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Fax Cover Sheet

Date: 10-25-10 Time: 1720 PST

To: Dr. Jerry Pell Fax: 202 318 7761
Principal NEPA Document Manager Phone: _____

From: John Riccio, Community Rep. - Congressman
Filner

Number of Pages (including cover sheet): 3

Message: letter RE: (Docket No. PP-334)
Draft Environmental Impact Statement for
the Proposed Energia Sierra Juarez (ESJ)
U.S. Transmission Line - Presidential Permit
Application

BOB FILNER
51ST DISTRICT, CALIFORNIA

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CHAIRMAN

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October 25, 2010

Dr. Jerry Pell
Principal NEPA Document Manager
Office of Electricity Delivery and Energy Reliability (OE-20)
U.S. Department of Energy
1000 Independence Avenue, SW.
Washington, DC 20585

Dear Dr. Pell:

I am writing you in direct opposition to Sempra Energy's application on behalf of Energia Sierra Juarez U.S. Transmission, LLC (ESJ) for a Presidential Permit to construct a cross-border transmission line between Northern Baja California, Mexico and San Diego County (Docket No. PP-34). Attached is my letter to Department of Energy Secretary, Steven Chu, dated November 6, 2009, recommending denial of the application and the reasons for my opposition to the project.

Since late 2009, my objections have grown with receipt of additional constituent concerns and the attached letter to Secretary Chu, dated August 11, 2010, written by Michael Mowrey, Vice President of the International Brotherhood of Electrical Workers (IBEW), opposing the project application on behalf of their approximately 725,000 members.

The IBEW letter listed project issues that would undermine several stated goals of the Obama Administration:

- It would facilitate the export of American jobs.
- It would increase the United States' dependence on foreign energy.
- It would undermine American environmental and labor laws.

My constituents have raised concerns with the following project issues that I concur with:

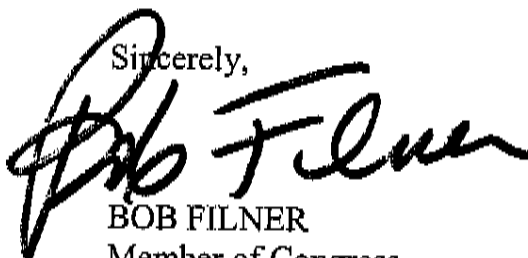
- There is no Power Purchase Agreement.
- Sempra has already stated they will not build the wind energy project until it is needed. This and other wind energy projects may never come to fruition, leaving the cross-border power line available for access for fossil fuel fired energy with an amended permit.

Dr. Jerry Pell
October 25, 2010
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- Importing wind energy from Mexico only increases reliance on foreign energy sources.
- ESJ relies on SDG&E's controversial and litigated Desert Deathlink (Sunrise Powerlink) and ECO Substation. Both will result in increased utility rates, eminent domain, and reduced property values for my constituents and increased/guaranteed profits for Sempra, their subsidiaries, and shareholders.
- The introduction of industrial wind turbines, new substations, and new transmission lines increases fire risk in a low-income area of high fire danger, high winds, and understaffed and funded volunteer fire departments.
- Rural fire insurance rates have already increased significantly due to the extensive damages resulting from the 2003 and 2007 firestorms and other large fires, some of which were sparked by SDG&E equipment.
- ESJ and cumulative projects may result in even higher increases in rural fire insurance rates beyond the abilities to pay in these hard economic times. Fire policies may be canceled outright if deemed too risky.
- Property value reductions in an area that is already hard-hit with a high level of foreclosures.
- Significant and cumulative impacts to the endangered Peninsular Bighorn Sheep and Golden Eagles protected under the Bald and Golden Eagle Protection Act, and other sensitive species, that occupy the cross-border area impacted by the entire ESJ project, the Desert Deathlink, and other projects.

The importation of, and reliance on, foreign energy sources, the exportation of American jobs, the significant and cumulative negative impacts to rural low-income communities, protected species, and critical bi-national wildlife habitat and corridors compel me to request that you deny Sempra's Presidential Permit Application for their Energia Sierra Juarez wind energy project.

Sincerely,



BOB FILNER
Member of Congress

BF/jr
2555674

Enclosures



International
Brotherhood of
Electrical
Workers

Edwin D. Hill
International President

Lindell K. Lee
International Secretary - Treasurer

Michael Mowrey
International Vice President

Ninth District

August 11, 2010

Secretary Steven Chu
U.S. Department of Energy
100 Independence Avenue, SW
Washington, DC 20585

Subject: Sempra Energy Application for Presidential Permit PP-334

Dear Secretary Chu:

We are writing today to request the Department of Energy please deny Sempra Energy's application on behalf of Baja Wind U.S. Transmission, LLC (now known as Energia Sierra Juarez U.S. Transmission, LLC) for a Presidential Permit to construct a cross-border transmission line between Northern Baja Mexico and San Diego County (Docket Number PP-334).

