

**PUBLIC UTILITIES COMMISSION OF NEVADA
MEMORANDUM**

DATE: October 1, 2020

TO: The Commission
Via: Anne-Marie Cuneo, DRO

FROM: Seth Johnson, Electrical Engineer, Engineering Division

SUBJECT: Agenda 23-20; Item No. 4A; Docket No. 20-09003, Application of GridLiance West LLC, under the provisions of the Utility Environmental Protection Act, for permits to construct upgrades to the existing Gamebird Substation consisting of the expansion of the substation by approximately 14 acres, a 230 kV transmission line, and associated facilities to be located south of Pahrump in Nye County, Nevada.

I. Summary of Application

On September 3, 2020, pursuant to the provisions of the Utility Environmental Protection Act (“UEPA”), Nevada Revised Statutes (“NRS”) 704.820 through NRS 704.900, and Nevada Administrative Code (“NAC”) 703.415 through 703.427, GridLiance West LLC (“GridLiance West”) filed an Application with the Public Utilities Commission of Nevada (“Commission”) for a Permit to Construct (“UEPA Permit”) the project (“Application”), consisting of upgrades to an existing 230 kilovolt (“kV”) Gamebird Substation and associated transmission line and access road¹ (the “Project”). The Project is located on non-federal land and needs no federal environmental analysis. GridLiance West has divided the Project into four phases, each requiring a separate UEPA permit from the Commission. Phase 1 will be a tortoise fence, Phase 2 will be a substation wall and grading of the substation, Phase 3 will be the remainder of the substation’s components, and Phase 4 will be the transmission line. A legal description of the proposed location for the Project is provided in Exhibit A hereto.

The Regulatory Operations Staff (“Staff”) of the Commission recommends that the Commission issue an order granting the UEPA Application of GridLiance West and issue permits to construct the Project as defined herein.

II. Analysis and Investigation

The Application contains supporting documentation for the Project, including:

Exhibit A	Site Location Map
Exhibit B	Regional Map
Exhibit C	Legal Description of Proposed Facility

¹ The Project is a “Utility facility” since it is designed to operate at 200 kV or more as outlined in NRS 704.860(2).

Exhibit D	Scaled Site Plan Drawings
Exhibit E	Facility Drawing
Exhibit F	Environmental Statement
Exhibit G	Proof of Publication
Exhibit H	Proof of Service to Nye County Clerk, Nevada State Clearinghouse and Other Agencies
Exhibit I	Nevada Department of Wildlife Energy Planning and Conservation Fund Application for Energy Projects
Exhibit J	Draft Notice

Staff investigated and analyzed the Application for compliance with the UEPA statutes and, in particular, the pertinent provisions of NRS 704.890(1) and (2),² which require the Commission to make certain findings and determinations regarding the environmental effect, need, other required permits, and whether the Project is in the public interest. Each of those statutorily-required findings are addressed as follows.

NRS 704.890(1)(a) (Environmental Effects): GridLiance West filed an Environmental Statement for the Project (prepared by Allied Pacific Partners) that outlines the direct, indirect, and cumulative impacts, as well as design features and mitigation measures to reduce or eliminate those potential impacts. With this environmental review, GridLiance West concluded that if these mitigation measures are implemented, it will reduce the potential for minor impacts on environmental resources from the Project.

NRS 704.890(1)(b) (Effect on Reliability of Service): The Commission is not required to find and determine the extent to which the Project is needed to ensure reliable service to customers in Nevada because the substation and transmission lines do not emit greenhouse gases. However, GridLiance West states that the Project will achieve interstate benefits by increasing the capacity of an existing substation that is part of the California Independent

² NRS 704.890 (1) and (2) provide:

