

# **SAN DIEGO GAS AND ELECTRIC EAST COUNTY SUBSTATION PROJECT MEMORANDUM OF UNDERSTANDING**

Between:  
SAN DIEGO RURAL FIRE PROTECTION DISTRICT  
and  
SAN DIEGO GAS & ELECTRIC COMPANY

## **I PURPOSE AND STATEMENT OF MUTUAL INTEREST AND BENEFIT**

As part of its East County Substation Project (Project), San Diego Gas & Electric Company (SDG&E) is planning to construct a new high-voltage electric substation and 138kV transmission line between the communities of Jacumba and Boulevard (see attached map, Exhibit A). The Project will also include the rebuild of SDG&E's existing Boulevard Substation. Prior to construction, SDG&E will be issued a Permit To Construct from the California Public Utilities Commission (CPUC) and a Record of Decision from the Bureau of Land Management (BLM), which will grant SDG&E the right to construct, operate, and maintain the Project.

The Project traverses approximately 14 miles through multiple private properties and BLM land, as well as very diverse landscapes having varying degrees of associated fire risk and fire hazards. The new ECO 500/230/138kV Substation and approximately 7.9 miles of the eastern portion of the 138kV transmission line will be located within San Diego Rural Fire Protection District's jurisdiction. Given that wildfire is a constant threat in Southern California, SDG&E and San Diego Rural Fire Protection District (Fire District), through this Memorandum of Understanding (MOU), will work together to, among other things, (1) minimize the risk of a fire igniting, (2) minimize any effect of the Project on tactical firefighting operations in the event of a wildfire, and (3) reduce the potential wildfire impacts relating to the Project upon residences or other structures near the Project that are within the Fire District's jurisdiction.

Pursuant to the Final Environmental Impact Report/Environmental Impact Statement for the Project (Final EIR/EIS), the CPUC has required SDG&E to take significant mitigation measures to reduce the risk of fire ignition, minimize the effects of the Project on firefighting operations, and reduce the potential wildfire impacts to the residences and/or structures near the Project. One of the mitigation measures (Mitigation Measure FF-3) requires SDG&E to provide a fixed annual fire mitigation fee to the Fire District. The funding will be utilized to assist with the purchase and maintenance of a Type I engine with an aqueous film forming foam apparatus with a deck gun to apply a heavy stream. In addition, the funding will be utilized to provide for a volunteer stipend to staff the engine with firefighters as well as training for electrical firefighting for 10 personnel (2 per year on a 5-year rotation).

This MOU is intended to be an enduring memorandum of understanding, relevant for the entire duration the Project is in existence, and is subject to approval by the CPUC before becoming effective.

## **II FINANCIAL**

The CPUC requires that SDG&E pay to the Fire District an annual mitigation fee (Mitigation Measure FF-3) in the amount equal to \$116,600 per year for the life of the Project (in 2012 dollars). As directed by the CPUC, the initial yearly payment will be distributed as outlined by the Mitigation Payment Schedule (Exhibit B)

When the Project and related facilities are decommissioned and removed from service, this MOU will be terminated and all Project fire mitigation requirements established in connection with this MOU shall cease. If the project is cancelled prior to energization, any payments made during construction as outlined by the Mitigation Payment Schedule shall be repaid to SDG&E.

### **SAN DIEGO RURAL FIRE PROTECTION DISTRICT INTENDS TO:**

1. Provide input to the East County Substation Project Construction Fire Prevention Plan (CFPP) with respect to the Fire District's jurisdiction and inspect and monitor SDG&E's compliance with the CFPP within the Fire District's jurisdiction.
2. Spend the mitigation fees on fire suppression enhancements, which include the purchase and maintenance of a Type I engine with an aqueous film forming foam (AFF) apparatus with a deck gun to apply a heavy stream. In addition, the funding will be utilized to provide for a volunteer stipend to staff the engine with firefighters as well as training for firefighting near electrical facilities for 10 personnel (2 per year on a 5-year rotation).
3. Provide input to the Sempra Utilities Wildland Fire Prevention and Fire Safety Guide, also known as SDG&E Electric Standard Practice (ESP) 113.1, in accordance with Mitigation Measure FF-2.
4. Provide input to the East County Substation Project Fire Protection Plan in accordance with Mitigation Measure FF-4.

### **III SDG&E INTENDS TO:**

1. Take the lead in the development of the East County Substation Project Construction Fire Prevention Plan and follow it through to its completion as required by Mitigation Measure FF-1.

