CALIFORNIA COASTAL COMMISSION

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Staff Report:

9/29/05

SMH/JJL/JD

Hearing Date:

7/27/03 10/12/06

Commission Action:

10/12/05

Commission Vote:

Item Number:

Wed-9.a

REGULAR CALENDAR STAFF REPORT AND RECOMMENDATION SONGS PERMIT AMENDMENT

Applicant:

Southern California Edison Company

Permit No.:

6-81-330-A4 (formerly 183-73)

Project Description:

Request to amend the subject permit for the San Onofre Nuclear Generating Station (SONGS) Units 2 and 3, specifically to

modify Standard 1.3.h. of Condition A in order to allow conversion of wetland habitat to upland area as part of the

proposed San Dieguito Wetlands Restoration Project.

SUMMARY OF STAFF RECOMMENDATION

The staff is recommending that the Commission approve an amendment to the SONGS Permit No. 6-81-330 to modify Minimum Standard 1.3.h of Condition A, Wetland Mitigation, to allow the San Dieguito Wetland Restoration Project, if approved by the Commission under Coastal Development Permit (CDP) Application No. 6-04-88, to go forward in compliance with the SONGS permit conditions.

The Commission originally adopted the SONGS permit conditions in 1991 to mitigate the adverse impacts of the power plant on the marine environment. Condition A of the permit requires Southern California Edison (SCE) to create or substantially restore a minimum of 150 acres of wetlands to mitigate for the reduction in fish caused by the operation of SONGS. Condition A also requires that the wetland mitigation meet minimum standards and objectives.

One standard, Standard 1.3.h, which requires that the restoration project "not result in loss of existing wetlands" is not met by the proposed 150-acre wetland restoration plan. In approving

the preliminary restoration plan in 1997, and as part of the adopted findings, the Commission acknowledged and accepted that a very small amount of existing wetland would probably need to be destroyed to implement a sound wetland restoration project at San Dieguito. The Commission's findings indicated that, if needed, it would consider a modification to Condition A to allow this to occur. Because the Final Restoration Plan, submitted with CDP Application No. 6-04-88, contains some loss of existing wetlands, an amendment to the SONGS permit is necessary in order to allow the restoration project to go forward in compliance with all required standards for the restoration project. The full description of the wetland restoration project, the impacts to existing wetlands, and the mitigation measures proposed to compensate for such impacts are contained in the Final Restoration Plan and CDP Application No. 6-04-88, as well as findings for the restoration project's compliance with Condition A of the SONGS permit.

I. STAFF RECOMMENDATION

The staff recommends the Commission adopt the following resolution:

MOTION: I move that the Commission approve Permit Amendment No. 4 to

Coastal Development Permit No. 6-81-330 (formerly 183-73) pursuant to

the staff recommendation.

STAFF RECOMMENDATION OF APPROVAL:

Staff recommends a YES vote. Passage of this motion will result in approval of the permit amendment as conditioned and adoption of the following resolution and findings. The motion passes only by affirmative vote of a majority of the Commissioners present.

RESOLUTION TO APPROVE THE PERMIT AMENDMENT:

The Commission hereby approves, subject to the conditions below, a permit amendment for CDP 6-81-330 (formerly 183-73) to revise Special Condition A and adopts the findings set forth below on the grounds that the proposed development with the proposed amendment, as conditioned, will be in conformity with the policies of Chapter 3 of the Coastal Act and will not prejudice the ability of the local government having jurisdiction over the area to prepare a Local Coastal Program conforming to the provisions of Chapter 3. Approval of the permit amendment complies with the California Environmental Quality Act because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the development on the environment, or 2) there are no further feasible mitigation measures or alternatives that would substantially lessen any significant adverse impacts of the development on the environment.

II. STANDARD CONDITIONS

The Standard Conditions incorporated into Coastal Development Permit No. 6-81-330, as amended (formerly 183-73), remain fully in effect.

III. SPECIAL CONDITIONS

Special Conditions A through F were required in Coastal Development Permit 6-81-330 (formerly 183-73). Only existing Standard 1.3.h of Condition A is revised, as follows. The remaining portions of Condition A, and Conditions B, C, D, E and F remain fully in effect.

- 1.3 The wetland restoration project site and preliminary plan must meet the following minimum standards:
 - h. Does not result in loss of existing wetlands, except to the extent specifically authorized by the Coastal Commission in Coastal Development Permit No. 6-04-88 for the San Dieguito Wetland Restoration Project Final Restoration Plan.

IV. FINDINGS AND DECLARATIONS

The Commission finds and declares as follows:

1. SONGS Mitigation Background

On July 16, 1991, the Coastal Commission found, based on long-term studies by the Marine Review Committee (MRC), the SONGS Units 2 and 3 cause significant adverse impacts to the marine environment and further conditioned the SONGS coastal development permit (6-81-330, formerly 183-73) to require implementation of a mitigation package. The mitigation is required to comply with Coastal Act Section 30230, which states: "[m]arine resources shall be maintained, enhanced, and where feasible, restored." One of the conditions of the package was "creation or substantial restoration of at least 150 acres of Southern California wetlands" (Condition A). Standard 1.3. h. of Condition A requires that the restoration project "not result in loss of existing wetlands."