- (1) [T]he Commission may not grant a permit for the construction, operation and maintenance of a utility facility, either as proposed or as modified by the Commission, to a person unless it finds and determines:
- (a) The nature of the probable effect on the environment;
 - (b) If the utility facility emits greenhouse gases and does not use renewable energy as its primary source of energy to generate electricity, the extent to which the facility is needed to ensure reliable utility service to customers in this State;
 - (c) That the need for the facility balances any adverse effect on the environment;
 - (d) That the facility represents the minimum adverse effect on the environment, considering the state of available technology and the nature and economics of the various alternatives;
 - (e) That the location of the facility as proposed conforms to applicable state and local laws, and regulations issued thereunder, and the applicant has obtained, or is in the process of obtaining, all other permits, licenses and approvals required by federal, state, and local statutes, regulations and ordinances;
 - (f) That the surplus asset retirement plan filed pursuant to NRS 704.870:
 - (1) Complies with federal, state and local laws;
 - (2) Provides for the remediation and reuse of the facility within a reasonable period; and
 - (3) Is able to be reasonably completed under the funding plan contained in the application; and
 - (g) That the facility will serve the public interest.
- (2) ... If the applicant has not obtained all the other permits, licenses and approvals required by federal, state and local statutes, regulations and ordinances as of the date on which the Commission decides to issue a permit, the Commission shall condition its permit upon the applicant obtaining those permits and approvals.

System Operator (“CAISO”) and by the construction of a new transmission line that interconnects the upgraded substation to the new Sloan Canyon Switchyard, which is also part of the CAISO.

NRS 704.890(1)(c) (Balancing Need and Environmental Effect): The Project is located on vacant land next to the existing Gamebird Substation and is the only land of sufficient size to accommodate the expansion. Accordingly, the need for the Project balances any adverse effects on the environment.

NRS 704.890(1)(d) (Minimum Adverse Effect): GridLiance West’s Environmental Statement provides mitigation measures to alleviate any potential adverse effects on the environment to the greatest extent possible. Some examples of these mitigation measures include tortoise fencing, employee training, and waste management of the site.

NRS 704.890(1)(e) (Other Permits): In addition to the Commission’s UEPA Permits, additional local permits, state permits, and approvals are required for the Project. Prior to the issuance of the UEPA Permits to Construct, Staff recommends that GridLiance West be ordered to file with the Commission the following, as compliance items, if not already included in the filing.

Phase 1 – Tortoise Fence

- a. U.S. Fish and Wildlife Service – Habitat Conservation Plan
- b. U.S. Fish and Wildlife Service – Section 10 Incidental Take Permit
- c. Nevada Division of Environmental Protection – Surface Area Disturbance Permit
- d. Nevada Department of Wildlife – Special Purpose Permit
- e. Nevada Department of Wildlife – Energy Planning and Conservation Fund Payment
- f. Nye County – Conditional Use Permit

Phase 2 – Substation Wall and Grading of 14-acre Substation Upgrade

- a. U.S. Fish and Wildlife Service – Habitat Conservation Plan
- b. U.S. Fish and Wildlife Service – Section 10 Incidental Take Permit
- c. Nevada Division of Environmental Protection – Surface Area Disturbance Permit
- d. Nevada Department of Wildlife – Special Purpose Permit
- e. Nevada Department of Wildlife – Energy Planning and Conservation Fund Payment
- f. Nye County – Conditional Use Permit
- g. Nye County – Building Permit for Substation Wall
- h. Nye County – Grading

Phase 3 – Remainder of Substation Components

- a. U.S. Fish and Wildlife Service – Habitat Conservation Plan
- b. U.S. Fish and Wildlife Service – Section 10 Incidental Take Permit
- c. Nevada Division of Environmental Protection – Surface Area Disturbance Permit

- d. Nevada Department of Wildlife – Special Purpose Permit
- e. Nevada State Fire Marshal – Hazardous Materials Storage Permit
- f. Nevada Department of Wildlife – Energy Planning and Conservation Fund Payment
- g. Nye County – Conditional Use Permit
- h. Nye County – Building Permit for Substation Components

Phase 4 – Transmission Line

- a. U.S. Fish and Wildlife Service – Habitat Conservation Plan
- b. U.S. Fish and Wildlife Service – Section 10 Incidental Take Permit
- c. Nevada Division of Environmental Protection – Surface Area Disturbance Permit
- d. Nevada Department of Wildlife – Special Purpose Permit
- e. Nevada State Fire Marshal – Hazardous Materials Storage Permit
- f. Nevada Department of Wildlife – Energy Planning and Conservation Fund Payment
- g. Nye County – Conditional Use Permit
- h. Nye County – Building Permit for Transmission Line

NRS 704.890(1)(f) (Surplus Asset Retirement Plan): A surplus asset retirement plan is not required for the Project since GridLiance West does not meet the definition of an “electric utility” for purposes of surplus assets as defined in NRS 704.7333.

