



Draft Environmental Assessment

Five-Year Temporary Warren Act Contract between the United States and the Sacramento Municipal Utility District

Central California Area Office Folsom, CA

February 2015



**U.S. Department of the Interior
Bureau of Reclamation
Mid Pacific Region
Central California Area Office
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Mission Statements

The mission of the Department of the Interior is to protect and provide access to our Nation's natural and cultural heritage and honor our trust responsibilities to Indian Tribes and our commitments to island communities.

The mission of the Bureau of Reclamation is to manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American public.

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Figure 1: SMUDs Rancho Seco CVP Service
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List of Acronyms and Abbreviations

AF	Acre Feet
AFY	Acre-feet Per Year
BO	Biological Opinion
CEC	California Energy Commission
Contract	Five-Year Temporary Warren Act Contract
cfs	cubic feet per-second
CPP	Cosumnes Power Plant
CVP	Central Valley Project
CWP	Folsom Reservoir Cold Water Pool
EA	Environmental Assessment
EIS	Environmental Impact Statement
FSC	Folsom South Canal
ITA	Indian Trust Asset
M&I	Municipal and Irrigation
NMFS	National Marine Fisheries Service
Reclamation	Bureau of Reclamation
RPA	Reasonable and Prudent Alternative
SMUD	Sacramento Municipal Utility District
SWP	State Water Project
USFWS	United States Fish and Wildlife Service
WA	Warren Act of 1911

Section 1 Introduction

In conformance with the National Environmental Policy Act of 1969 (NEPA), as amended, the Bureau of Reclamation (Reclamation) has prepared this Draft Environmental Assessment (EA) to evaluate and disclose any potential environmental impacts associated with the implementation of a five-year temporary Warren Act Contract (Contract) with the Sacramento Municipal Utility District (SMUD). This proposed Contract between Reclamation and SMUD would be for the conveyance and delivery of up to 15,000 acre-feet per year (AFY) of non-project water (i.e., water not part of the Central Valley Project [CVP]) through federal facilities. SMUD intends to use Nimbus Dam and the Folsom South Canal (FSC) to convey their non-project water for Municipal and Industrial (M&I) uses within SMUDs service area at Rancho Seco in southeastern Sacramento County (Figure 1).

1.1 Background

SMUD entered into a contract with Reclamation on November 20, 1970, which expired on December 31, 2012, for the delivery of up to 60,000 AFY of CVP water for M&I uses. The contract also included the delivery of up to 15,000 AFY of water rights water made available to SMUD from the City of Sacramento, as a result of a previous assignment of water to SMUD from the City of Sacramento. The first 15,000 AFY, not to exceed 20 cubic feet per-second (cfs), is water rights water. The CVP water under the contract was to be used by SMUD in its power generation operations, and was used for more than 15 years for the operation of the Rancho Seco nuclear power plant in southeastern Sacramento County. SMUD began operating the power plant in 1975 and ceased operations in 1989.

The original Warren Act (WA) contract with SMUD for their water rights water expired on December 31, 2012, and on January 1, 2013, Reclamation entered into a 26-month interim renewal WA contract with SMUD to allow for the continued use of SMUDs non-project water. The existing WA contract specifically requires SMUD to be responsible for conveyance, handling, disposal, and distribution of water beyond the delivery location on the FSC. The interim renewal WA contract will expire on February 28, 2015, and SMUD is proposing to enter into a five-year temporary WA contract to allow for continued use of this water for M&I purposes within their Rancho Seco service area.

SMUD continues to use this water for the operation of the nuclear power plant site, including temperature controls for the nuclear fuels stored at the site. SMUD has received California Energy Commission (CEC) approval for two gas-powered generators at the Rancho Seco site known as the Cosumnes Power Plant (CPP). The CPP consists of a nominal 1000-megawatt combined-cycle natural gas fired plant. The plant was constructed in two phases, each consisting of 500 megawatts.

SMUD has a yearly need of 2,650 acre-feet (AF) of water for the exclusive use of the CPP.

The Warren Act (43 U.S.C. §523) of 1911 authorizes the Secretary of the Interior to enter into contracts with water purveyors to carry non-project water. Under Section 305 of the States Emergency Drought Relief Act of 1991 (43 U.S.C. §2211 et seq.), “Excess Storage and Carrying Capacity,” the Secretary is authorized to execute contracts with municipalities, public water districts and agencies, other federal agencies, state agencies, and private entities pursuant to the Warren Act. These contracts provide for the impounding, storage, and conveyance of non-project water for domestic, municipal, fish and wildlife, industrial, and other beneficial uses using any CVP facilities identified in the law, including Folsom Dam and Reservoir.

1.2 Purpose and Need

The purpose of the Proposed Action is to execute a five-year temporary WA contract between SMUD and Reclamation for the conveyance of 15,000 AFY of non-project water through federal facilities to SMUDs Rancho Seco service area in southeastern Sacramento County. The term of the Contract will be from March 1, 2015 through February 29, 2020. Execution of the Proposed Action would provide the contractual relationship for the continued conveyance of SMUDs non-project water to SMUDs Rancho Seco service area pending execution of a long-term WA contract. Execution of a five-year temporary WA contract is needed to provide the mechanism for the continued beneficial use of the water and to maintain the existing conditions for a period of five years. The existing water supply amount and needs for use at SMUDs facilities would not change. This action is for conveyance only. Reclamation has no authority over the delivered water use.



Section 2 Alternatives Including the Proposed Action

This EA considers two possible actions: the No Action Alternative and the Proposed Action. The No Action Alternative reflects future conditions without the Proposed Action and serves as a basis of comparison for determining potential effects to the human environment.

