A decorative header image showing a blue sky with white clouds, partially obscured by a yellow horizontal line.

# **Final Environmental Impact Report**

## **Amendment of SMUD's Sphere of Influence**

and

## **SMUD Yolo Annexation**

April 5, 2006



# Program Description

- Amendment of the Sphere of Influence for the Sacramento Municipal Utility District (SMUD)
- Annexation by SMUD of the Cities of West Sacramento, Davis, and Woodland and Portions of Unincorporated Areas of Yolo County (approximately 212 square miles)



# Purpose of the LAFCo Draft EIR

- The LAFCO Draft EIR was issued:
  - To provide Sacramento LAFCo and the public with information regarding potentially significant effects of the proposed annexation on the environment
  - To obtain comments from the general public, and federal, state, and local agencies on the Draft EIR

# EIR Best Management Practices

- The EIR Program Description identifies and incorporates Best Management Practices (BMPs) to avoid and/or minimize the effects of the program on the environment
- BMPs generally relate to future electric facility construction if the annexation is approved and SMUD proceeds to serve portions of Yolo County



# Program Components

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- **Program Component No. 1**  
Amendment of SMUD's Sphere of Influence (SOI) and SMUD's proposed annexation
- **Program Component No. 2**  
SMUD's acquisition of PG&E facilities needed to serve the annexation area

# Program Components

- **Program Component No. 3**  
Memoranda of understanding or operating agreements between SMUD and local jurisdictions in the annexation area

## **MOUs Regarding Benefits of Annexation and Revenue Neutrality**

City of Davis:	Approved March 21, 2006
City of Woodland:	Approved March 21, 2006
County of Yolo:	On April 4, 2006 agenda
City of West Sac:	On April 5, 2006 consent agenda

# Program Components

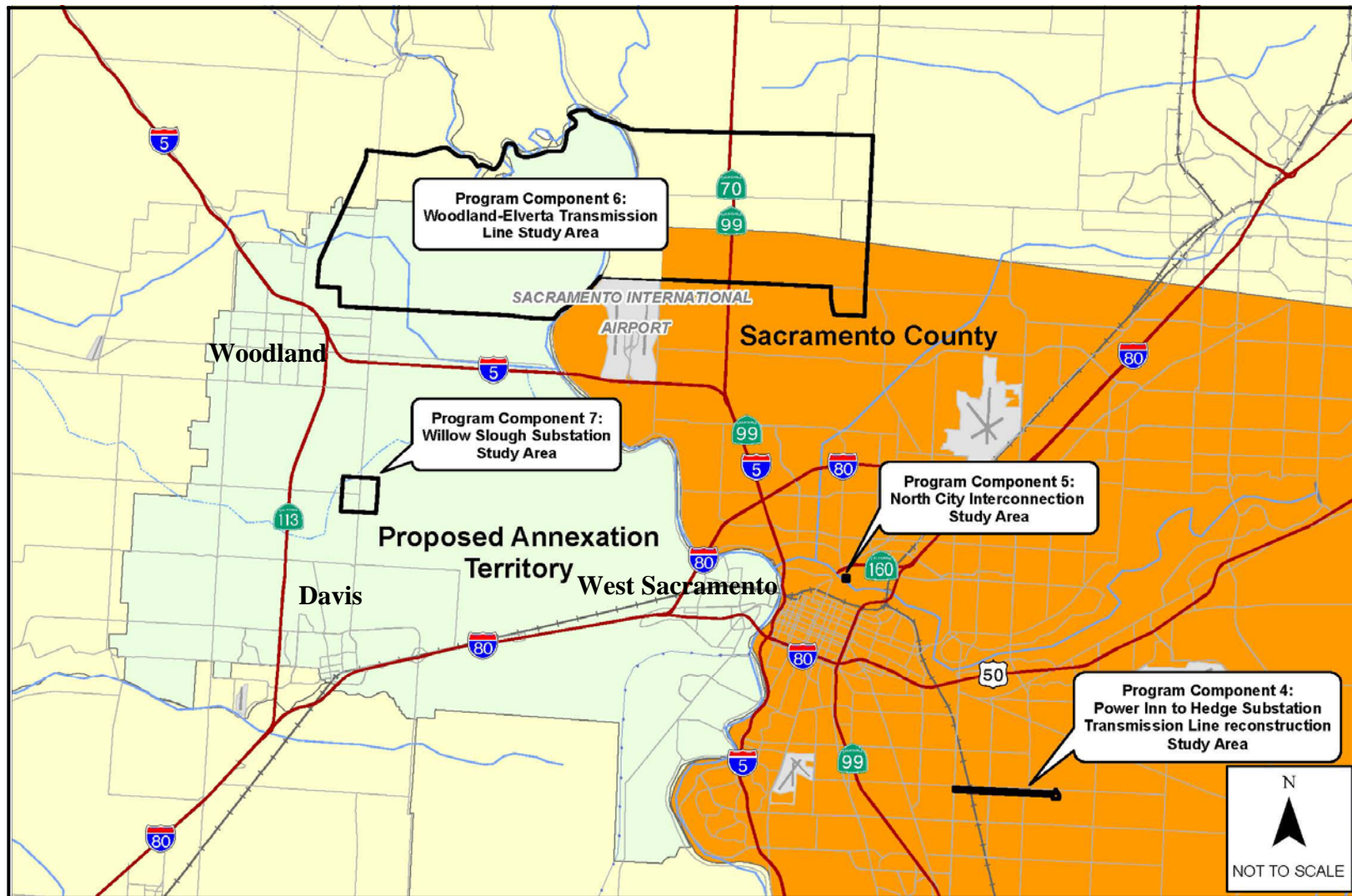
- **Program Component No. 4 and No. 5**  
SMUD will reconstruct and modify certain transmission line facilities in Sacramento County
- **Program Component No. 6**  
SMUD will construct a new 15-18 mile transmission line from its Elverta Substation to Yolo County north of Woodland. **No route has been selected or rights-of-way acquired at this time.** A study area was analyzed in the Draft EIR



