ADDENDUM TO STATION A SUBSTATION REBUILD AND RELOCATION PROJECT INITIAL STUDY MITIGATED NEGATIVE DECLARATION

Project Title: Station A Substation Rebuild and Relocation Project, State Clearinghouse No. 2015102008

Lead Agency: Sacramento Municipal Utility District (SMUD)

Project Location: The project site, as evaluated in the 2015 Initial Study Mitigated Negative Declaration (ISMND), is located on a 1.3-acre site located between G Street and H Street (running east/west) and 6th Street and 7th Street (running north/south) in downtown Sacramento. Government Alley separates the Station A substation site from the Station G substation site. The 21-kilovolt (kV) tie-in would be on 6th Street and the 115-kV tie-in would be on G Street. The project site is at the edge of the downtown area and within the City of Sacramento, California (See attached Figure 1).

Introduction: The environmental resource areas analyzed in this addendum are air quality, cultural resources, noise, and transportation for effects that may be caused by SMUD's modified design and addition of a 40 megavolt-ampere (MVA) 115-kV/21-kV transformer within the northwestern corner of the Station G Substation area (Station G is the substation that was built pursuant to the Station A Substation Rebuild and Relocation Project) and an offsite underground approximately 65-foot-long 21-kV tie-in and 180-foot-long 115-kV tie-in. The adopted ISMND evaluated the installation of three 115-kV underground transmission lines, twelve 12-kV underground lines, four 115-kV/12-kV transformers, two 12-kV switchgears (all transitioned from the former Station A Substation) and two interconnection lines between the former Station A Substation and the new Station G Substation. The project analyzed in the ISMND also included two "pocket parks". One of these parks was proposed on a vacant area at the corner of 6th and G Streets. The City of Sacramento's (City's) Approval of the project included Condition D4 – "Pocket parks shall be provided and their design and dedication coordinated with the City Parks department". The new transformer would be installed in the area to have been occupied by one of the pocket parks; this change requires approval by the City.

The proposed modifications analyzed in this Addendum would generally provide one new 115-kV/21-kV transformer and refined routing and locations for connecting 12-kV lines based on specific development needs in the area and subsequent design of the project. As a result, consistent with the California Environmental Quality Act (CEQA), SMUD (as a lead agency) has conducted additional review of the proposed modifications to determine whether the proposed changes would result in new or substantially more severe environmental impacts than those previously described in the Station A Substation Rebuild and Relocation Project ISMND. Based on the results of the subsequent environmental analysis provided herein and in accordance with Section 15164 of the State CEQA Guidelines, SMUD has determined that the modified project would not result in new or substantially more severe environmental impacts and therefore preparation of an Addendum to the adopted Station A Substation Rebuild and Relocation Project ISMND would be appropriate for CEQA compliance.

The environmental process for the Station A Substation Rebuild and Relocation Project involved the preparation of the following documents that are relevant to the consideration of the project:

- Notice of Intent (NOI) to adopt the Station A Substation Rebuild and Relocation Project ISMND, October 2, 2015;

- Final ISMND, December 3, 2015;

- Notice of Determination, December 4, 2015.

The ISMND examined all phases of the project including planning, construction and operation of the Station A Substation Rebuild and Relocation and the environmental impacts of the project.

As the lead agency under the CEQA, SMUD has reviewed the prior determinations and analysis and found that the potential environmental impacts of the Station A Substation Rebuild and Relocation Project have been adequately addressed pursuant to CEQA, and prepared this addendum to analyze whether the impending project changes would require preparation of a new MND or an EIR.

Requirements for Preparation of an Addendum: Altered conditions, changes, or additions to the description of a project that occur after certification of an EIR or approval of a MND may require additional analysis under CEQA. The legal principles that guide decisions regarding whether additional environmental documentation is required are provided in the State CEQA Guidelines, which establish three mechanisms to address these changes: a subsequent environmental impact report (SEIR), a supplement to an EIR, and an addendum to an EIR.

