This Draft Environmental Impact Report (EIR) has been prepared to analyze and disclose potentially significant environmental effects associated with the installation, operation, maintenance, and decommissioning of the Transpacific Fiber Optic Cables Project (Project) proposed by MC GLOBAL BP4. This EIR provides the primary source of environmental information for the lead, responsible, and trustee agencies to consider when exercising permitting or approval authority related to implementation of the proposed Project.

The California Environmental Quality Act (CEQA) Lead Agency for the proposed Project is the City of Hermosa Beach (City).

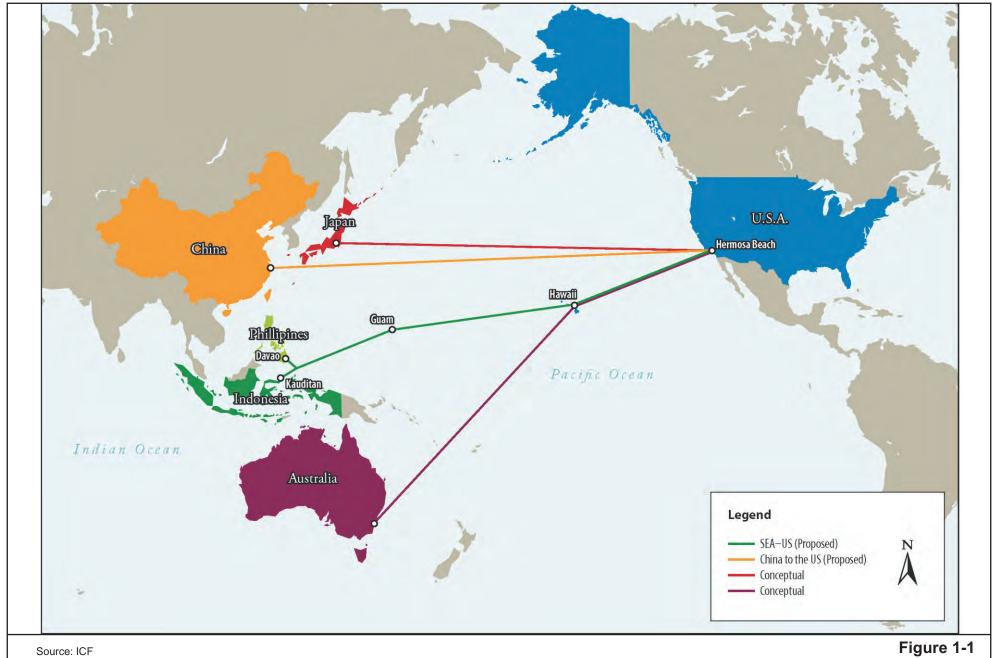
#### 1.1 Project Overview

MC GLOBAL BP4 (applicant) proposes to install and operate up to four transpacific submarine cable systems with United States landings in Hermosa Beach, California (see Figure 1-1, Systems Overview, and Figure 1-2, Proposed Marine Routes). The proposed Project would be implemented in four phases consisting of one phase for each of the four cable systems. Each cable system would entail installing a marine fiber-optic cable system on the sea floor across the Pacific Ocean, landing at one of two sites in Hermosa Beach, and then connecting to a terminal on land at one of four potential power feed equipment (PFE) facility locations.

The four cable systems would connect the United States to Pacific Rim locations, such as Southeast Asia, China, Australia, and Japan. At this time, two cable system connections have been identified. These would be accommodated in the first two phases of the proposed Project. Other cables would follow in future phases as additional connection points in other countries are identified, as conceptually illustrated in Figure 1-1. The components of the four proposed phases are described generally below and in more detail in Chapter 2 (Project Description).

# 1.2 General Location and Map

The Project would be developed in four phases, each composed of a terrestrial and a marine component. The marine cable alignments would traverse the California continental shelf and the Pacific Ocean from Hermosa Beach to Southeast Asia, China, and two other locations on the western Pacific Rim not yet known. Each marine cable alignment would terminate at a cable landing site within the incorporated limits of Hermosa Beach. The terrestrial components of the proposed Project include the cable landing sites, ocean ground beds, the conduit that extends from the cable landing sites out past the surf zone, and the terrestrial conduit systems that extend from the landing manholes to the PFE facility locations. The terrestrial conduit systems provide the connections to the main telecommunication interconnection points, and also provide power to the system as supplied from the PFE facilities. One PFE facility would be installed for each phase of the Project. PFE facilities for all phases could be located on the same site, or at one of four locations in the City as shown in Figure 2-1.



