Project Development Trends and Updates: October 2014

Tuesday, October 28, 2014
9:00 a.m. Pacific | 11:00 a.m. Central | Noon Eastern
Agenda

- Proposed Amendments to CEQA Guidelines
  Implementing SB 743: Changes to CEQA Transportation Analyses
- Pending State Board Rules on Desalination Projects
  Intakes and Outfalls
- An Overview of the Desert Renewable Energy Conservation Plan
Proposed Amendments to CEQA Guidelines Implementing SB 743: Changes to CEQA Transportation Analyses

Presented by Heather Crossner
Background: SB 743

Impetus for SB 743: Urban Sprawl
Background: SB 743

LOS  (Level of Service)  VMT  (Vehicle Miles Traveled)
Background: SB 743

- SB 743 signed into law September 27, 2013
- Directs OPR to develop new criteria for transportation impacts
- Applies to projects within transit priority areas
- New transportation metric may be based on Vehicle Miles Traveled (VMT)
Background: SB 743

- LOS **no longer the sole basis** for determining transportation impacts

- LOS may continue to be used **in other land use consistency analyses**
Section 15064.3:
Determining the Significance of Transportation Impacts; Alternatives and Mitigation Measures

“Generally, transportation impacts of a project can be best measured using vehicle miles traveled.”

However, OPR leaves some discretion for lead agencies to use alternative methodologies.
## Criteria for Significant Impacts

<table>
<thead>
<tr>
<th>May Indicate <strong>Significant</strong> Impact</th>
<th>May Indicate <strong>Less than Significant</strong> Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>VMTs <strong>Greater</strong> than Regional Average</td>
<td>Located <em>within one-half mile of an existing major transit stop</em></td>
</tr>
<tr>
<td></td>
<td><strong>Net decrease in VMTs compared to existing conditions</strong></td>
</tr>
</tbody>
</table>
## Criteria for Significant Impacts

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<thead>
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<th>May Indicate <strong>Significant Impact</strong></th>
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<tbody>
<tr>
<td>Induced travel from the addition of travel lanes</td>
<td>Land use plans that are consistent with a sustainable communities strategy, or that achieve at least an equivalent reduction in vehicle miles</td>
</tr>
</tbody>
</table>
Criteria for Significant Impacts

Transportation Impacts on Local Safety

• Exposure of bicyclists and pedestrians to vehicle conflict areas

• Queuing on freeway off-ramps

• Speed differential > 15 mph between lanes

• Increase vehicle speeds

• Increase distance between ped or bicycle crossings
## Potential Mitigation Measures

<table>
<thead>
<tr>
<th>Potential Mitigation Measures</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improve / increase access to transit; provide parking passes</td>
<td>• Traffic calming</td>
</tr>
<tr>
<td>Increase access to groceries, schools, daycare</td>
<td>• Provide bicycle parking</td>
</tr>
<tr>
<td>Incorporate affordable housing</td>
<td>• Limit parking supply</td>
</tr>
<tr>
<td>Improve jobs/housing fit</td>
<td>• Unbundle parking costs</td>
</tr>
<tr>
<td>Incorporate neighborhood electric vehicle network</td>
<td>• Parking / roadway pricing or cash-out programs</td>
</tr>
<tr>
<td>Orient project to transit, bicycle and ped facilities</td>
<td>• Commute reduction program</td>
</tr>
<tr>
<td>Improve pedestrian / bicycle networks, or transit service</td>
<td>• Provide car-sharing, bike-sharing</td>
</tr>
</tbody>
</table>
## Alternatives that Reduce VMTs

<table>
<thead>
<tr>
<th>• Locate project in region with below average VMTs</th>
<th>• Increase mix of uses</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Locate project near transit</td>
<td>• Increase connectivity and/or intersection density on site</td>
</tr>
<tr>
<td>• Increase project density</td>
<td>• Roadway management (e.g. pricing, vehicle occupancy requirements)</td>
</tr>
</tbody>
</table>
Applicability – Phased Approach