The transmission project proposed in this application would undermine several goals of President Obama's Administration. Specifically:

1. It would facilitate offshoring American jobs: Sempra's cross-border transmission lines would enable the company to build energy projects in Mexico and import the energy into the United States instead of building them here in the United States where the power is being used. This is the wrong direction at a time when we should be creating jobs here to revive our economy and put Americans back to work.
2. It would increase the United States' dependence on imported energy: The Administration has emphasized the need for America to become energy independent and to reduce our reliance on imported energy from overseas. Approving cross-border transmission lines to import energy from Mexico into California is the exact opposite of this goal. Our nation's economic future and security depends on developing energy infrastructure here within our own borders.
3. It would undermine American environmental and labor laws: A core component of President Obama's campaign platform was his commitment to a green economy that could usher in a new period of environmental and economic prosperity. Approving cross-border transmission lines undermines this vision by enabling Sempra Energy to deliver energy to the United States from facilities not built according to American labor and environmental standards.

If we are to reclaim America's middle class, we need to eliminate opportunities for corporations to offshore our jobs, exploit workers and raid natural resources. This applies both within our own borders and beyond them. For these reasons, we respectfully request that you reject Sempra's application.

Fraternally,

Michael Mowrey
International Vice President

MM/rja

BOB FILNER
51ST DISTRICT, CALIFORNIA

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November 6, 2009

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Steven Chu
Secretary of Energy
United States Department of Energy
1000 Independence Avenue, SW
Washington, DC 20585

Dear Secretary Chu:

I am writing to recommend the denial of Sempra Energy's (Sempra) Presidential Permit Application (PP-334) for a cross-border 500 kV transmission line because it is not in the best interest of my constituents in San Diego and Imperial Counties. I am intimately familiar with the history of this issue and the groups of people involved. Therefore, I urge you to carefully consider my argument and conclusions.

This transmission line, in combination with the proposed 1,250 MW Sierra Juarez wind energy project in Baja California, Mexico, will connect with the existing San Diego Gas & Electric (SDG&E) Southwest Powerlink 500 kV line at the proposed 85-acre East County (ECO) substation in Jacumba, California. Sempra Energy, a parent company of SDG&E, has no export wind contracts. If PP-334 is approved, it would likely result in the approval of the ECO substation at Jacumba, by the California Public Utilities Commission (CPUC), because of the promise of export wind development in Baja California by Sempra. The approval of the ECO substation project would reward Sempra's affiliate SDG&E with a \$270 million windfall at ratepayer expense even if no single export turbine is ever built.

In the August 28, 2009 letter to the Department of Energy (DOE), Sempra clarified the PP-334 application claiming that the interconnection from Baja California will be an interconnection between a single generator and the proposed ECO substation. However, transmission lines in the U.S. are generally required to be open access as long as a wheeling fee is paid to the transmission line owner. Sempra's insistence that the 1,250 MW interconnection with the ECO substation will create a generator tie is misleading. In actuality the 1,250 MW line will be under the exclusive control and use of Sempra.

The DOE must not reinforce anti-competitive behavior by granting a Presidential Permit to Sempra. Sempra has a history of exploiting the Baja California assets for inappropriate financial gain. In 2006, Sempra was ordered to pay the state of California \$70 million for violating the terms of its 10-year supply power contract. Also in 2006, Sempra settled a lawsuit for \$377 million with Southern California cities for natural gas price fixes during the 2000-01 energy crisis.

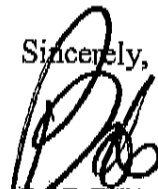
Steven Chu
November 6, 2009
Page 2

Sempra asserts that if wind power is imported from Baja California to SDG&E's proposed ECO substation, it will fill the Southwest Powerlink and require construction of a second 500 kV known as the Sunrise Powerlink. The proposed Sunrise Powerlink transmission line will expand markets for Sempra's existing natural gas-fired generators in Arizona and Baja California which will cost nearly \$2 billion, and with no assurance that it will carry any renewable energy.

Mexico has no investment tax or production credits for renewable energies. It is these credits that have made wind energy cost-competitive in the United States. The Mexican electric company, the Comisión Federal de Electricidad (CFE), has already stated publicly that up to 800 MW of wind generation can be transmitted on existing CFE lines that already serve the northern Sierra Juarez wind development area. These lines are integrated with the SDG&E grid through Western Electricity Coordinating Council (WECC).

Sempra's track record does not show that it will develop or manage the Baja California wind energy resources properly. If the DOE approves Sempra's PP 334 application, it will result in a grant of full control over the flow of renewable energy from Baja California which would not be in our region's best interest. Therefore, I urge you to deny Sempra's application.

Sincerely,



BOB FILNER
Member of Congress

cc:

Anthony Como, Director
Permitting and Siting, U.S. Department of Energy
1000 Independence Avenue
Room 6H-050, OE-20
Washington, DC 20585

BF/wl
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