Systems Overview

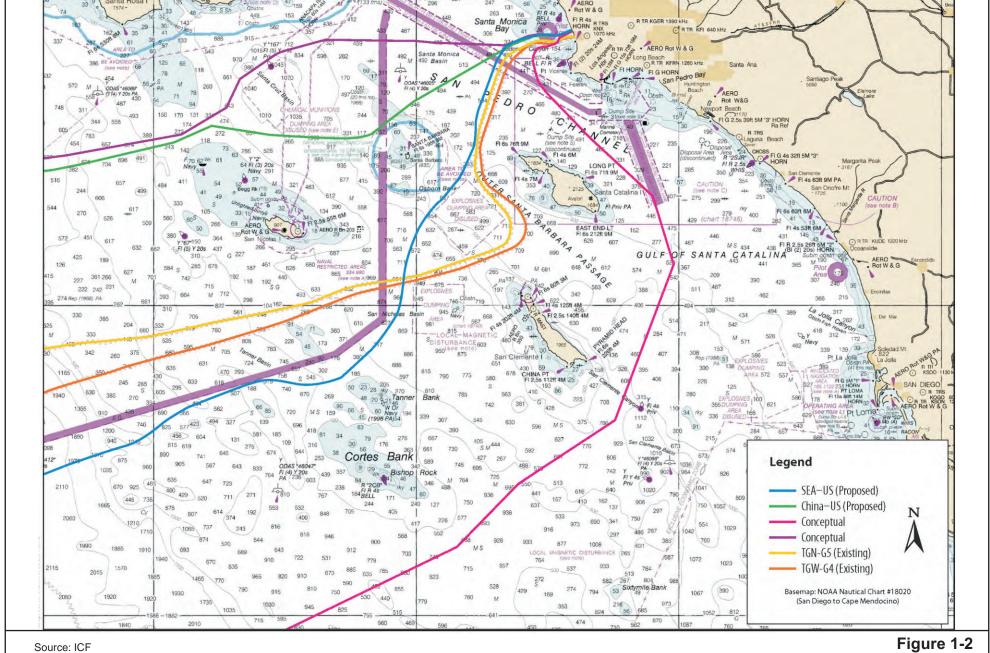


Figure 1-2
Proposed Marine Routes

The proposed locations for the PFE facilities are at 555 6<sup>th</sup> Street inside the City of Hermosa Beach maintenance yard, or within existing commercial buildings at 1529 Valley Drive inside, 1601 Pacific Coast Highway, and/or 102 Pacific Coast Highway. Depending on the location of the landing sites and the PFE sites, fiber-optic cable could be installed in the street rights-of-way (ROWs) listed in Table 1-1 as well as located within the Greenbelt between Valley Drive and Ardmore Avenue (see Figure 2-1).

Table 1-1. Proposed Street Installation ROWs		
Ardmore Avenue	1st Place	
Ingleside Drive	6 <sup>th</sup> Street	
Loma Drive	16 <sup>th</sup> Street	
Longfellow Avenue	24th Place	
Manhattan Avenue	25 <sup>th</sup> Street	
Monterey Boulevard	30th Street	
Pier Avenue	35th Street	
Valley Drive		

#### 1.3 Overview of the Environmental Review Process

This EIR has been prepared to meet all of the substantive and procedural requirements of CEQA (California Public Resources Code Section 21000 et seq.) and the State CEQA Guidelines (California Code of Regulations, Title 14, §15000 et seq). The City of Hermosa Beach is the Lead Agency for the proposed Project, taking primary responsibility for conducting the CEQA environmental review and approving or denying the Project.