Section 15162 of the State CEQA Guidelines describes the conditions under which a Subsequent Environmental ISEIR would be prepared. In summary, when an EIR has been certified for a project, no Subsequent EIR or Negative Declaration shall be prepared for that project unless the lead agency determines, on the basis of substantial evidence in light of the whole record, one or more of the following:

(1) Substantial changes are proposed in the project which will require major revisions of the previous EIR or Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified effects;

(2) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR or Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or

(3) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete, or the Negative Declaration was adopted shows any of the following:

(A) The project will have one or more significant effects not discussed in the previous EIR or Negative Declaration;

(B) Significant effects previously examined will be substantially more severe than shown in the previous EIR or Negative Declaration;

(C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the

project, but the project proponents decline to adopt the mitigation measures or alternatives; or

(D) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR or Negative Declaration would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

An addendum is appropriate where a previously certified EIR has been prepared or Negative Declaration has been approved and some changes or revisions to the project are proposed, or the circumstances surrounding the project have changed, but none of the changes or revisions would result in significant new or substantially more severe environmental impacts, consistent with CEQA Section 21166 and State CEQA Guidelines Sections 15162, 15163, 15164, and 15168.

Decision to Prepare an Addendum:

SMUD staff evaluated the ISMND adopted by the SMUD Board of Directors in December 2015 and found that the potentially significant effects of the project have been analyzed adequately and have been avoided or mitigated. This addendum is intended to evaluate and confirm CEQA compliance for the project with the modification of the proposed 40 MVA 115-kV/21-kV transformer within the northwestern corner of the Station G Substation area previously dedicated for a pocket park, and offsite underground 21-kV and 115-kV tie-ins. Both of these modifications present slight changes relative to the project described and evaluated in the Station A Substation Rebuild and Relocation Project ISMND. This addendum is intended to evaluate the modified project description and the full suites of environmental topic areas for any changes in impact conclusions, as compared to the adopted Station A Substation Rebuild and Relocation Project ISMND. This addendum also determines whether such changes were or were not adequately covered in the adopted environmental documents. This addendum is not a traditional CEQA Environmental Checklist, per Appendix G of the CEQA Guidelines. As explained above, the purpose of this addendum is to evaluate the checklist categories in terms of any “changed condition” (i.e., changed circumstances, project changes, or new information of substantial importance) that may result in different environmental impact significance conclusions from those reached by the Station A Substation Rebuild and Relocation Project ISMND, taking into consideration current regulatory requirements and implementing procedures. This addendum has been modified from the Appendix G checklist to focus on the pertinent issue areas and help answer the questions to be addressed pursuant to CEQA Section 21166 and State CEQA Guidelines Section 15162, 15163, 15164 and 15168. Neither the proposed project modifications nor the circumstances under which they are being undertaken would result in any new significant impacts not discussed in the ISMND, or any substantial increase in the severity of impacts identified by the ISMND. In addition, no new information of substantial importance has become available since the ISMND was prepared regarding new significant impacts or feasibility of mitigation measures or alternatives. Therefore, no supplemental analysis beyond what is presented in this addendum is required for the SMUD Station A Substation Rebuild and Relocation Project. This addendum sets forth the analysis in support of that conclusion.

Minor Modifications to the Station A Substation Rebuild and Relocation Project: The adopted ISMND examined the installation of three 115-kV underground transmission lines, twelve 12-kV underground lines, four 115-kV/12-kV transformers, and two 12-kV switchgears (all transitioned from the former Station A Substation to the new Station G Substation) and two interconnection lines between the former Station A substation and the new Station G Substation. The proposed modifications would provide an additional 40 MVA 115-kV/12-kV

transformer within the northwestern corner of the Station G substation area previously proposed as a pocket park and offsite underground 21-kV and 115-kV tie-ins (See attached Figure 2). The 21-kV tie-in lines would take approximately 2 months to construct and would be installed in 3 conduits, within an approximately 65-foot-long and 3- to 10-feet-deep trench. The 115-kV lines would take approximately 4 months to construct and would be installed in 3 conduits in thermal fill, within an approximately 180-foot-long and 3- to 10-feet-deep trench. Construction of the transformer would take approximately 14 months.

Substations are essential links in SMUD's electrical distribution system. With new and planned development within the City of Sacramento's downtown core, River District and Railyards areas, this expansion is a critical element to serve future electrical demand and to ensure grid reliability in the core area. The substation capacity will be increased by 40 MVA through the addition of one additional power transformer which will be surrounded by newly constructed walls which will match or exceed the height of the existing perimeter concrete walls. The new transformer will connect with the existing 115-kV system located inside the Station G control building through a transmission line that may be placed underground on G Street. The construction of the new transformer would require a driveway to be constructed to enter the substation site from 7th Street.