NRS 704.890(1)(g) (Public Interest): GridLiance West has demonstrated in its Application that the Project will serve the public interest. Specifically, the Project will provide benefits by increasing the capacity of an existing substation that is part of the CAISO and by the construction of a new transmission line that interconnects the upgraded substation to the new Sloan Canyon Switchyard, which is also part of the CAISO.

Facilities, Water Use, and Employment

Facilities to be constructed for the Project include an access road, the expansion of the Gamebird Substation by approximately 14 acres and constructing a 0.23-mile transmission line in a 250-foot-wide corridor.

GridLiance West anticipates minimal use of natural resources during construction and operation. Water use will be required for dust control and minimizing impacts to soils and air.

GridLiance West is a transmission company that constructs as well as operates transmission lines, and no additional employment is specified in the Application.

III. Notice and Subsequent Action

The Commission issued a Notice of Application for Utility Environmental Protection Act Permits to Construct a Utility Facility on September 8, 2020, and established a deadline of September 30, 2020, for notices of intervention, petitions for leave to intervene, and notices of intent to be a party pursuant to NRS 704.885(1) or make a limited appearance

pursuant to NRS 704.885(2). No comments or requests for interventions were filed with the Commission.

A Notice of the Application was published in the Pahrump Valley Times on August 26, 2020, by the Applicant, and on September 16, 2020, by the Commission.

On September 9, 2020, the Nevada State Clearinghouse requested comments from state agencies regarding the Notice of Application to Construct a Utility Facility. Comments were received from the Division of Water Resources supporting the proposal and outlining Nevada water laws. Comments from the Nevada Division of Environmental Protection – Bureau of Water Pollution Control offered comments on required permits for discharges of surface waters and groundwaters of the State. Comments from the Nevada Department of Wildlife stated that they anticipate additional information on the Desert Tortoise Habitat Conservation Plan once it becomes available.³

IV. Conclusions and Recommendations

Staff recommends that the Commission issue an order granting the Application of GridLiance West LLC and issue UEPA Permits to Construct for the Project as defined herein and in Exhibit A, conditioned upon GridLiance West LLC obtaining and filing with the Commission, as compliance items, copies of the following outstanding permits, licenses, and approvals needed for each phase, if not previously filed in the Docket and if not expired:

Phase 1 – Tortoise Fence

- a. U.S. Fish and Wildlife Service – Habitat Conservation Plan
- b. U.S. Fish and Wildlife Service – Section 10 Incidental Take Permit
- c. Nevada Division of Environmental Protection – Surface Area Disturbance Permit
- d. Nevada Department of Wildlife – Special Purpose Permit
- e. Nevada Department of Wildlife – Energy Planning and Conservation Fund Payment
- f. Nye County – Conditional Use Permit

Phase 2 – Substation Wall and Grading of 14-acre Substation Upgrade

- a. U.S. Fish and Wildlife Service – Habitat Conservation Plan
- b. U.S. Fish and Wildlife Service – Section 10 Incidental Take Permit
- c. Nevada Division of Environmental Protection – Surface Area Disturbance Permit
- d. Nevada Department of Wildlife – Special Purpose Permit
- e. Nevada Department of Wildlife – Energy Planning and Conservation Fund Payment
- f. Nye County – Conditional Use Permit
- g. Nye County – Building Permit for Substation Wall
- h. Nye County – Grading

³ As outlined previously, permits and approvals from the Nevada Department of Wildlife are included in all four phases of the project.