# Program Components

- **Program Component No. 7**  
SMUD will construct a new electric substation in Yolo County near Roads 102 and 27 between Woodland and Davis. (Willow Slough Substation 1-3 acres). **No site has been selected at this time.** A study area was analyzed in the Draft EIR

# Program Components 4-7



# Program Components

- **Program Component No. 8**  
SMUD will upgrade existing distribution electric facilities in the annexation area at locations to be determined
- **Program Component No. 9**  
After SMUD connects the electric system within the annexation area to its existing system, SMUD will operate and maintain the electric system in the annexation area



# **Draft Environmental Impact Report Public Comment Period**



# Public Comment Period

January 6, 2006 - February 21, 2006

## Public Meetings

- Davis January 18, 2006
- Yolo LAFCo January 23, 2006
- Woodland January 25, 2006
- West Sacramento January 26, 2006
- Sacramento LAFCo February 1, 2006



# Public Comment Summary

	Number of Written and Oral Comments
<b>PG&amp;E</b>	<b>161</b>
<b>Coalition of California Utility Employees and Appendices</b>	<b>393</b>
<b>Local Jurisdictions</b>	<b>60</b>
<b>Individuals</b>	<b>17</b>
<b>5 Public Meetings</b>	<b>91</b>
<b>Sacramento LAFCo Commissioners</b>	<b>71</b>
<b>Other Organizations</b>	<b>16</b>
<b>Total</b>	<b>809</b>



# Final Environmental Impact Report

## Conclusions



# Areas of Discussion

- Aesthetics
- Agriculture
- Air Quality
- Biology
- Short-Term Construction Noise
- Growth Inducement
- Cumulative Impacts
- Mitigation Monitoring Plan
- Program Alternatives



# Aesthetics

- The proposed transmission line from SMUD's Elverta Substation to Woodland will likely encroach on views from County Roads 16 and 117, which are designated scenic roads on the Yolo County side of the Sacramento River
- No impact to Sacramento County
- Yolo County in its comments on the Draft EIR stated:  
*"The County understands that this is the most feasible way to connect the proposed annexation area electric system to SMUD's existing electric system"*

(Significant and Unavoidable)

# Agriculture

- The transmission line and substation will occupy up to 3.75 acres of farmland in Yolo County and 0.75 acres of farmland in Sacramento County
- SMUD will be required to mitigate (1:1) the farmland acreage by entering into conservation mitigation banking agreements in Yolo and Sacramento County
- SMUD will mitigate converted agriculture acreage separate from permanently disturbed habitat mitigation acreage

(Less than Significant)