• **Apply prospectively** consistent with CEQA Guidelines Sec. 15007

• Apply immediately to projects located **within one-half mile of a major transit stop** (defined in PRC Sec. 21064.3) or **high quality transit corridor** (defined in SB 743)

• Apply **statewide after January 1, 2016**
Outstanding Issues:

Discretion of Lead Agencies

- No significance thresholds proposed by OPR
  - New Thresholds will need to be adopted by lead agencies

- Lead agencies can “opt-in” early

- Criteria are suggestions; can be modified
  - i.e. within 1/2 mile of an existing major transit stop could change to 1/4 mile
Outstanding Issues:

- **Availability and Reliability** of Current VMT Models
- **Potential Conflict** between Transportation and Land Use Consistency Analyses
Steps Going Forward

- Comment period extended to **November 21, 2014**

- After comment period closes, OPR:
  - **May issue another “Discussion Draft”**
  - Will send to Natural Resources Agency for **formal rulemaking and adoption**
Pending California State Board Rules on Desalination Projects Intakes and Outfalls

Presented by Chris Garrett
California State Water Resources Control Board ("SWRCB") amendments to the California Ocean Plan to provide rules or guidance regarding approval of desalination projects.

- Released July 3, 2014
- First in the nation to address rules and precedent setting for other jurisdictions

Proposal covers “intakes” and “outfalls”

- Intakes are regulated based on:
  - entrainment (marine organisms contained within the seawater taken into the facility harmed during the desalination process and,
  - impingement (marine organisms harmed by force of intake against intake filters)

- Latham represented Poseidon Resources and submitted comment letter
One of the key purposes of the Amendment is to implement Water Code section 13142.5(b):

“For each new or expanded coastal powerplant or other industrial installation using seawater for cooling, heating, or industrial processing, the best available site, design, technology, and mitigation measures feasible shall be used to minimize the intake and mortality of all forms of marine life.”

Water Code Section 13142.5(b) as a limit:

- Regional Water Boards must make site specific determination and cannot blindly apply statewide rules
Key Recommendations include:

- Establish subsurface intakes as the preferred intake technology (surface water intakes allowed if subsurface intakes are infeasible)
- Establish commingled wastewater or multiport diffusers as the preferred brine discharge method
- Establish a baseline water salinity limit of 2 ppt above natural background no more than 100 meters from the discharge point
- Methods for determining the appropriate amount of mitigation for a facility’s impacts
Potential infiltration gallery—Carlsbad Desalination Facility

**Basis of Design**
- Infiltration rate: 5 MGD/acre
- Source water demand: 304 MGD
- Required SIG footprint: 60 acre
- Required no. of cells: 76 cells
  *Includes 10% redundancy

**Major Quantities**
- Dredging: 1.75 million CY
- Junction structures: 46 each
  - 12" HDPE: 168,000 LF
  - 60" HDPE: 7,000 LF
- Engineered fill: 2.80 million TNS
Potential Carlsbad Multiport Diffuser
## Potential Costs