Two pocket parks were proposed as part of the Station A Substation Rebuild and Relocation Project; however, these spaces have not been developed into parks. The northwest area proposed as a pocket park is currently fenced off to prevent access. The additional transformer would be constructed within the footprint of the site previously proposed as the northwest pocket park. SMUD is not planning to build a park in a different location to replace the one that was proposed for this location. The project would not increase the population in the project vicinity as a result of new housing or employment opportunities. Therefore, the project would not result in the need for new parks.

Prior Environmental Review: The 2015 Draft IS/MND was distributed to the Governor's Office of Planning and Research, State Clearinghouse; local libraries; the City of Sacramento; and relevant resource agencies. A notice of intent was distributed to property owners and occupants of record, identified by the City of Sacramento Assessor's office as being within 500 feet of the project boundaries. The 30-day public review period began on October 2, 2015, and ended on November 4, 2015. SMUD held a public meeting in Sacramento on October 20, 2015. The SMUD Board of Directors adopted the ISMND and Mitigation Monitoring and Reporting Plan on December 3, 2015. The Notice of Determination for the Station A Substation Rebuild and Relocation Project was filed on December 4, 2015.

Analysis: The ISMND identified four resource areas with the potential to be significantly affected by the proposed Station A Substation Rebuild and Relocation Project: air quality, cultural resources, noise, and transportation/traffic.

Air Quality

Impacts on air quality from construction of the substation were identified as a potentially significant impact in the ISMND. The new transformer would be located on a 3,000 square foot area in the northwestern portion of the site and connected to a new offsite underground 21-kV tie-in approximately 65 feet in length, and 115-kV tie-in approximately 180 feet in length. The modification of the Station G project presents a change/increase of less than 15% of the original project size for which emissions were calculated in the 2015 ISMND.

Construction emissions are “short-term” or temporary but can result in substantial air quality effects. Construction would result in the temporary generation of reactive organic gases (ROG), oxides of nitrogen (NOX), PM10, and PM2.5 emissions. ROG and NOX are associated primarily with exhaust from heavy-duty construction equipment, material delivery/haul trucks, and construction worker vehicles. Fugitive dust emissions (PM10 and PM2.5) are associated primarily with excavation and grading and vary as a function of soil type and moisture content, wind speed, acreage of disturbance, and vehicle miles traveled.

Project construction would begin in 2025 with majority of construction occurring in 2025 and would be completed in Spring 2026 in order to meet estimated summer loads. The estimated construction workforce would be a maximum of approximately 20 workers per day, resulting in 40 one-way commute trips per day. The number of anticipated daily construction worker trips is the same as analyzed in the 2015 ISMND. Import and export of materials would occur throughout construction.

The Sacramento Metropolitan Air Quality Management District (SMAQMD) recommends that lead agencies model the NOX mass emissions and PM10 and PM2.5 emission concentrations for all projects except those that meet the following conditions: (1) the project will implement all Basic Construction Emission Control Practices, and (2) the total project size would be less than 35 acres. SMAQMD has determined that projects that meet these conditions would not exceed or contribute to SMAQMD’s thresholds for those pollutants. The total disturbed acreage for the new transformer and tie-in lines would be approximately 0.1 acre. Therefore, with implementation of SMAQMD’s Basic Construction Emission Control Practices, the proposed project would not exceed SMAQMD NOX, PM10, or PM2.5 thresholds.

The 2015 IS/MND modelled maximum daily NOx emissions to be 74.93 lb day which is under the threshold of 85 lab/day. The 2015 ISMND reported PM10 emissions of 9.98 lb/day and PM2.5 emissions of 6.64 lb/day. While not reported in the 2015 ISMND, annual emissions of PM would be around or less than 1 ton/year. SMAQMD did not have PM mass emissions thresholds until May 2015, so they were not reported in the IS/MND, but they are currently 80 lb/day (14.6 tons/year) for PM10 and 82 lb/day (15 tons/year) for PM2.5, well above the reported PM emissions in the 2015 IS/MND.

