

# San Jose Interests in New CAISO Transmission Lines

## Opportunity Statement

The City of San José seeks to provide information to potential bidders on the pending CAISO RFP for new transmission lines to ensure the best possible outcome for the residents and businesses of the city and build a foundation for a strong collaboration during design and construction.

## Background

This section provides high-level context on a Request for Proposal (RFP) issued by CAISO for new high voltage transmission lines in San José. The California ISO (CAISO) manages the flow of electricity on high-voltage power lines, operates a wholesale energy market, and oversees infrastructure planning. CAISO has issued a Request for Proposals (RFP) for new transmission lines passing through and serving the City of San José. This document outlines the City of San José's key interests and concerns related to these new transmission lines and is intended to serve as an open and transparent briefing for CAISO, potential bidders, and other stakeholders.

## Proposed Timeline

- CAISO, PG&E and other stakeholders file proposals for necessary upgrades to existing system to integrate the new high voltage DC lines – August 2022
- Bids to the CAISO close August 26, 2022
- CAISO will short list qualified bidders who submitted complete bids Dec 2022
- CAISO Bid award March 2023
- CAISO approval of existing system upgrade details March 2023
- CEQA/permitting process begins with the California Public Utilities Commission as the lead agency likely in April 2023
- Construction 2026-2028
  - \* This is a CAISO project, dates are all subject to change and anyone interested should verify information with CAISO

## Context

- The City administration supports the transmission plan and the development of new transmission lines.
- The City administration supports the CAISO transmission plan as the new transmission lines are important for: reliability, achievement of Climate Smart goals, accommodation of development projects, and retirement of existing regional fossil electric generation.
- The city has permitting authority over several aspects of the project and desires close collaboration and partnership
- Businesses and neighborhoods can be disrupted, interrupted, and negatively impacted by large scale infrastructure project, minimizing these impacts, and supporting impacted businesses and neighborhoods is essential
- The routing of the transmission lines, in particular the DC line from Metcalf to Substation B is important for the City and as a result we seek to engage bidders and the CAISO to avoid issues including equity impacts.
- Current and future rail operators (esp. Caltrain and California High-Speed Rail) have expressed potential concerns about the running the new high voltage line along the rail corridor.

# San Jose Interests in New CAISO Transmission Lines

## City of San José's Interests

The City of San José administration is supportive of the new transmission lines proposed by CAISO and seeks to ensure that they are located, designed, and constructed in a manner that minimizes the negative impacts to key interests and communities and maximizes future opportunities created by the increased power capabilities. At a high level the City's top seven (7) interests are:

- 1) Ensure the timely and quality construction of new high-voltage lines along a logical route and in a manner that results in maximum benefit of the San José community.
- 2) Ensure strong coordination and compliance with the City of San José Public Works permitting processes and franchise agreement requirements
- 3) On private property ensure strong coordination and compliance with the City of San José Planning, Building, and Code Enforcement Department
- 4) Commit to effective communication with and support for neighborhoods and businesses impacted this infrastructure in partnership with the City.
- 5) Avoid operational impacts to the Regional Wastewater Facility (RWF) and balance project siting choices within the framework of the RWF Plant Master Plan (PMP).
- 6) Construct the project so that it supports key rail and transit projects such as Diridon Station and existing and planned rail lines.
- 7) Include mitigation and/or improvements that offer co-benefits

These interests are described in greater detail in the Recommended Approach section below.

## Recommended Approach

Educate CAISO bidders for the new transmission lines on the City's seven key interests and other perspectives before, during, and after the RFP process to ensure transparent understanding and set the stage for a strong collaboration during design and construction.

- 1) Ensure the timely and quality construction of new high-voltage lines along a logical route and in a manner that results in maximum benefit of the San José community.
  - a) Preferred Route – The City has a preferred path of the line (Monterey road, follow the UP rail line)
  - b) Land use issues to work through at Los Esteros, Substation B and Metcalf to facilitate new converter stations at these sites
  - c) Minimize Footprint – The City recognizes the need for land for these facilities but is clear that land acquisition should minimize the footprint and not be used to landbank or acquire land for unrelated uses.
- 2) Ensure strong coordination and compliance with the City of San José Public Works permitting processes and franchise agreement requirements
  - a) [Public Works Development Services](#) Permit
    - i) Work in the Public Right of Way
      - (1) Utility: See [Public Works Utilities](#) webpage [Applications & Resources](#) webpage under the following dropdown menus:
        - (a) General – Utility Permit Fee Schedule
        - (b) Permit Criteria