In reviewing MC GLOBAL's application, the City determined that the proposed Project had the potential to cause significant adverse effects on the environment and, therefore, determined that the preparation of an EIR would be needed. In April 2015, the City filed a Notice of Preparation (NOP) with the State Clearinghouse in the Office of Planning and Research as an indication that a Draft EIR would be prepared. The filing of the NOP initiates a 30-day period during which public and agency input is solicited on the scope of issues that should be addressed in the EIR. As part of the scoping process, public meetings were conducted on April 8, 2015, to present information on the proposed Project and receive public input. Relevant comments received from agencies and members of the public in response to the NOP were considered in preparation of the Draft EIR, as appropriate.

In May 2015, subsequent to the scoping meeting, the applicant decided to change one of the proposed cable landing locations and one of the proposed PFE locations. Therefore, the City issued a revised NOP describing the Project changes in June 2015 and initiated another 30-day scoping comment period, which ended on July 20, 2015.

In accordance with CEQA, the EIR must be completed before the Lead Agency makes any decision to approve the proposed Project. The EIR must disclose a Project's expected impacts on the environment, recommend measures to reduce or avoid significant impacts, and analyze a reasonable range of feasible alternatives to the proposed Project. The purpose of this process is to inform the public about the impacts of the proposed Project and to provide information to agency decision makers that could aid them in their decision(s) regarding the Project. The basic contents of an EIR include:

- A description of the proposed Project;
- A statement of objectives;
- A description of existing conditions in the proposed Project area;
- A discussion of the potential significant environmental impacts of the proposed Project;
- Recommendations of measures that would reduce impacts of the proposed Project; and

An evaluation of a reasonable range of feasible alternatives to the proposed Project.

The Draft EIR for the proposed Project has been distributed for public review and comment in accordance with CEQA procedures (State CEQA Guidelines §15087). Copies of the Draft EIR are also submitted to the California State Clearinghouse, as well as responsible, trustee, and cooperating agencies as defined by CEQA. A Notice of Availability (NOA) of the Draft EIR was published in local newspapers and with the county clerk (State CEQA Guidelines §15087). Publishing the NOA initiates a 45-day public review period for the Draft EIR. All comments regarding the Draft EIR must be received by the Lead Agency before the end of the 45-day period in order to be considered in the Final EIR.

Responses to substantive comments received on the Draft EIR will be prepared by the Lead Agency and published in the Final EIR (State CEQA Guidelines §15088). Substantive comments are described in greater detail below in Section 1.6, *Issues Addressed in the Analysis*. The Final EIR may also present additional information in response to comments made on the Draft EIR and include minor corrections to the Draft EIR.

At the end of the EIR process, in accordance with CEQA requirements (State CEQA Guidelines § 15090), the City, as Lead Agency, will review the Final EIR and certify the adequacy of the document prior to taking any action to approve the Project. If the Final EIR determines that the proposed Project would lead to one or more significant environmental effects that cannot be mitigated to a level of insignificance, the Lead Agency must make specific findings regarding its approval of the Project (State CEQA Guidelines §15091). These findings must either state that alterations have been made to the project to avoid or substantially reduce each significant impact, or that specific economic, legal, social, technological, or other considerations make mitigation of a significant impact infeasible.

If the City decides to approve the proposed Project or an alternative even though significant unavoidable impacts would occur, it must prepare and adopt a Statement of Overriding Considerations (SOC) that explains why the significant and unavoidable environmental impacts associated with the Project are acceptable when compared to the benefits of other alternatives (State CEQA Guidelines §15093). If an SOC is required, it must be acted on before action to approve the proposed Project has been taken. The Lead Agency is required to file a Notice of Determination (NOD) with the California State Clearinghouse within five working days after approval of a project for which an EIR was prepared (State CEQA Guidelines §15094).

In addition, various other agencies may need to provide approvals prior to initiation of the proposed Project (see Section 2.8, *Intended Uses of the EIR*). These agencies will utilize the information contained in the Final EIR in making their decisions regarding required permits and approvals for the proposed Project.

#### 1.4 Readers Guide to the EIR

This EIR describes the components of the Transpacific Fiber Optic Cables Project and discusses the significant environmental effects associated with Project construction, operation, maintenance, and decommissioning. The document follows regulations set forth in the CEQA (Public Resources Code 21000-21189) and State CEQA Guidelines (California Code of Regulations, Title 14, Division 6, Chapter 3, §§15000-15387).