Construction would occur approximately 7 years later than assumed in the 2015 ISMND. Off-road equipment and on-road vehicle emissions, particularly NOx from heavy-duty equipment, have been shown to be reduced over time due to increasingly stringent regulations, thereby resulting in reduced exhaust emissions in later years even if total construction size and intensity were equal.

SMUD would implement Mitigation Measures AQ-1 (SMAQMD Basic Construction Emission Control Practices) and AQ-2 (Implement Mitigation Measure 6.1-1 from the Railyards Specific Plan EIR MMRP (certified December 11, 2007, SCH No. 2006032058). If any provisions of Mitigation Measure AQ-2 duplicate or conflict directly with Mitigation Measure AQ-1, the more current SMAQMD requirements would apply.

Implementation of these mitigation measures would ensure that construction activities would not exceed or contribute to SMAQMD’s screening or concentration-based thresholds of significance for PM10 and PM2.5, and thus would not violate air quality standards or contribute substantially to an existing or projected air quality violation. Therefore, implementation of the existing Mitigation Measures AQ-1 and AQ-2 would reduce this construction-related impact to less than significant. This impact conclusion remains valid for the modified project.

Cultural Resources

Impacts on cultural resources from construction of the substation were identified as potentially significant in the ISMND. Impacts that would cause a substantial adverse change in the significance of an archaeological resource as defined in §15064.5 or would disturb any human remains, including those interred outside of formal cemeteries.

One historical resource, the historic Station A building, is located adjacent to the project area. The proposed project would not complete any work on the Station A building. Therefore, the impact would be less than significant.

Previous investigations conducted in the immediate vicinity of the project area have resulted in identification of Native American occupation and human remains, and historic-era features and debris. Geotechnical studies in the project area have identified a subsurface deposit of historic era debris, dating to the late nineteenth to early twentieth century, in the northwest corner of the project site. Although geotechnical studies indicate that sediments on the project site appear to consist of sandy silts and clays that are most likely historic mining debris, because buried archaeological deposits and human remains have been uncovered in the project vicinity, the potential exists for the presence of similar deposits in the project area.

The proposed project potentially could disturb or destroy human remains, including those interred outside formal cemeteries or in Native American burial grounds. In the event that human remains, including those interred outside of formal cemeteries, are discovered during subsurface activities, they could be damaged inadvertently. To reduce these potential impacts SMUD would implement Mitigation Measures CUL-1 (Implement Mitigation Measure 6.3-1 from the Railyards Specific Plan EIR MMRP, certified December 11, 2007, SCH No. 2006032058). The Archaeological Testing Plan was prepared and implemented prior to construction of SMUD's Station G Substation. Implementation of Mitigation Measures CUL-1 would reduce potentially significant impacts on archaeological resource and human remains at the project site to less than significant by identifying potential underground anomalies before construction begins, utilizing the results of the Archaeological Testing Plan, field monitoring by an archaeologist and Tribal monitor, and addressing unanticipated discoveries. Implementation of the existing mitigation measure would reduce this impact to less than significant. This impact conclusion remains valid for the modified project.

Noise

Noise-sensitive land uses are those uses where quiet is essential to the purpose of the land use. Noise-sensitive land uses include residences and buildings where people normally sleep (including hospitals and hotels), as well as uses where it is important to avoid interference with such activities as speech, meditation, and concentration on reading material, such as schools, libraries, theaters, and houses of worship.

The closest noise-sensitive receptors to the project area are residents of the 7th and H Street Apartments to the southeast. The structures closest to the project site that would be evaluated for structural damage from vibration also would be this apartment complex, which is approximately 160 feet southeast of the primary project construction area.

The proposed project would generate temporary and short-term construction noise from equipment operating on the project site, and from the transport of construction equipment, materials, and workers to and from the site. Project construction noise was estimated using the Federal Highway Administration Roadway Construction Noise Model (Appendix E of the

