



September 15, 2003

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George Fraser
general manager

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Ms. Delores Brown
California Department of Water Resources
3251 S Street
Sacramento, CA 95816

SUBJECT: Comments to Draft EIS/EIR for the CALFED Environmental Water Account

Dear Ms. Cervantes and Ms. Brown:

The Northern California Power Agency¹ (NCPA) appreciates the opportunity to comment on the CALFED Environmental Water Account (EWA) draft Environmental Impact Statement and Impact Report (EIS/EIR). NCPA and its members are preference customers of CVP power, and continue to be active participants in CALFED policy and technical discussions.

NCPA is supportive of the CALFED objectives. NCPA appreciates the outreach efforts of CALFED agencies, and we have been encouraged by your collaboration with NCPA and the Western Area Power Administration (Western) in ensuring that EWA actions do not impact CVP power resources.

Specifically, we believe it is appropriate that the EIS/EIR acknowledges the potential impact of implementing EWA actions on CVP power resources as well as CALFED's responsibility to mitigate such impacts. Chapter 16 summarizes the issue succinctly: "EWA shall mitigate any adverse economic, reliability, capacity or operational effects to CVP/SWP power operations or Project power users as a result of implementing the EWA program." (Page 16-29) This mitigation is consistent with the CALFED solution principle of no redirected impacts. To its credit, Reclamation, with the support of other CALFED agencies, has implemented past EWA actions in accordance with these principles. The actual mitigation does, however, go beyond the language of Table ES-4, "to develop a financial plan", to include implementing compensatory actions to eliminate projected impacts to power resources. We suggest that you clarify the language in Table ES-4, consistent with language presented elsewhere in the EIS/EIR such as that language cited above.

¹ NCPA is a nonprofit California joint powers agency established in 1968 to generate, transmit, and distribute electric power to and on behalf of its fourteen **members**: Cities of Alameda, Biggs, Gridley, Healdsburg, Lodi, Lompoc, Palo Alto, Redding, Roseville, Santa Clara, and Ukiah; the Port of Oakland, the Truckee Donner Public Utility District, and the Turlock Irrigation District; and four **associate members**: Bay Area Rapid Transit District, Lassen Municipal Utility District, Placer County Water Agency, and the Plumas-Sierra Rural Electric Cooperative serving nearly 700,000 electric consumers in Central and Northern California.

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Although EWA funding is not part of the EIS/EIR discussion, NCPA would also like to emphasize the CALFED principle of "beneficiary pays" as it relates to the funding of EWA. Currently, without a federal authorization of CALFED, federal funding of EWA is being authorized through the CVP operational budget, and as such may be deemed in the future to be reimbursable (CVP reimbursable expenses are charged to CVP water and power customers). Clearly this would be inappropriate and inconsistent with CALFED principles since it would redirect an impact to a third party, the CVP power contractors, who are not beneficiaries of EWA actions. Reclamation needs to emphasize the non-reimbursable nature of any funding for EWA that is provided from federal sources.

NCPA also has some concern with the language in Chapter 16 relative to the marketing of CVP power as performed by Western. The language as presented in the EIS/EIR is not an accurate portrayal of the operational and financial relationship between Western, preference customers and PG&E, and how and why those relationships change in 2005. We suggest that you work with Western to clarify the presentation in this area.

Thank you again for the opportunity to review and comment on the EIS/EIR. Should you have any questions, please feel free to contact Alan Zepp at (916) 781-4238.

Sincerely,



JANE DUNN CIRRINCIONE
Assistant General Manager
Legislative & Regulatory Business Unit

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