## San Jose Interests in New CAISO Transmission Lines

- (c) Application Phase
  - (2) For other offsite work (ie curb, gutter, sidewalk, driveway, pavement work, etc.) related to the substation upgrades: Refer to the [Public Works Permit Applications & Resources](#) webpage under the Public Street Improvement Permit dropdown menu.
  - (3) [Provide Construction Impact Mitigation Plan per Municode 13.36](#)
    - (a) Address potential impacts to businesses per [Municipal Code 13.36.230](#) and may include but not be limited to the follow mitigation measures:
      - (i) Limited hours of construction;
      - (ii) Provision of alternative access routes
      - (iii) Outreach to businesses to schedule utility outages
      - (iv) Increased signage to provide visibility, notice of alternative parking, notice of alternative access in conformance with San José Municipal Code Title 23
      - (v) Marketing assistance, technical business support, and cross-promotion efforts with adjacent businesses
    - ii) Direct or indirect financial assistance, such as a Business Interruption fund Work onsite: See Public Works [Permit Applications & Resources](#) webpage under the following dropdown menus as applicable:
      - (1) Grading, Geology, and Erosion Control
      - (2) Stormwater Treatment (C3)
    - iii) Other Information
      - (1) [Public Works Permit Fees](#)
      - (2) [Public Works Planning Permit Review Fees](#)
      - (3) [Permit Standard Review Times](#)
      - (4) [Remote Submittal Procedures](#)
  - b) Franchise Agreement Required
    - i) Article XIII, Section 1300 of the City Charter and Title 15 of the San José Municipal Code, including [Title 15.32 – Gas and Electric Franchises](#)
- 3) On private property ensure strong coordination and compliance with the City of San José Planning, Building, and Code Enforcement Department
- a) Route - Need to know which properties are being considered to outline the permitting process.
  - b) General Plan and Zoning - A General Plan amendment could be needed, and most likely a rezoning; General Plan amendments are only processed once a year in the fall, with the application deadline generally a year prior to the hearing.
    - i) [General Plan Information](#)
    - ii) [General Plan Annual Review Process](#)
    - iii) [Zoning Information](#)
  - c) Other Permits - A Site Development Permit or other discretionary approval such as a Special Use Permit or Conditional Use Permit would then be needed.
    - i) [Development Review Information](#)
  - d) CEQA - The project would need CEQA clearance but understand the state would be the lead agency.
  - e) Mapping - City to receive a parcel-by-parcel listing and map of the route

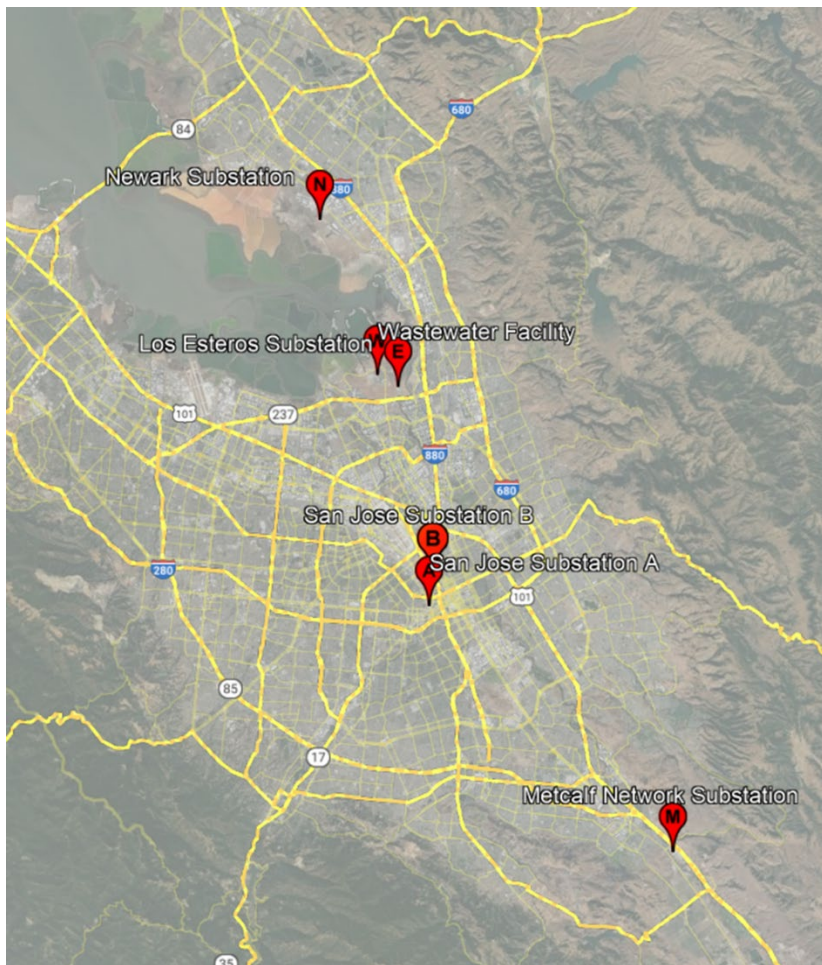
## San Jose Interests in New CAISO Transmission Lines