ISMND) and a list of anticipated construction equipment (Table 3.12-3 of the ISMND). As shown in Table 3.12-3, the unmitigated noise level produced by the combinations of equipment during project construction would be approximately 51 to 91 dBA at a distance of 50 feet. Assuming standard spherical spreading loss (-6 dB per doubling of distance), the noise levels were estimated to be 51 to 85 dBA Leq at the nearest noise-sensitive uses, as shown in Table 3.12-3. These noise levels would exceed the threshold of 55 dBA Leq. However, Section 8.68.080 of the City's Noise Ordinance exempts certain activities, including "noise sources due to the erection (including excavation), demolition, alteration or repair of any building or structure," as long as these activities are limited to between 7 a.m. and 6 p.m., Monday through Saturday, and between 9 a.m. and 6 p.m. on Sunday. These exemptions are typical of municipal noise ordinances and reflect a recognition that construction noise is temporary, generally is acceptable when limited to daylight hours, and is expected as part of a typical urban noise environment (along with sirens). Also, project construction would not extend into the nighttime hours (10 p.m. to 7 a.m.). Thus, it would not exceed the applicable nighttime threshold of 45 dBA Leq. Therefore, noise levels from project construction would comply with the applicable daytime and nighttime noise exposure limits established by the City and would comply with the City's Noise Ordinance. The impact would be less than significant.

Also, project construction would result in approximately 30 round-trip truck hauls to transport the excess soil material from the project site to the Railyards over an 11-week period. The unmitigated noise level produced by 30 round-trip trucks would be approximately 64 dBA (Table 3.12-5 of the4 Station A ISMND) at 50 feet from the roadway centerline. These noise levels would exceed the threshold of 55 dBA Leq. Therefore, this impact would be potentially significant, and SMUD would implement Mitigation Measure NOI-1, Employ Noise-Reducing Construction Measures for Project Construction Truck Traffic. Implementation of this existing mitigation measure would reduce this impact to less than significant.

With respect to the interior noise levels, the existing interior noise level of 45 dBA was assumed for residential uses (General Plan Policy EC 3.1.3 Interior Noise Standards). As discussed in response to question a) above, project-related construction noise levels with doors and windows closed would be 60 dBA Leq at residences closest to the project area (as shown in Table 3.12-4 of the Station A ISMND). This level of interior noise would exceed the applicable threshold of 45 dBA for interior uses. Thus, project-related construction noise would cause an increase of +5 dB or more above the ambient interior level at noise-sensitive receivers in the project vicinity. Therefore, the impact would be potentially significant, and SMUD would implement Mitigation Measure NOI-2 (Implement Mitigation Measure 6.8-1 from the Railyards Specific Plan EIR MMRP, certified December 11, 2007, SCH No. 2006032058). Implementation of this existing Railyards mitigation measure would reduce this impact to less than significant.

Transportation and Traffic

Impacts on Transportation and Traffic from construction of the substation were identified as potentially significant in the ISMND. Pavement sections on area roadways are designed to carry high volumes of heavy-duty vehicles. Trenching within roadways for the installation of the underground 21-kV tie-in, and 115-kV tie-in would require the road surfaces to be cut. The presence of heavy-duty trucks during project construction could accelerate wear and tear on the local roadways along the haul route. In addition to shortening the life of pavement sections, heavy-duty truck traffic could cause more immediate road damage, such as cracks and potholes. Potential damage to pavement would increase traffic hazards on local roadways. Therefore, this impact would be potentially significant. SMUD would implement Mitigation Measure TRA-1 (Implement Mitigation Measure 6.12-7 from the Railyards Specific Plan EIR

MMRP, certified December 11, 2007, SCH No. 2006032058) and Mitigation Measure TRA-2. Repair Damaged Roadways and Bike Paths Following Construction. Implementation of Mitigation Measure TRA-1 and TRA-2 would reduce the potentially significant impact of damaged roadways and/or bike paths to less than significant by requiring repairs following construction. This impact conclusion remains valid for the modified project.

Explanation of Addendum for the Project: The project modifications do not constitute a substantial change to the original project description, will not involve any new or substantially more severe environmental effects than those addressed in the 2015 ISMND, and as mitigated will not result in any significant environmental effects.

All of the potential impacts related to the SMUD substation identified in the 2015 ISMND will be less than significant either because effects are minor or because the incorporation of mitigation measures reduces the impacts to less than significant. None of the “less than significant impacts” highlighted in the analyses of individual environmental factors are deemed to be cumulative or considerable. Therefore, the SMUD Station G transformer and underground cable installation will not result in a significant impact. All impact conclusions from the ISMND remain valid for the modified project.

Therefore, none of the provisions of Section 15162 that would necessitate the preparation of a subsequent environmental document apply to the proposed project modification. Based on the scope of the proposed action SMUD determined that the preparation of this addendum would properly address potential impacts associated with the project, in accordance with CEQA.