# Air Quality

- Particulate emissions from diesel-fueled vehicles:
  - Short-term use of construction equipment to install program components
  - SMUD ongoing Operation and Maintenance Activities (Approximately 20 trips/400 miles per day)
  - Because of the region's non-attainment status, incremental contributions are considered significant

# Air Quality

- The Sacramento Metropolitan Air Quality Management District in its comments on the Draft EIR stated:

*“... We do not expect a significant impact from diesel particulate emissions”*

- The Yolo Solano Air Quality Management District in its comments on the Draft EIR stated:

*“... With incorporation of the following information, we consider the comprehensive air quality analysis complete”*

(Significant and Unavoidable)

# Air Quality

- The Draft EIR Best Management Practices include mitigation measures for reducing the impact
- The Final EIR includes additional measures proposed during the public comment period that are practicable and feasible

# Biology

- Temporary disturbance of potential habitat is estimated at up to 9 acres in Yolo County and up to 8.5 acres in Sacramento County.
- Permanent disturbance of potential habitat is estimated at up to 3.5 acres in Yolo County and up to 1.3 acres in Sacramento County.
- Actual acreage will be determined after site-specific studies

# Biology

- SMUD will, to the maximum extent feasible, avoid impact to biological resources
- SMUD will restore temporarily disturbed habitat and mitigate (No Net Loss) the permanently disturbed acreage
- If SMUD is unable to avoid permanent impacts to habitat, SMUD will mitigate for permanently disturbed habitat.
- Mitigation for permanently disturbed habitat acreage will be separate from farmland mitigation acreage

(Less than Significant)

# Short-Term Construction Noise

- Short-term noise due due to construction equipment:
  - Areas impacted will be primarily rural agricultural areas
  - SMUD will have noise controls on equipment and limited construction hours

(Short-Term Significant and Unavoidable)



# Growth Inducement

- Projected electric system reliability and lower rates may attract new industrial and commercial customers to the annexation area
- The Yolo jurisdictions state in comments:
  - The economic development benefits of this possible growth is desired by the local jurisdictions, and;
  - The jurisdictions will be able to manage the potential growth within their planning process

(Significant and Unavoidable)

# Cumulative Impacts

- The Sacramento Area Council of Governments (SACOG) “Blueprint”, under all scenarios, predicts significant growth and urbanization in the region
- Even if the smart growth “Blueprint” is followed by the region, there will be significant cumulative impacts from the proposed urbanization
- Although the Program’s contribution to this impact when compared to the regional growth is small, the EIR utilizes a conservative standard

(Significant and Unavoidable)



# Mitigation Monitoring and Reporting Plan

- The Mitigation Monitoring and Reporting Plan (MMRP) includes the Best Management Practices (BMPs) and mitigation measures that were included in the EIR Program Description
- The MMRP also includes mitigation measures suggested by comments on the Draft EIR
- SMUD will be required to provide LAFCo and Yolo LAFCo with reports that provide the status of each Best Management Practice and Mitigation requirement imposed by LAFCo



# Program Objectives

# Program Objectives

- Provide electric service at rates that are lower than existing rates
- Improve customer satisfaction
- Improve the reliability of the electric system
- Local control by residents
- No financial cost or reduction in service to existing SMUD customers
- No material financial cost or reduction in service to remaining PG&E customers



# Program Alternatives

# Program Alternatives

- Alternatives that would potentially meet most of the Program objectives

*and*

- Avoid or lessen the Program's direct significant environmental effects while not adding new significant impacts

# Program Alternatives

- Alternatives considered:
  - No Program
  - Annexation of one or two, but not all three Cities
  - Joint Powers Authority (JPA) with CAISO service
  - PG&E Upgraded/Improved Service
  - Community Choice Aggregation
  - SMUD Annexation with CAISO Service



# Program Alternatives

## SMUD Annexation with CAISO Service

- The environmental impacts of the CAISO Service Alternative would be less than the Program because the Woodland-Elverta Transmission Line would not be required
- When compared to the Program, the CAISO Service Alternative would:
  - Result in higher rates and lower economic benefits
  - Reduced reliability
  - Increased technical complexity and risk
  - Reduced local control

# Preferred Alternative

Consistent with LAFCo policies the Program as compared to the alternatives, including the No Program Alternative, provides the lowest cost and highest quality of service for the Annexation Territory



# Questions and Comments