2. Take the lead in amending the Sempra Utilities Wildland Fire Prevention and Fire Safety Guide (ESP 113.1) as required by CPUC Mitigation Measure FF-2.
3. Pay to the Fire District the annual mitigation fee as required by the CPUC Mitigation Measure FF-3.
4. Take the lead in the development of the East County Substation Project Fire Protection Plan and follow it through to its completion as required by Mitigation Measure FF-4.
5. Notify the CPUC of any modifications to this MOU, as required by the CPUC.

#### **IV OTHER**

1. This MOU is not intended as a binding agreement. This MOU creates no obligation, right, benefit, or trust responsibility, substantive or procedural, enforceable at law or equity. Nothing in this MOU is intended to alter, limit, or expand statutory or regulatory authority.
2. Any communication affecting the operations covered by this MOU is sufficient only if in writing and delivered in person, mailed, or transmitted electronically by e-mail or fax to the official contacts listed in Part VI, Principal Contacts. Notices are effective when delivered in accordance with this provision, or on the effective date of the notice, whichever is later.
3. At all times during the term of this MOU, SDG&E shall ensure that the Fire District, its employees, agents, volunteers, representatives, contractors, successors and assigns, and all other local, state, and federal fire-fighting and/or emergency response agencies and their respective employees, agents, volunteers, representatives, contractors, successors and assigns, have reasonable pedestrian and vehicular access to and from the Project site from the nearest public roads, over, around, and across the Project for purposes of conducting periodic inspections of construction activities, facilities, and operations to ensure that business operations are conducted in a safe manner and are consistent with all applicable fire suppression rules and regulations, the East County Substation Project Construction Fire Prevention Plan, the Sempra Utilities Wildland Fire Prevention and Fire Safety Guide (ESP 113.1), and the East County Substation Project Fire Protection Plan, and for the further purposes of providing necessary fire suppression and emergency medical support services.
4. Modifications within the scope of this instrument must be made by mutual consent of the parties to this MOU, by the issuance of a written modification signed and dated by the parties to this MOU. Requests for modification should be

made, in writing, at least 30 days prior to implementation of the requested change. Any modifications to this MOU shall be subject to CPUC approval before becoming effective.

5. Nothing in this MOU is intended by the Parties to diminish, waive or otherwise affect the privileges and immunities conferred upon the parties by operation of law.
6. The representative for each party signing on behalf of an entity hereby declares that authority has been obtained to sign on behalf of the entity and agrees to hold the other party hereto harmless if it is later determined that such authority does not exist.
7. Each Party, at its own cost, shall furnish and keep in full force and effect during all times of this Memorandum of Understanding the following insurance:
  - a. Workers' Compensation insurance covering all employees of their respective agencies.
  - b. Comprehensive Liability insurance to include general liability, automotive liability, and public officials and professional liability. These policies shall provide coverage for bodily injury and property damage in an amount not less than one million dollars (\$1,000,000.00) combined single limit per occurrence.
  - c. Any Party shall have the right to self-insure against any of the risks or portions thereof set forth above to the extent that such party has provided to the reasonable satisfaction of a majority of the parties to this MOU that such self-insurance is sufficient to cover the risks or portions thereof set forth above.

## **V PRINCIPAL CONTACTS**

Individuals or the positions listed below are authorized to act in their respective areas for matters related to this instrument. The following agency contact information will be utilized for notifications under this MOU:

San Diego Rural Fire Protection District  
14024 Peaceful Valley Ranch Road  
Jamul, CA 91935  
ATTN: Fire Chief  
Facsimile Number: (619) 669-1798  
Electronic Mail Address: dave.nissen@fire.ca.gov


With a Copy to:

The Law Office of Cynthia L. Eldred  
2481 Congress Street  
San Diego, CA 92110  
ATTN: Cynthia L. Eldred, Esq.  
Facsimile Number: (619) 233-7390  
Electronic Mail Address: cindy@eldredlaw.com


San Diego Gas & Electric Company  
8316 Century Park Court  
San Diego, CA 92123  
ATTN: Vice President – Electric Operations

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Understanding as of the last date written below:

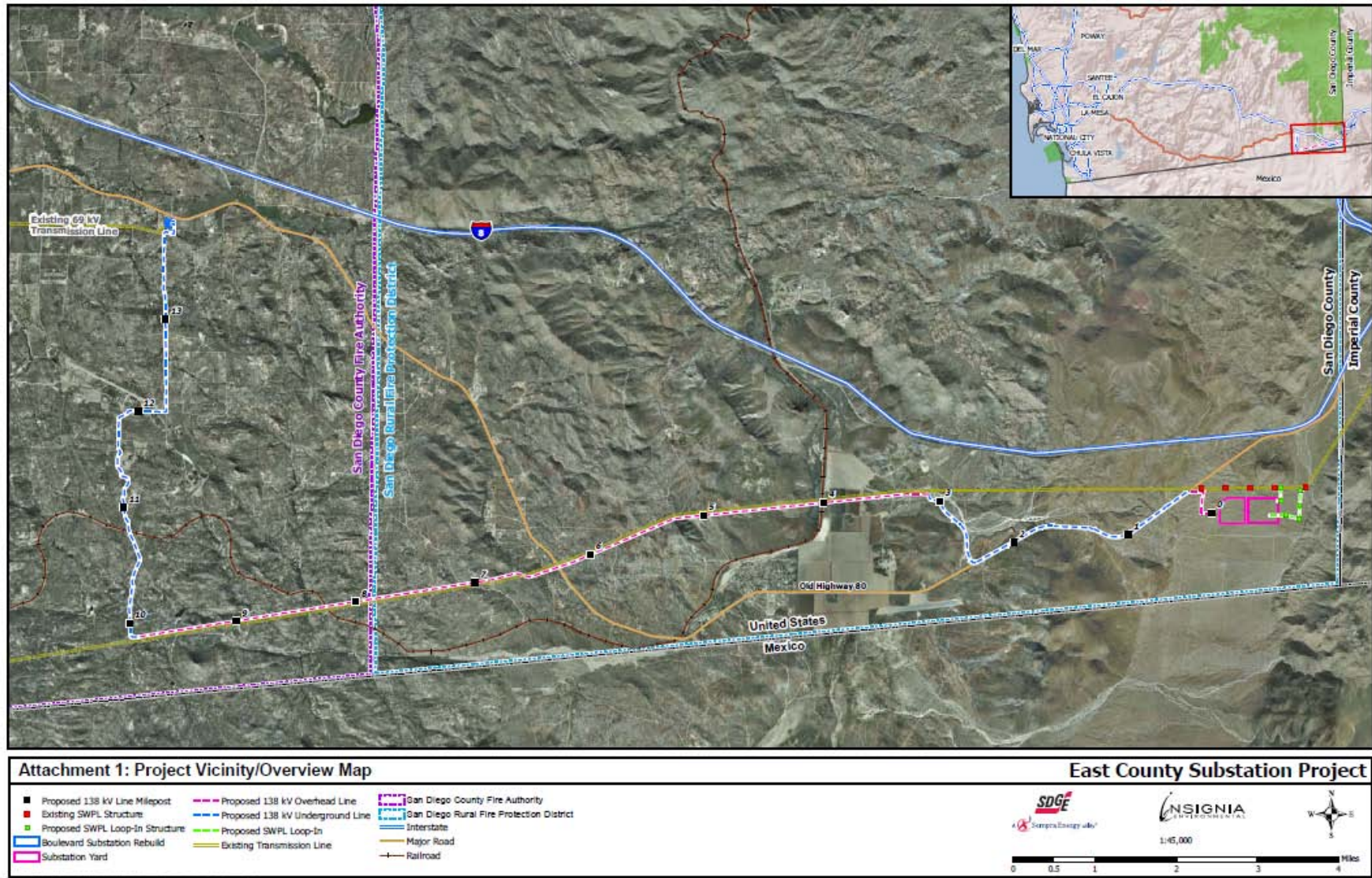
SAN DIEGO RURAL FIRE PROTECTION DISTRICT

By  Date 11/20/12  
DAVID NISSEN  
Fire Chief

SAN DIEGO GAS & ELECTRIC COMPANY

By  Date 11/19/12  
DAVID GEIER  
Vice President - Electric Operations

## Exhibit A ECO Substation Map



**Exhibit B**

**San Diego Rural Fire Protection District  
and  
San Diego Gas & Electric Company  
East County Substation  
Mitigation Payment Schedule**

**San Diego Rural Fire Protection District  
and  
San Diego Gas & Electric Company**

**East County Substation**

**Mitigation Payment Schedule**

| <b><u>Payment Date</u></b>  | <b><u>Mitigation Payment</u></b>  |
|---|---|
| 6 Months following commencement of construction                       | \$84,468.00 to provide the down payment on acquisition of a Type 1 Fire Engine with AFFF Capacity; fire engine takes 1 year to build. |
| November 15, 2013   | \$5,081.00 for Fire School Class for 2 Firefighters; Class is offered 1 time annually in December/January.                            |
| Prior to Energization<br>(Initial Payment Date)                       | \$116,600.00 Annual Payment<br>Less \$84,468.00<br><u>Less \$5,081.00</u><br>\$27,051.00  |
| Annual Anniversary of Initial<br>Payment Date through Life of Project | \$116,600.00 Annual Payment   |

October 5, 2012