Phase 3 – Remainder of Substation Components

- a. U.S. Fish and Wildlife Service – Habitat Conservation Plan
- b. U.S. Fish and Wildlife Service – Section 10 Incidental Take Permit
- c. Nevada Division of Environmental Protection – Surface Area Disturbance Permit
- d. Nevada Department of Wildlife – Special Purpose Permit
- e. Nevada State Fire Marshal – Hazardous Materials Storage Permit
- f. Nevada Department of Wildlife – Energy Planning and Conservation Fund Payment
- g. Nye County – Conditional Use Permit
- h. Nye County – Building Permit for Substation Components

Phase 4 – Transmission Line

- a. U.S. Fish and Wildlife Service – Habitat Conservation Plan
- b. U.S. Fish and Wildlife Service – Section 10 Incidental Take Permit
- c. Nevada Division of Environmental Protection – Surface Area Disturbance Permit
- d. Nevada Department of Wildlife – Special Purpose Permit
- e. Nevada State Fire Marshal – Hazardous Materials Storage Permit
- f. Nevada Department of Wildlife – Energy Planning and Conservation Fund Payment
- g. Nye County – Conditional Use Permit
- h. Nye County – Building Permit for Transmission Line

Staff further recommends that the Order contain a provision that if GridLiance West LLC does not file with the Commission all of the requisite compliance items set forth hereinabove within five years of the effective date of the Commission’s Order in this Docket, the Order will be deemed to be vacated without further action by or order of the Commission.

Staff also requests that the Commission include an ordering paragraph in its Order which states: “No construction may commence on any utility facilities that are the subject of this Application for a UEPA Permit to Construct until after the Commission has issued the Permit to Construct for the Project.”

Staff further recommends that the Commission’s Order include findings and conclusions that:

- 1) Accept and incorporate the findings and conclusions in GridLiance West LLC’s Environmental Statement for the Project;
- 2) GridLiance West LLC determined the nature of the probable effect of the Project on the environment in the Environmental Statement;
- 3) The benefits of the Project balance any adverse effect on the environment;
- 4) The Project represents the minimum adverse effect on the environment, considering the state of available technology and the nature and economics of the various alternatives;
- 5) GridLiance West LLC needs, and is in the process of obtaining, other federal, state and local permits, licenses and approvals for the Project; and
- 6) The Project will serve the public interest.

LEGAL DESCRIPTION OF PROJECT SITE**Gamebird Substation Upgrades and Ancillary Facilities**
DESCRIPTION OF RIGHT OF WAY**Parcel:**

A tract of land being a portion of the Southeast Quarter (SE $\frac{1}{4}$) of the Southwest Quarter (SW $\frac{1}{4}$) of Section 34, Township 20 South, Range 54 East, M.D.M., Nye County, Nevada, more particularly described as follows:

Beginning at the Southwest Corner of said Southeast Quarter (SE $\frac{1}{4}$) of the Southwest Quarter (SW $\frac{1}{4}$) of Section 34; Thence N01°50'15"E along the west line thereof, a distance of 690.53 feet; Thence N89°35'24"E, a distance of 947.73 feet; Thence S01°50'15"W, a distance of 690.53 feet to a point on the south line of said Southeast Quarter (SE $\frac{1}{4}$) of the Southwest Quarter (SW $\frac{1}{4}$) of Section 34; Thence S89°35'24"W along the south line thereof, a distance of 947.73 feet to the Point of Beginning, containing 653,933 Square Feet, or 15.012 Acres of Land, more or less.

Transmission Line Easement:

A tract of land being a portion of the East Half (E $\frac{1}{2}$) of the Southwest Quarter (SW $\frac{1}{4}$) of Section 34, Township 20 South, Range 54 East, M.D.M., Nye County, Nevada, more particularly described as follows:

Commencing at the Southwest Corner of said East Half (E $\frac{1}{2}$) of the Southwest Quarter (SW $\frac{1}{4}$) of Section 34; Thence N01°50'15"E along the west line thereof, a distance of 690.53 feet; Thence N89°35'24"E, a distance of 634.61 feet to the Point of Beginning of the tract of land described herein; Thence N41°01'05"E, a distance of 169.56 feet; Thence N00°00'00"W, a distance of 1,071.78 feet to the centerline of an existing power line; Thence S67°21'15"E along said centerline of an existing power line, a distance of 162.53 feet; Thence S00°00'00"E, a distance of 1,065.31 feet; Thence S41°01'05"W, a distance of 93.30 feet; Thence S89°35'24"W, a distance of 200.06 feet to the Point of Beginning, containing 179,997 Square Feet, or 4.132 Acres of Land, more or less.