This section discusses some of the primary information sources used in the preparation of the EIR, and also describes the content and organization of the EIR to assist the reader in understanding the document.

#### 1.4.1 Primary Reference Documents

As part of its application to the City for the proposed Project, the applicant submitted an applicant-prepared environmental document (APED) that includes a detailed description of the Project and its methods of construction, information on existing environmental conditions, and a description of Project impacts. The APED presents information that is referenced in various sections of this EIR.

The City of Hermosa prepared an Existing Conditions Report as part of its General Plan update process and information from that document was also utilized in the preparing the EIR for the proposed Project. The Existing Conditions Report is available at the following address:

http://www.hermosabch.org/modules/showdocument.aspx?documentid=5179

The environmental analysis presented in the Draft EIR draws upon information provided in the APED and existing conditions report as necessary. The APED was used extensively to develop the proposed Project description presented in Chapter 2 of this EIR. Information in the APED also provided information helpful to the EIR preparers in the development of feasible alternatives evaluated in the EIR. Information presented in the APED and the City's Existing Conditions Report was critically reviewed by the EIR preparers before being used in the EIR and, in some cases, the EIR preparers independently verified information presented. Surveys conducted during the preparation of the E&B Oil Drilling & Production Project, such as those conducted to assess the existing contamination within the City of Hermosa Beach maintenance yard, have also been used as part of environmental analysis as necessary. The applicant also provided responses to information requests from the EIR preparers to confirm and supplement information in the APED, and this information has been used in preparation of the EIR, as appropriate.

The complete list of information sources referenced in the EIR is presented in Chapter 7.

# 1.4.2 Document Organization

This EIR is organized as follows.

- Executive Summary: A summary description of the proposed Project and its anticipated environmental impacts are included. A summary table lists impacts and the associated mitigation measures for each significant impact identified for the proposed Project.
- Chapter 1 (Introduction): A brief overview of the proposed Project, Project location, and CEQA
  environmental review process are presented.
- Chapter 2 (Project Description): A detailed description of the proposed Project is presented, including the objectives of the Project.
- Chapter 3 (Environmental Setting and Analysis): Descriptions of existing environmental conditions in the Project area and a summary of relevant laws and regulations is presented for each technical issue area. The description of existing conditions serves as the base environmental conditions against which environmental effects of the Project are evaluated. Each technical issue area section provides an analysis of the proposed Project's direct, indirect, and cumulative impacts along with a conclusion regarding the significance of each identified impact. Mitigation

measures are proposed to help reduce or avoid significant impacts anticipated to result from Project implementation. Sections 3.1 through 3.12 address the following topics:

- 3.1 Aesthetics - 3.7 Hazards and Hazardous Materials

- 3.2 Air Quality - 3.8 Hydrology and Water Quality

3.3 Biological Resources - 3.9 Land Use and Recreation

- 3.4 Cultural Resources - 3.10 Noise and Vibration

- 3.5 Geology and Soils - 3.11 Public Services

- 3.6 Greenhouse Gas Emissions - 3.12 Transportation and Traffic

Some environmental topics are not addressed in the EIR because they were determined not to be relevant to the Project or because the Project clearly has no potential impact related to certain topics. See the Initial Study in Appendix A for a discussion of topics for which no significant environmental impacts are anticipated and the reasoning for these conclusions.

- Chapter 4 (Alternatives): This chapter describes the process for the selection of Project alternatives and the rationale used to exclude certain alternatives from further analysis. The impacts of the alternatives carried forward for analysis are described, but in less detail than the impacts of the proposed Project.
- **Chapter 5 (Other Required CEQA Topics):** This chapter discusses certain long-term implications associated with Project implementation, including growth-inducing impacts.
- Chapter 6 (Organizations/Persons Consulted and List of Preparers): This chapter provides a
  listing of information sources used in preparation of the EIR, including persons contacted for
  information. The preparers of the EIR and their roles are also listed.
- Chapter 7 (References): This chapter provides a complete of information sources referenced in the EIR.
- Chapter 8 (Glossary and Acronyms): Definitions of certain terms used in the EIR are provided.
- **Appendices:** Technical background information used in preparation of the EIR is included, along with the NOP and the Initial Study.

