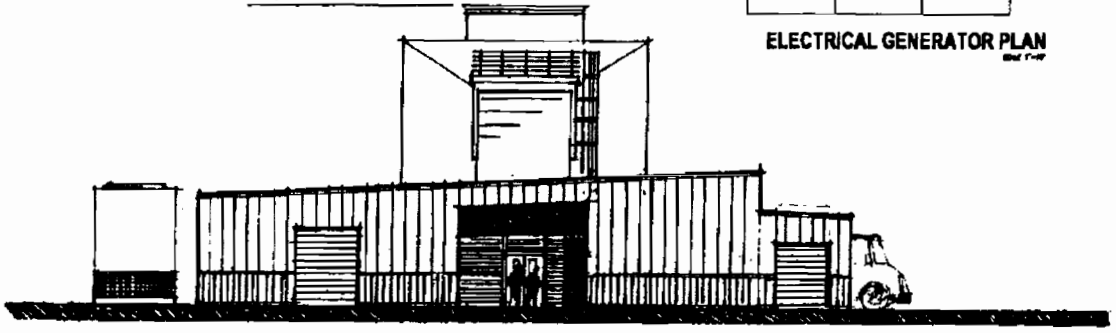


ELECTRICAL GENERATOR PLAN

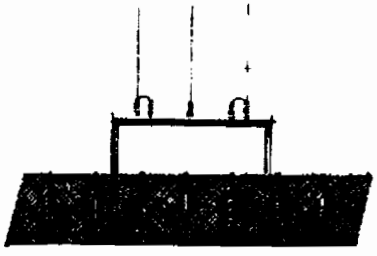


ELECTRICAL SUBSTATION PLAN

+45'