<table>
<thead>
<tr>
<th>Intake/Discharge Configuration</th>
<th>Screen Open Intake with Flow Augmentation Using Low-Impact Pumps</th>
<th>Screened Intake with Multiport Diffuser</th>
<th>Subsurface Intake with Flow Augmentation Using Low-Impact Pumps</th>
<th>Subsurface Intake with Multiport Diffuser</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Quantity of Water Potentially Exposed to 100% Mortality</strong></td>
<td>120 MGD</td>
<td>281 MGD</td>
<td>0 MGD</td>
<td>181 MGD</td>
</tr>
<tr>
<td><strong>Total Entrainment and Construction Related Mitigation</strong></td>
<td>26.4 Acres&lt;sup&gt;1&lt;/sup&gt;</td>
<td>141 Acres&lt;sup&gt;2&lt;/sup&gt;</td>
<td>60 Acres&lt;sup&gt;1&lt;/sup&gt;</td>
<td>141 Acres&lt;sup&gt;1&lt;/sup&gt;</td>
</tr>
<tr>
<td><strong>Brine Toxicity Impacts</strong></td>
<td>TBD&lt;sup&gt;3&lt;/sup&gt;</td>
<td>TBD&lt;sup&gt;1&lt;/sup&gt;</td>
<td>TBD&lt;sup&gt;1&lt;/sup&gt;</td>
<td>TBD&lt;sup&gt;1&lt;/sup&gt;</td>
</tr>
<tr>
<td><strong>Permitting and Construction Schedule</strong></td>
<td>3.5 Years</td>
<td>5.0 Years</td>
<td>10.0 Years</td>
<td>7.0 Years</td>
</tr>
<tr>
<td><strong>Construction Cost</strong></td>
<td>$64,000,000</td>
<td>$404,000,000</td>
<td>$793,000,000</td>
<td>$615,000,000</td>
</tr>
</tbody>
</table>
Requested Changes

• Poseidon requested changes:
  1. Ensure “site specific” determinations are still made under Water Code 13142.5(b) by Regional Boards, even with new Ocean Plan amendments;
     • No “one size fits all” approach
  2. Define performance standard for brine diffuser;
     • Mortality of marine organisms within range of the diffuser
  3. Include process for establishing facility-specific brine mixing zone determination
  4. Base salinity standard compliance on actual salinity data and recognized measurement techniques
  5. Incorporate definition of “feasibility” in the Amendments
Next Steps

• Over next few months California SWRCB will proceed to finalize proposed amendments
• Board must respond to and finalize comments on its Substitute Environmental Document (“SED”) which is equivalent to an environmental impact statement or report
• Unclear what role costs of requirements will play in Board’s decisions
• Unclear whether Board will look at impacts of its decision on State of California’s long term water supplies
Lessons

• It is important to continue to evaluate the actual environmental impacts of entrainment and impingement and determine whether these impacts result in any change to the current populations of adult marine organisms;
• Is the goal preservation of actual microscopic marine fish larvae or the long term populations of the adult fish?
• Will anyone prepare an overall cost benefit analysis for desalination, and what factors will be used in the analysis?
• Will anyone take responsibility for California and the Southwest’s overall water supply and “approved” long term water demands, and determine what role desalination should play in whatever is determined to be the long term supply?
Desert Renewable Energy Conservation Plan

Presented by Joshua T. Bledsoe
Overview and Background

- Landscape-scale renewable energy and conservation plan

- Prepared in response to Schwarzenegger’s Executive Order S-14-08, requiring the development of a “one-stop” process for permitting renewable energy projects in the Mojave and Colorado Desert regions

- Draft Plan and EIR/EIS released in September 2014
The Plan

- Covers more than 22 million acres
  - Private, state, and federal lands
  - Seven counties

- Renewable energy and transmission
  - Identifies specific Development Focus Areas with high-quality renewable energy potential and access to transmission in areas where environmental impacts can be managed and mitigated

- Desert conservation
  - Identifies species, ecosystem, and climate adaptation requirements for 37 covered species and 31 natural communities
  - Protection for recreation, cultural, and other desert resources
Plan Components

- BLM Land Use Plan Amendment (Federal Land Policy and Management Act)
- General Conservation Plan (Federal ESA)
- Natural Community Conservation Plan (California NCCP Act and California ESA)
- Programmatic environmental review (CEQA and NEPA)
Renewable Energy and Transmission

• Plans for 20,000 MW of new generation by 2040

• Covers solar, wind, and geothermal generation

• Identifies Development Focus Areas (DFAs)
  • Areas with high-quality renewable energy potential
  • Access to transmission
  • Locations where impacts can be managed and mitigated