### 1.5 Public Review and Comment

# 1.5.1 Scoping

On April 2, 2015, the City of Hermosa Beach filed a Notice of Preparation (NOP) of a Draft EIR for the Project with the State Clearinghouse (SCH No. 2015041004). The NOP was sent to various local, State, and federal agencies, and to interested organizations. The NOP provided descriptions of Project activities, objectives, location, and a preliminary identification of potentially significant impacts to be addressed in the EIR. A revised NOP was filed with the State Clearinghouse on June 18, 2015, due to changes in the Project proposed by the applicant. The Project changes consisted of a revised location for one of the proposed Cable landing sites and a revised location for one of the proposed PFE facilities.

On April 8, 2015, a public scoping meeting was held in the City of Hermosa Beach to provide an opportunity for agencies and the public to comment on the scope of the EIR, including potential impacts, mitigation measures, and alternatives to be considered. The meeting was conducted in the

City Council Chambers at City Hall. A summary of scoping comments received is provided in Table 1-2 below.

#### 1.5.2 Public Comments on the Draft EIR

This Draft EIR has been distributed for public review and comment in accordance with procedures specified in CEQA. A Notice of Completion, along with copies of the Draft EIR, have been filed with the State Clearinghouse, which initiated a 45-day public review period for the Draft EIR. Comments may be submitted on the Draft EIR during this public review period. Comments received during the 45-day public review period will be included in the Final EIR along with responses to the comments received. All comments on the Draft EIR must be received by the Lead Agency before the end of the 45-day period in order to be considered in the Final EIR.

Written comments on the Draft EIR may be submitted to the following mailing address:

Ken Robertson, Director Community Development Department 1315 Valley Drive Hermosa Beach, CA 90254

Comments may also be submitted via the following e-mail address: kroberston@hermosabch.org

Please focus your comments on topics related to impacts on the physical environment.

# 1.6 Issues Addressed in the Analysis

The environmental issues, resources, and topics addressed in this EIR include those identified by the City, as well as relevant concerns raised by other agencies and the public during the scoping process. CEQA requires the EIR to focus on significant adverse impacts and, therefore, the City has evaluated the comments received during the scoping period in light of their relevance to the identification and analysis of significant impacts. Generally, the issues evaluated in this EIR include adverse effects on the physical, biological, cultural, and other resources expected to result from activities related to the proposed Project. Relevant issues raised during the scoping period are listed in Table 1-2 below.

Table 1-2. Summary of Scoping Comments			
Issue or Resource Area	Comments or Concerns	Where Addressed in EIR	
Air Quality	Assess effects on air quality for all project phases.	Section 3.2 (Air Quality)	
	Compare emissions to both regional and localized significance thresholds.	Section 3.2 (Air Quality)	
	Apply mitigation developed by SCAQMD to reduce air quality impacts.	Section 3.2 (Air Quality)	
Biological Resources	Assess noise and vibration impacts from construction activities on coastal species and habitats.	Section 3.3 (Biological Resources) Section 3.10 (Noise and Vibration)	
	Evaluate impacts to hard-bottom habitat, eelgrass and kelp habitat, marine mammals, invertebrates, fish, birds, and other wildlife.	Section 3.3 (Biological Resources)	
	Estimate impacts to soft-bottom habitat.	Section 3.3 (Biological Resources)	
	Assess potential for impacts on listed species.	Section 3.3 (Biological Resources)	
	Assess impacts to marine habitat from a horizontal boring frac-out.	Section 3.3 (Biological Resources)	