All CEQA documents prepared by SMUD are available for review at the SMUD Headquarters, 6201 S Street, Sacramento, California 95817. Pursuant to CEQA Guidelines (Section 15164(c)), “An addendum need not be circulated for public review but can be included in or attached to the final EIR or adopted negative declaration.”

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Regional and Site Map, and New Project Elements

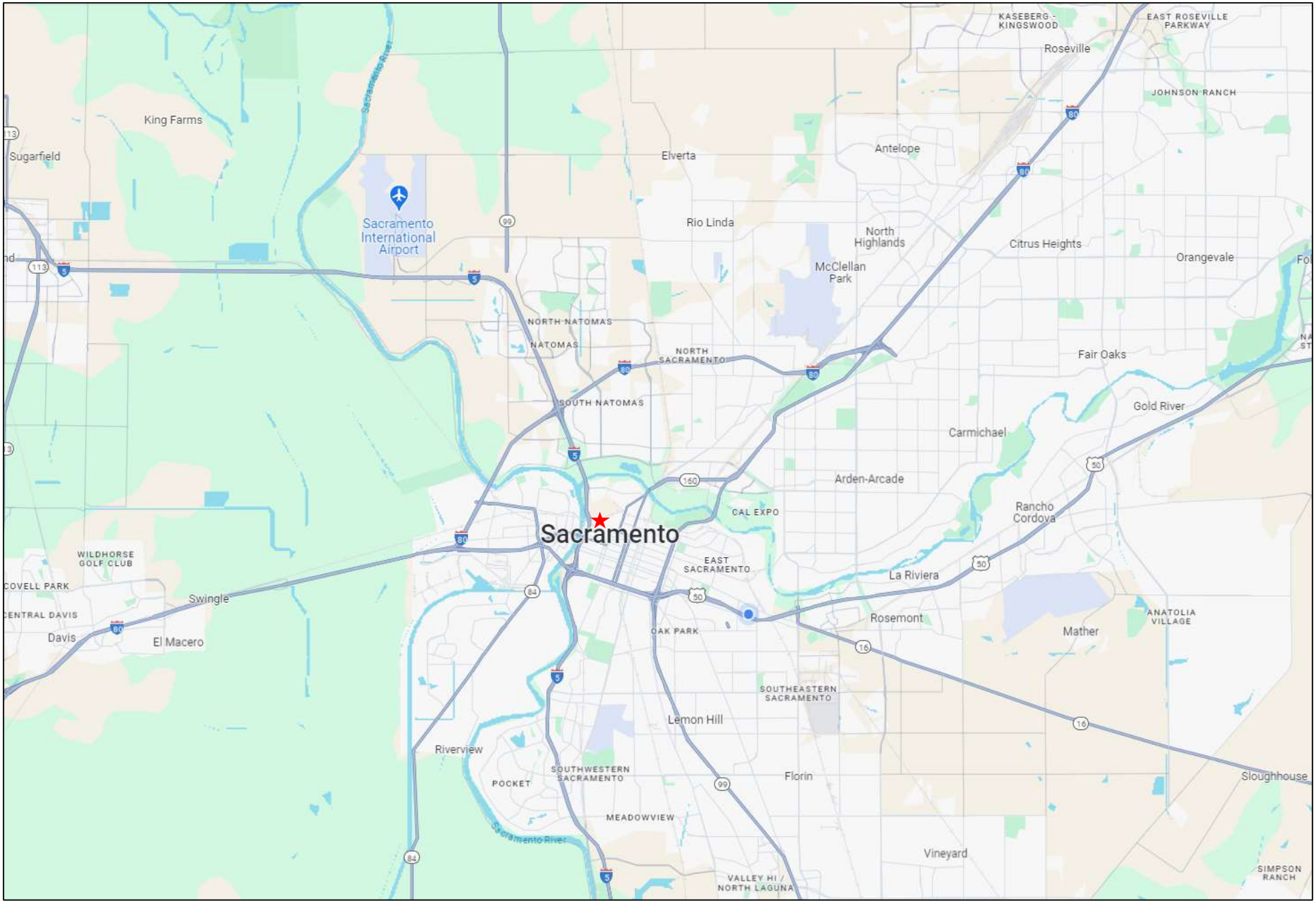

Figure 1. Regional Map

★Station G

Figure 2. Location of new transformer in the northwest corner of Station G, 21kV and 115kV tie-ins