• A request to build a renewable energy project in a DFA would still go through the applicable federal or state permitting process—including environmental review—but would benefit from the DRECP EIR/EIS and established survey and mitigation requirements
Alternatives

- Draft EIR/EIS includes six alternatives, including the Preferred Alternative and a No Action Alternative
- Alternatives differ in location and size of DFAs and conservation lands
Preferred Alternative

- Renewable energy development distributed across the plan area
- Moderate development flexibility
- Approximately 2 million acres of DFAs (78% private; 22% public)
- 183,000 acres of “Study Area Lands” needing various levels of study for development suitability
  - DRECP Variance Lands; Future Assessment Areas; Special Analysis Areas
- Nearly 4 million acres identified as BLM National Conservation Lands
Preferred Alternative

Exhibit 5. Plan-Wide Acres in the Preferred Alternative

- Development Focus Areas: 2,024,000 acres
- Study Area Lands: 1,323,000 acres
- Existing Conservation Areas: 7,662,000 acres
- BLM LUPA Conservation Designations: 1,142,000 acres
- Conservation Planning Areas: 4,134,000 acres
- Urban Areas and Other Lands: 6,117,000 acres
- Undesignated: 183,000 acres
Streamlining Environmental Review

- DRECP proposes a streamlined permitting process for projects sited within specified Development Focus Areas
  - Projects approved by DRECP Coordination Group would be eligible for expedited review from DRECP participating agencies (BLM, FWS, CDFW, CEC, California State Lands Commission)
  - May be able to “tier” off of DRECP EIR/EIS
  - Aims for project approval within one year of complete application
Streamlining Environmental Review

PRE-SITING AND DESIGN PHASE (DUE DILIGENCE)
- Potential Release Site
  - Project or a Controlled Activity
  - Project is in Design Phase
  - Potential Release Site

SITTING AND DESIGN PHASE
- Preparing Project Proposal
  - Initial review and feedback
  - Review of project documents
  - Review of project specific documents

COORDINATION GROUP REVIEW
- Refinement of review process
- Review of project specific documents

ON-SITE INVESTIGATIONS LANDS
- Includes applications for on-site investigations
- Review of project specific documents

ON-SITE INVESTIGATIONS NON-LANDS
- Includes applications for on-site investigations
- Review of project specific documents

AGENCY DECISION PROCESS
- Agency decision process
  - Project approved by agency
  - Project not approved by agency

CONSTRUCTION & POST-CONSTRUCTION PHASE
- Implementation of approved project
- Implementation of approved project

TABLE 1: Site and Design Surveys

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</tr>
<tr>
<td>C Phase 2 Site Surveys</td>
<td>D Phase 2 Site Surveys</td>
</tr>
<tr>
<td>E Phase 3 Site Surveys</td>
<td>F Phase 3 Site Surveys</td>
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TABLE 5: Continued

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<tr>
<td>G Phase 4 Site Surveys</td>
<td>H Phase 4 Site Surveys</td>
</tr>
<tr>
<td>I Phase 5 Site Surveys</td>
<td>J Phase 5 Site Surveys</td>
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NOTES:
- CMA: Controlled Management Action
- WMA: Wetland Management Action
- TMA: Terrestrial Management Action
- OMA: Other Management Action

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Public Comment

- Written comments must be postmarked or received by email, fax, or US Mail no later than January 9, 2015

- Agencies seeking substantive comments and comments that raise significant environmental issues:
  - Issues requiring clarification or modification of an alternative;
  - Issues requiring development of new alternatives;
  - Issues that would lead to a revised or supplemental EIR/EIS;
  - New or missing information; and
  - Flawed analysis that would substantially change conclusions.
Issues To Track

• Utility-Scale versus Distributed Generation

• Availability and Cost of Mitigation Lands

• Opposition
  • Wind Industry
  • Local Farming Groups in Imperial County
  • Native American Cultural Resources
Questions?
Contact Information

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