PARTIAL EAST ELEVATION



PARTIAL EAST ELEVATION

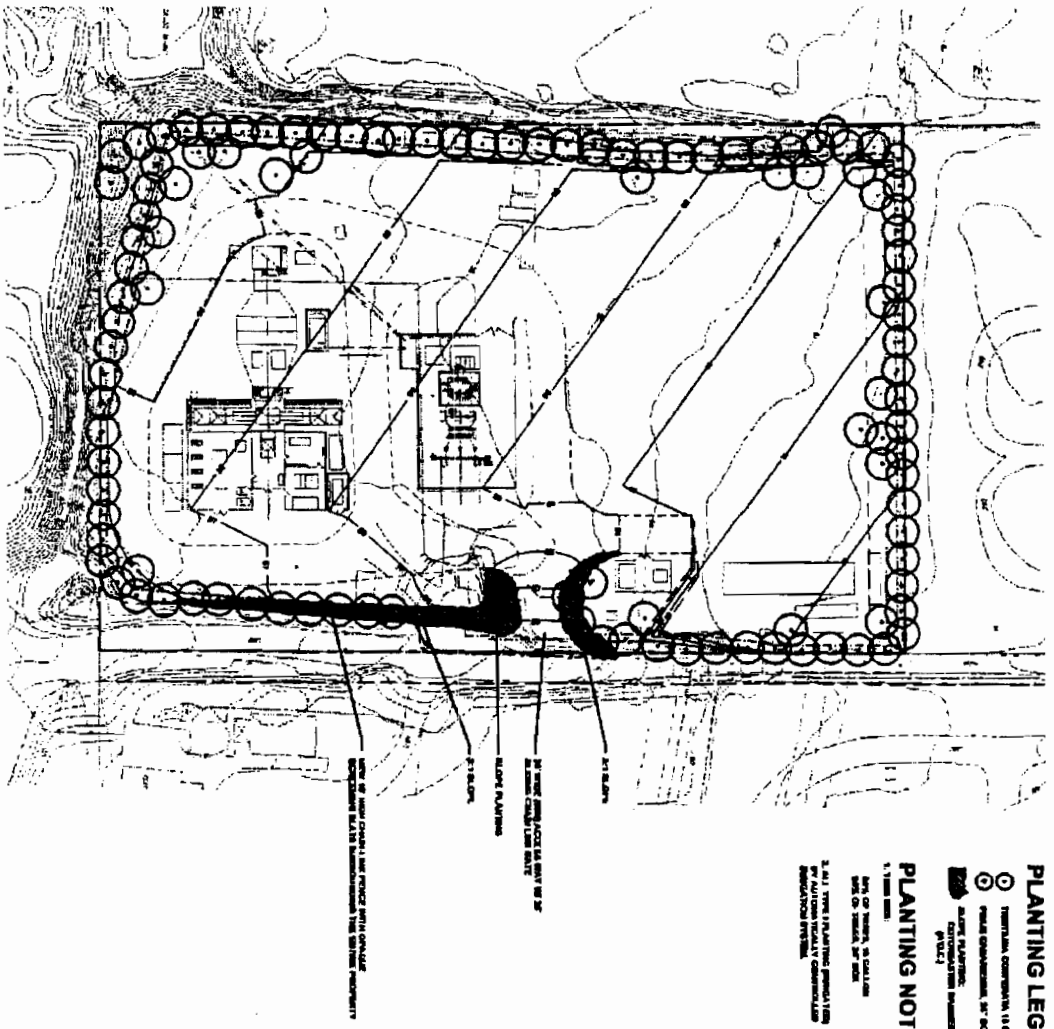
4-66

TKC

The Keith Companies

P G and E
DISPERSED GENERATION, LLC

PLANS AND ELEVATIONS
PEAK LOAD ELECTRICAL POWER PLANT
CPM SUBMITTAL



4-67

CONCEPTUAL LANDSCAPE PLAN

PEAK LOAD ELECTRICAL POWER PLANT

P G and E
DISPERSED GENERATION, LLC
101 PINE STREET, SUITE 2660
SAN FRANCISCO, CA 94111

The Keith Companies TKC

CONDITIONS OF APPROVAL

1. Prior to the issuance of building permits, the project landscape and irrigation plan shall be reviewed and approved by the City Landscape Planner.

2. Prior to the issuance of a Certificate of Occupancy for the new structures, all landscaping shall be installed in accordance with the approved landscaping plan.

3. Any designated parking areas on the site shall provide a landscape treatment of 10% minimum per the Chula Vista Landscape Manual. The site plan does not at this time identify any designated parking areas. However, if in the future parking areas are created then this will be a requirement.

4. If at any point in the future the designated easement becomes a designated street and right-of-way, then additional landscaping may be required within the right-of-way.

5. Opportunities for vine pocket plantings should be looked at by the Landscape Architect. There should be isolated pockets of vine plantings along the proposed fencing.

6. Provide some vine plantings along the proposed fencing.

7. A water management plan shall be provided at the building permit stage, per requirements of the City Landscape Manual.

8. At the building permit stage, a complete planting and irrigation plan per the City Landscape Manual will be required.

9. Construct the project as submitted, unless otherwise modified herein.

10. All mitigation measures identified within the Mitigated Negative Declaration for the project shall be complied with to the satisfaction of the Director of Planning and Building in perpetuity.

11. Developer shall dedicate land for street right-of-way, including turnaround, sufficient to construct half of an industrial street in accordance with the City's adopted street standards at the time of dedication. Such dedication shall be made upon Developer or Developer's successor in interest acquiring a fee interest in the Property and the request of the Agency.

12. The following fees will be required if appropriate or if applicable, including but not limited to those fees identified below, based on the final building plans submitted.

    a. Sewer capacity and connection fees.

    b. Development Impact Fees

    c. Traffic Signal Fees

13. The Engineering Division will require the applicant to obtain a construction permit to perform any work in the City's right of way or easements.

14. A grading permit will be required prior to issuance of any building permit. Specific means of handling storm runoff will be addressed at the time of the grading plan review. All runoff will be subject to NPDES regulations. Hazardous materials will not be allowed to drain onto surrounding property.

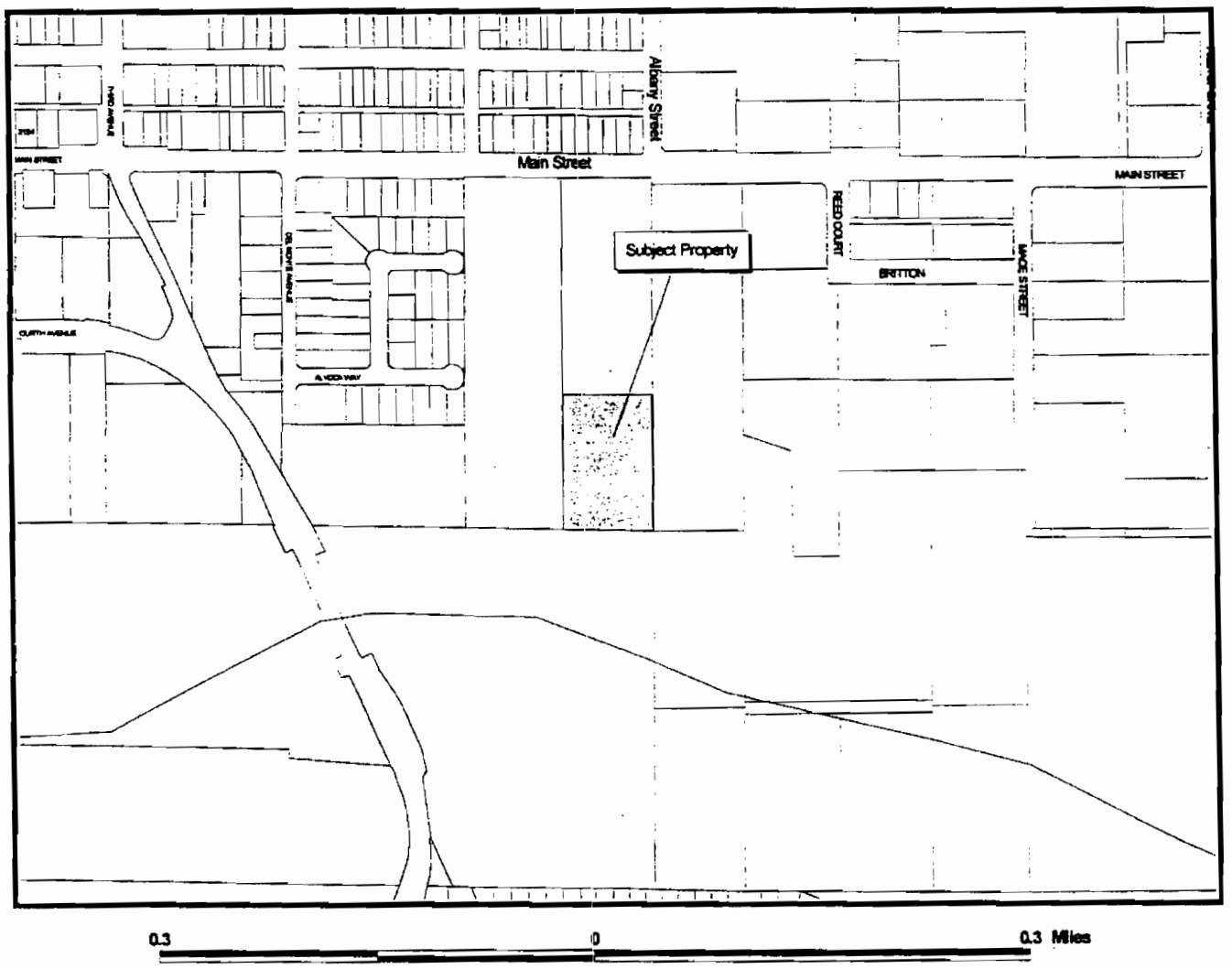
15. Existing public sewer lines shall remain protected and driveable access shall be provided to all sewer manholes located on the property. Sewer easements shall be granted for all existing sewer lines on the property not within an existing easement.