In 1992, following an evaluation of eight sites, SCE selected San Dieguito River Valley as the wetland site with the greatest potential for meeting the wetland condition of the permit. The Commission concurred and approved San Dieguito as the mitigation site on June 11, 1992.

On April 9, 1997, the Commission approved an amendment to CDP 6-81-330. In the staff report and adopted Commission findings for the amendment, the Commission reaffirmed its prior determination that San Dieguito River Valley is the restoration site that meets the minimum standards and best meets the objectives set forth in Condition A. The Commission required that, to comply with Condition A, SCE must submit a preliminary plan for a 150 acre wetland restoration project at San Dieguito River Valley by October 9, 1997. The Commission also approved an enhancement credit, which allows SCE to satisfy up to 35 of the 150 required acres by permanently maintaining the tidal inlet at San Dieguito Lagoon.

On November 5, 1997, the Commission approved SCE's preliminary wetland restoration plan, as revised November 3, 1997, for the San Dieguito Wetland Restoration Project (Adopted Findings and Conditions on Condition Compliance, November 5, 1997).

2. Purpose of SONGS Permit Amendment

In the Preliminary Plan for the San Dieguito Wetland Restoration Project, as well as in the Final Restoration Plan now under consideration as part of Coastal Development Permit Application No. 6-04-88, extensive wetlands are proposed to be created and restored, but some existing, degraded wetlands are also adversely impacted. The impacts occur in two ways: (1) existing wetland is converted from one type to another (e.g., from high salt marsh to low salt marsh), and (2) existing wetland is eliminated by fill to create berms, treatment ponds or other physical features necessary for the restoration project. In its approval of the Preliminary Plan, the Commission considered these two kinds of impacts to be substantially different and therefore found that a 1:1 mitigation ratio is adequate for acreage that is converted from one wetland type to another, but that a greater ratio of wetland creation is required for impacts where existing wetlands are eliminated.

The Commission found that the Preliminary Plan provides 150 acres of wetland restoration credit as required by Condition A. The Commission conditioned its approval of the Preliminary Plan, finding that if the Final Plan involves any destruction of existing wetland habitat, the Final Plan shall include a request to amend the SONGS permit Condition A to allow the minimum amount of destruction of existing wetlands that is necessary for the restoration project. Thus, the Commission indicated that if some destruction of existing wetland habitat was required for the larger 150 acre wetland restoration project, the Commission would consider a modification to Condition A to allow this to occur. Because the Final Plan, submitted with CDP Application No. 6-04-88, contains some loss of existing wetlands, an amendment to the SONGS permit is necessary in order to allow the restoration project to go forward in compliance with all required standards for the restoration project. These standards include the goal that the restoration project: "[p]rovides maximum overall ecosystem benefits." (Condition A, 1.4.a)

3. Approval of SONGS Permit Amendment in the Context of the Final Plan for San Dieguito Wetlands Restoration Project

In approving the Preliminary Plan, the Commission acknowledged and accepted that a small amount of existing wetland acreage would probably need to be destroyed to implement a sound wetland restoration project at San Dieguito. The Final Restoration Plan for the restoration project is now before the Commission in CDP Application No. 6-04-88 and does include permanent impacts to existing wetlands from the construction of river berms, freshwater runoff treatment ponds, trails and least tern nesting sites.

The description of the wetland restoration project, the impacts to existing wetlands that will occur as a result of the project and the mitigation measures proposed to compensate for such impacts are fully described in the Final Restoration Plan and CDP Application No. 6-04-88, incorporated herein by reference. The findings of the proposed restoration project's conformance with the policies of Chapter 3 of the Coastal Act, in particular Section 30230 cited above and Section 30233, are contained in the September 29, 2005 Staff Report on the San Dieguito Wetland Restoration Project, also incorporated herein by reference. In addition, the findings in the staff report on CDP 6-04-88 regarding how the San Dieguito Wetland Restoration Project approved therein complies with the requirements of Condition A of CDP 6-81-330A are

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incorporated herein by reference. Accordingly, this amendment will allow the San Dieguito Wetland Restoration project approved by the Commission in CDP 6-04-88 to go forward in compliance with Condition A of CDP 6-81-330.

SUBSTANTIVE FILE DOCUMENTS

California Coastal Commission Adopted Resolution to Further Condition Permit No. 183-73 San Onofre Nuclear Generating Station Units 2 and 3, July 16, 1991

California Coastal Commission, Wetland Site Selection, San Onofre Nuclear Generating Station Units 2 and 3 Mitigation Program, June 11, 1992

California Coastal Commission Adopted Findings and Conditions, Permit Amendment and Condition Compliance, April 9, 1997 (Revised Findings and Conditions approved May 14, 1997)

California Coastal Commission Adopted Findings and Conditions on Condition Compliance, (Condition A: Wetland Mitigation Preliminary Restoration Plan), November 5, 1997

Staff Report and Recommendation on Coastal Development Permit No. 6-04-88, dated September 29, 2005

San Dieguito Wetland Restoration Project Final Plan, August 2004, revised July 2005 (strike-out/underline version received September 6, 2005)

Coastal Development Permit Application No. 6-04-88