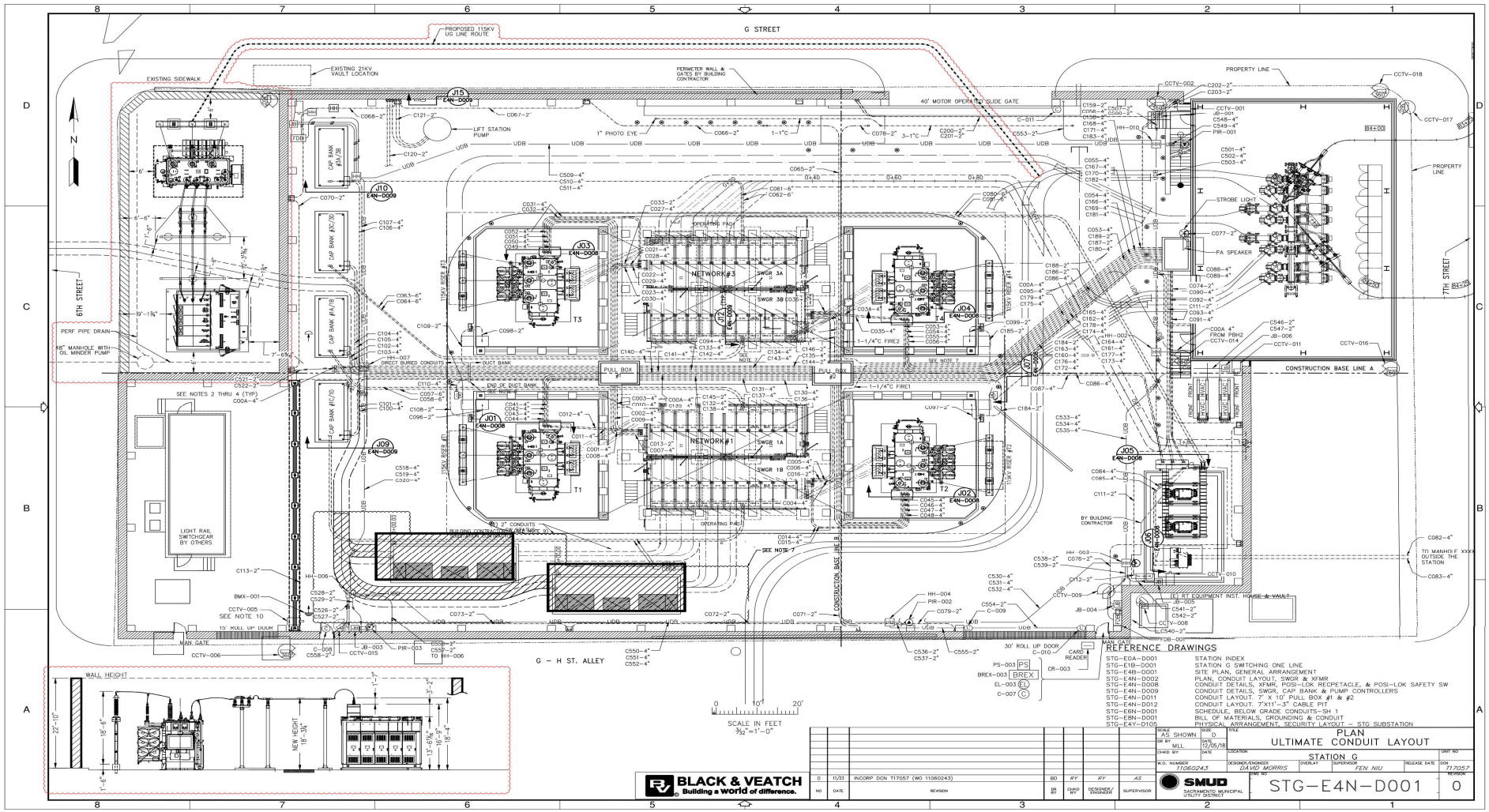

Figure 3. Plan layout of new transformer in the northwest corner of Station G, 21kV and 115kV tie-ins