16. A 20' minimum width Fire access is required with an all weather driving surface.

END OF CONDITIONS OF APPROVAL

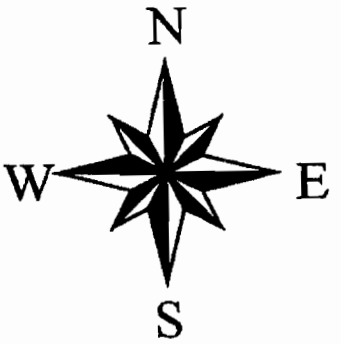
SITE LOCATOR MAP

Proposed Peak Load Generating Facility
Locator Map



Proposal to be reviewed by:

Design Review Committee
Planning Commission
Redevelopment Agency



STATE OF CALIFORNIA

ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

In the Matter of: The Application for Certification for the CHULA VISTA ENERGY UPGRADE PROJECT	Docket No. 07-AFC-4

PROOF OF SERVICE

I, Lilia Escalante, declare that on March 13, 2008, I deposited copies of the attached Data Request in the United States mail at National City, California, with first class postage thereon fully prepaid and addressed to the following:

CALIFORNIA ENERGY COMMISSION
Attn: Docket No. 07-AFC-4
1516 Ninth Street, MS-14
Sacramento, CA 95814-5512

Transmission via electronic mail was consistent with the requirements of California Code of Regulations, title 20, sections 1209, 1209.5, and 1210. All electronic copies were sent to all those identified in the following list:

docket@energy.state.ca.us	Energy Commission Docket Unit
hscarborough@mmcenergy.com	Harry Scarbarough, MMC Energy Inc
jluckhardt@downeybrand.com	Jane Luckhardt, Applicant's Attorney
ddavy@ch2m.com	Douglas Davy, CH2M HILL
Steven.blue@worleyparsons.com	Steven Blue, Worley Parsons
LTobias@caiso.com	Larry Tobias, Ca. ISO
esaltmarsh@eob.ca.gov	Electricity Oversight Board
mdjoseph@adamsbroadwell.com	Marc Joseph, Adams Broadwell
gsmith@adamsbroadwell.com	Gloria Smith, Adams Broadwell
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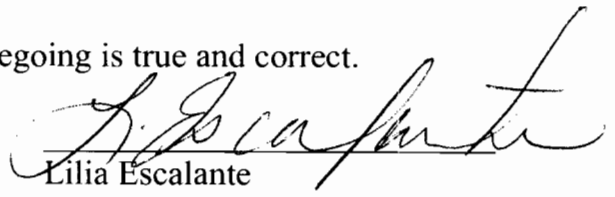
jboyd@energy.state.ca.us	Commissioner James Boyd
rrenaud@energy.state.ca.us	Raoul Renaud, Hearing Officer
cmeyer@energy.state.ca.us	Chris Meyer, Project Manager
kwbell@energy.state.ca.us	Kevin W. Bell, Staff Counsel

pao@energy.state.ca.us Public Adviser's Office

I declare under penalty of perjury that the foregoing is true and correct.



Lilia Escalante