- 4) Commit to effective communication with and support for neighborhoods and businesses impacted by this infrastructure in partnership with the City.
  - a) Support Businesses and Neighborhoods disrupted – Large infrastructure projects are frequently disruptive to local businesses and neighborhoods. To minimize this disruption the project should
    - i) Include a comprehensive mitigation plan to deal with disruptions to neighborhoods such as traffic, noise, etc.
    - ii) Fund and support a business interruption mitigation fund with a focus on small businesses impacted by construction
  - b) Communications plan with affected businesses and neighborhoods. Communication should be linguistically and culturally appropriate.
  
- 5) Avoid operational impacts to the Regional Wastewater Facility (RWF) and balance project siting choices within the framework of the RWF Plant Master Plan (PMP).
  - a) The property north of 237, known as the RWF, is co-owned by the City of San José and the City of Santa Clara. There are currently approved land uses for this property as documented in the PMP. Please note that potential land use changes may trigger an amendment of the associated Environmental Impact Review (EIR) and all decisions must be reviewed publicly by the named entities.
  - b) Due to the nature of the facility, there are multiple large diameter sewage interceptors and force mains that conduct flow to the RWF. These lines and the associated easements are owned by the City of San José, City of Santa Clara and City of Milpitas. If the final alignment crosses these pipes, it will require detailed coordination and permitting efforts with the different entities.
  - c) Within the area located north of 237, there are 201 acres dedicated as Burrowing Owl Habitat. This area is reserved to preserve Burrowing Owls (a California species of special concern) and the easement is owned and managed by the Santa Clara Valley Habitat Agency. Any potential use within that area will be subject to their approval. In addition, all activities proposed within the Habitat Plan Permit Area require an application for coverage and payment of commensurate development fees.
  - d) RWF is supportive of this project and believes there are opportunities for a suitable site location within areas identified as Flexible Space and Plant Expansion Areas in the vicinity of the Advanced Facility Water Treatment Plant (ADWTP).
  - e) City will work with the selected developer to negotiate long-term ground leases for the space required and necessary approvals with the San José and Santa Clara City Councils.
  
- 6) Construct the project so that it supports key rail and transit projects such as Diridon Station and existing and planned rail lines.
  - a) Advance reconstruction of Diridon Station by minimizing the footprint of the rebuilt PG&E Substation and keeping it out of the anticipated new Station footprint or the Downtown West Development.
  - b) Improve development opportunities on the Railyards site by minimizing the footprint of the rebuilt PG&E Substation and new converter station and moving it away from Coleman Avenue to maximize development parcel

## San Jose Interests in New CAISO Transmission Lines

- c) Rail-line ROW perspectives; DOT is conferring with rail partners about pros/cons; initially, Caltrain and HSR appear to have concerns about whether the rail ROW can fit this infrastructure, and/or compatibility of the high-voltage line with rail operations
- 7) Include mitigation and/or improvements that offer co-benefits
  - a) Developer funded improvements to roads other infrastructure as possible and appropriate
  - b) If the line follows Monterey Corridor, co-design with safety improvements along this Vision Zero priority street.
  - c) Collaboratively explore other opportunities throughout the design and construction process.
  - d) Explore the opportunity to include in the development one conduit with fiber to enhance connectivity in San Jose.

### Map Image of Key Substations for reference



### Key Substation Locations