







June 28, 2012

Ms. Janice Pinero Endangered Species Act Compliance Specialist Bureau of Reclamation, Bay-Delta Office 8021 I Street, Suite 140 Sacramento, California 95814-2536 Via E-mail and U.S. Mail

Re: Comments on Scope of EIS for Implementation of Remanded Biological Opinions for Coordinated CVP and SWP Operations

Our agencies appreciate the opportunity to comment on the scope of Reclamation's environmental impact statement (EIS) for the proposed implementation of the remanded biological opinion for the long-term coordinated operations of the Central Valley Project (CVP) and the State Water Project (SWP).

Our agencies are all located within the region served by the CVP's American River Division and are very interested in how Reclamation will operate Folsom Reservoir. The reservoir is the keystone to our region's water management for not only water supplies, but also for preserving the lower American River, which is our environmental centerpiece. As Reclamation is aware, the lower American River has been designated under the federal Wild & Scenic Rivers Act and is one of the few – if not the only – urban river with such a designation. (46 Fed.Reg. 7484 (Jan. 23, 1981).) The management of water supplies from Folsom Reservoir is crucial not only for water suppliers in our region that receive water from the reservoir – the American River being a primary water source for our region – but also for suppliers that rely primarily on groundwater. Several contamination plumes associated with past military and industrial activities impact the region's groundwater and those plumes may expand and migrate if groundwater pumping is increased to offset reduced deliveries from the reservoir.

A number of our agencies are submitting additional scoping comments that reflect concerns specific to those agencies. Our collective comments on the scope of Reclamation's proposed EIS are as follows:

1. Project description – Full use of CVP supplies – The EIS's project description should assume that all CVP water supplies available within the American, Sacramento and Trinity River Divisions are used within those divisions' combined boundaries. Section 3405 of the Central Valley Project Improvement Act (CVPIA) states:

In order to assist California urban areas, agricultural water users, and other in meeting their future water needs, subject to the conditions and requirements of this subsection, all individual or districts who receive Central Valley Project water under water service or repayment contracts, water rights settlement contracts or exchange contracts entered into prior to or after the date of enactment of this title are authorized to transfer all or a portion of the water subject to such contract to any other California water user or water agency, State or Federal agency, Indian tribe, or private non-profit organization for project purposes or any purpose recognized as beneficial under applicable State law.

Consistent with this intent of CVPIA, our agencies, and other agencies within this region, may need to transfer CVP project water among ourselves to address, among other things, future demands, groundwater contamination, environmental concerns or the increasing need for our region to implement integrated management of available water supplies. CVPIA section 3405 authorizes the transfer of the full amounts of CVP contracts within the area of origin. (CVPIA § 3405(a)(1)(I), (M).) Accordingly, the EIS's project description should assume that all water subject to CVP contracts within the American, Sacramento and Trinity River Divisions is used within those divisions' combined boundaries.

- 2. Project description Area-of-origin laws The EIS must demonstrate that its project description is consistent with California's area-of-origin laws, especially Water Code sections 11128, 11460 and 11463, which require that the CVP and SWP be constructed and operated so as to not deprive "a watershed or area wherein water originates . . . directly or indirectly of the prior right to all of the water reasonably required to adequately supply the beneficial needs of the watershed, area, or any of the inhabitants or property owners therein." Consistent with the area-of-origin laws, Reclamation's operation of Folsom Reservoir must not prevent this region from using the amounts of American River water that is, as those laws put it, "reasonably required to adequately supply the beneficial needs" of this region.
- 3. Project description CVP M&I allocation preferences The EIS's project description should incorporate implementation of preferences for M&I water-service contract deliveries reflected in Reclamation's current practice, its proposed CVP M&I water shortage policy and its water-right permits for the Folsom Unit. Reliability of CVP supplies is very important in this region not only for CVP contractors, but also for this region's overall water balance, given that deliveries from Folsom Reservoir are one of the region's largest water supplies.

- 4. Project description Warren Act contracts Because Folsom Reservoir controls the American River's flows, water available under water rights other than Reclamation's rights flows through the reservoir. Agencies in our region are managing regional supplies and demands partly through contracts signed under local agencies' water rights. In order to deliver water under those rights, the parties must use Reclamation's Folsom facilities and therefore require Warren Act To date, Reclamation has not approved long-term Warren Act contracts. contracts that would allow our region to optimize management of local and regional water supplies. For example, Sacramento Suburban Water District (SSWD) has been required to obtain short-term Warren Act contracts to obtain water available in Folsom Reservoir under the contract that SSWD and Placer County Water Agency (PCWA) executed under PCWA's water rights. There is existing capacity under other agencies' long-term Warren Act contracts sufficient to deliver PCWA water to SSWD and other agencies, but it currently cannot be used for that purpose. Reclamation's project description for the EIS should incorporate long-term Warren Act contracts that allow this region's water supplies to be managed as efficiently as possible.
- 5. Project description Restoration projects Under CVPIA section 3407, CVP contractors pay large amounts of money into the Central Valley Project Restoration Fund. The EIS's project description should include identified projects under which restoration funds paid by American River Division contractors are used to restore environmental resources within the division and, specifically, in the designated lower American River.
- 6. Wild and scenic Lower American River and fisheries As noted above, the lower American River is designated under the federal Wild & Scenic Rivers Act. The EIS must analyze the project's impact on the biological, cultural and recreational values that support the lower American River's designation under the Act. These values include the river's fish, which include steelhead and fall-run Chinook salmon. Our agencies have signed the region's Water Forum Agreement, which includes the implementation of an improved flow standard for the lower American River as a key element.
- 7. Folsom Reservoir levels and intakes The EIS must analyze the impacts of implementing the proposed project on water levels in Folsom Reservoir to determine: (A) how often the project's implementation would prevent or constrain water-supply deliveries through the reservoir's water-supply intakes; and (B) any land use and socioeconomic impacts that would occur because of any reduced deliveries.
- 8. Folsom Reservoir water quality The EIS must analyze the impacts of implementing the proposed project on water temperatures and other water quality parameters in Folsom Reservoir and the indirect environmental and economic impacts associated with the delivery of lower quality water through the reservoir's water-supply intakes.

- 9. Groundwater quantity and quality The EIS must analyze the effects of implementing the proposed project on groundwater quantity and quality in this region. These effects could result in impacts in numerous resource categories. To the extent that the proposed project would reduce CVP deliveries within the American River Division, it indirectly would cause increased groundwater pumping. Regional aquifers that historically were overdrawn before our region began managing surface and groundwater conjunctively would again be drawn down. Increased pumping could result in the growth and migration of the region's groundwater contamination plumes, causing at least water quality, soils and socioeconomic impacts.
- 10. Folsom Reservoir aesthetic, recreation and economics Folsom Reservoir is one of the region's key aesthetic and recreational resources. The EIS must analyze the project's impact on the reservoir's aesthetic and recreational values, as well as the project's resulting impacts on the economic benefits generated by use of the reservoir.

We appreciate this opportunity to comment and look forward to participating in Reclamation's preparation of the EIS.

Very truly yours,

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