Table 1-2. Summary of Scoping Comments			
Issue or Resource Area	Comments or Concerns	Where Addressed in EIR	
Recreation and Coastal Access	Evaluate impacts on travel/access to the beach and other coastal recreational areas.	Section 3.9 (Land Use and Recreation) Section 3.12 (Transportation and Traffic)	
	Assess disruptions to beach recreation during construction, including disruptions to bicyclists and pedestrians.	Section 3.1 (Aesthetics) Section 3.9 (Land Use and Recreation) Section 3.10 (Noise and Vibration)	
	Assess potential impacts to public recreation from a frac-out.	Section 3.9 (Land Use and Recreation)	
Scenic Resources	Assess Project visibility from scenic view corridors and public viewing areas.	Section 3.1 (Aesthetics)	
Recreational and Commercial Fishing	Assess impacts on recreational and commercial fishing.	Section 3.3 (Biological Resources)	
Cultural Resources	Address impacts on archaeological and cultural resources.	Section 3.4 (Cultural Resources)	
Hazards	Analyze potential for oil spills and provide a spill contingency plan.	Section 3.3 (Biological Resources) Section 3.7 (Hazards and Hazardous Materials) Section 3.8 (Hydrology and Water Quality)	
Alternatives	Analyze and compare alternatives, including alternate boring locations.	Chapter 4 (Alternatives)	
Traffic	Evaluate effect of construction trips on local roadways, including State Route 1.	Section 3.12 (Transportation and Traffic)	
	Discuss construction effects on access, turning movements, and traffic flow.	Section 3.12 (Transportation and Traffic)	
	Evaluate effects on emergency access during construction.	Section 3.12 (Transportation and Traffic)	
California Coastal Act	Assess the Project's conformity to the relevant policies of Chapter 3 of the Coastal Act.	Section 3.9 (Land Use and Recreation)	
Effects on Nearby Residents	Nuisance and inconvenience to local residents during construction.	Section 3.1 (Aesthetics) Section 3.2 (Air Quality) Section 3.9 (Land Use and Recreation) Section 3.10 (Noise and Vibration) Section 3.12 (Transportation and Traffic) Appendix A (Initial Study)	

Please note that CEQA does not permit social or economic effects to be treated as significant impacts and, therefore, no significance conclusions are presented in this EIR for such effects (State CEQA Guidelines §15131).

Other topics addressed in this EIR include compliance with applicable laws and regulations (addressed throughout Chapter 3), growth-inducing impacts (Section 5.3), significant irreversible environmental changes (Section 5.4), and energy conservation (Section 5.5).

The City has endeavored to address a broad range of issues, resources, and topics in the EIR, including concerns raised during the scoping comment period. However, for various reasons not all comments received during the scoping process are addressed. Some comments did not pertain to the proposed Project and, therefore, have not been addressed. Examples include comments on other projects or on actions by government agencies that are not relevant to the proposed Project. Some comments have not been addressed because they were not substantive, meaning that they did not

present information that is meaningful to the environmental analysis. Examples of non-substantive comments include expressing opposition to or support for the proposed Project, expressing disagreement with adopted public policies, or comments that are vague or open ended (e.g., "put the project somewhere else" or "the project will harm the area"). Such non-substantive comments are not required to be addressed in the EIR.

#### 1.7 Post-EIR Project Changes

The information about the proposed Project that serves as the basis for the impact analysis in this EIR is derived from MC GLOBAL's application materials, digital location data supplied by MC GLOBAL, and information provided by MC GLOBAL in response to information requests from the EIR preparers. While this information is detailed, it does not represent final engineering data and construction-level plans have not been prepared for the Project. Therefore, if the Project is approved, some changes in Project details are expected after the EIR is finalized and approvals are granted. Such changes might involve minor alignment changes, changes in component details, minor changes in material quantities, and other details that will not be finalized until construction plans are completed. These types of changes are normal and expected for almost any type of project because CEQA analysis is based on preliminary project information rather than final design. Such project changes do not invalidate the analysis in the EIR nor necessarily trigger the need for supplemental environmental analysis. Supplemental analysis is generally only needed when there are substantial changes to a project or the circumstances under which a project will be undertaken, such that adverse impacts would be substantially more severe than described in the original EIR. (See State CEQA Guidelines §15162).

CEQA recognizes that detailed project information, such as construction plans, is not required for preparation of an EIR. Section 15124 of the State CEQA Guidelines states that an EIR should contain a "general description" of a project's characteristics and "should not supply extensive detail beyond that needed for evaluation and review of the environmental impact." Further, State CEQA Guidelines Section 15004(b) states that an EIR "should be prepared as early as feasible in the planning process to enable environmental considerations to influence project ... design."