2.1 No Action Alternative

Under the No Action alternative, the 2012 interim renewal WA contract will expire on February 28, 2015, and there would be no contractual mechanism for SMUD to convey their water rights water to their SMUD facilities. The existing water supply needs at SMUDs facilities would not be met.

2.2 Proposed Action

The Proposed Action evaluated in this document is a five-year extension of an existing contract until a long-term WA contract can be executed. The Proposed Action will allow SMUD to facilitate the delivery of up to 15,000 AFY of non-project water diverted from the American River at Nimbus Dam and conveyed through the FSC to SMUDs Rancho Seco facility for M&I uses. The water under this contract would be used by SMUD for its power generation operations, and had been used for more than 15 years for Rancho Seco nuclear power plant operations. Since the power plant operations ceased, water has been used for continued operation of the site including temperature controls for the nuclear fuels stored at the site. SMUD has received CEC approval for two gas-powered generators at the CPP. The Proposed Action would provide the continued contractual mechanism for SMUD to convey their water rights water to their SMUD facilities. Under the Proposed Action, SMUDs existing water supply needs at their facilities would be met. SMUD would be responsible for the conveyance, handling, disposal, and distribution of water beyond the delivery location on the FSC.

In the event a new long-term WA contract is executed, the proposed five-year temporary WA contract then-in-effect would be superseded by the long-term WA contract and analyzed under a separate process.

For purposes of this EA, the following requirements are assumed under the Proposed Action:

- A five-year period is considered in the analysis;
- The contract would be awarded with existing quantities
- Reclamation would continue to comply with commitments made or requirements imposed by applicable environmental documents, such as existing biological opinions (BOs) including any obligations imposed on Reclamation resulting from re-consultations; and
- Reclamation would implement its obligations resulting from Court Orders issued in actions challenging applicable BOs that take effect during the interim renewal

Section 3 Affected Environment and Environmental Consequences

This section identifies the potentially affected environment and the environmental consequences involved with the Proposed Action and the No Action Alternative, in addition to environmental trends and conditions that currently exist.

SMUD is one of seven water purveyors contained within the American River Division of the CVP. The service area boundary within Sacramento County where CVP water is served is identified in Map 1. Consistent with the environmental analysis for the Long-term Contract Renewals in the American River Division Environmental Impact Statement (EIS) (USBR 2005), this EA considers the potential effects of the proposed interim WA contract on the resources listed below. The analysis contained in the EIS (USBR 2005) is incorporated by reference into this document as well as the December 15, 2008 and June 4, 2009 Biological Opinions from the U.S. Fish and Wildlife Service (USFWS) and National Marine Fisheries Service (NMFS), respectively on the Continued Long-term Operations of the CVP and State Water Project (SWP).

This EA does not analyze resources for which it would be reasonable to assume that no impacts would occur from the implementation of the Proposed Action. Specifically, potential impacts to air quality, soils, land use, wildlife, visual resources, recreation, transportation, noise, hazards and hazardous materials, socioeconomics, public services, utilities, and service systems are not analyzed because they were not identified as significant issues during scoping and it would not be reasonable to assume that a five-year temporary WA contract would result in impacts to these resources or services. In addition to the resources stated above, Reclamation considered and determined that the Proposed Action would not impact the following resources:

- Indian Trust Assets (ITA): There are no known ITA's or treaty rights exercised by tribes, nor are there any reservations or trust lands located within or adjacent to the Proposed Action that would be affected.
- Indian Sacred Sites: No Indian sacred sites have been identified within the footprint of the Proposed Action
- Environmental Justice: Environmental Justice issues in the American River Division counties under the Proposed Action would be identical to conditions under the No Action Alternative
- Global Climate Change: Impacts to climate change in the American River Division counties under the Proposed Action would be identical to conditions under the No Action Alternative
- Cultural Resources: Impacts to cultural resources in the American River Division counties within the Proposed Action's area of potential effect is determined in the Long-term Contracts Renewals in the American River

Division EIS (USBR 2005). The Proposed Action would have no effect on cultural resources or historic properties because no land use changes or new development would occur in the renewal water service contract areas.

This EA will analyze the affected environment of the Proposed Action and No Action Alternatives in order to determine the potential impacts and cumulative effects of the following environmental resources.

3.1 Water Resources

3.1.1 No Action

Implementation of the No Action Alternative would mean that the interim contract would expire on February 28, 2015, and up to 15,000 AFY of non-project water would not continue to be diverted at Nimbus Dam to the FSC, and flow to SMUD facilities at Rancho Seco in the south eastern portion of Sacramento County. SMUD would not have a contract mechanism for conveyance of their non-project water for M&I purposes.

3.1.2 Proposed Action

Implementation of the Proposed Action, which is continuing the existing conditions, would not change current hydrology of the water sources included in the Proposed Action. The water source would come from the SMUD Upper American River Project and be delivered at the FSC at Nimbus Dam. There would be no impacts on current water supply availability at Folsom Reservoir under the Proposed Action, as this is a continuous action.

Existing flow agreements of 20 cfs per day (up to 15,000 AFY) at the headworks of the FSC at Nimbus Dam would remain in effect. The water would be conveyed through Folsom Reservoir and delivered to the Contractor at the turnout on the FSC, located at a point 700 feet upstream from the inlet transition of the Laguna Creek siphon.

Due to the small quantity of water to be diverted, the effects on water supply would not be measureable on the lower American River in most years and it would be very difficult and speculative to try and identify the years in which any impact would exist. In fact, assuming fairly even diversion over the course of the year, the Proposed Action converts to approximately an instantaneous flow rate of 20 cfs, whereas flows in the American River are measured in thousands of cfs.

Implementation of the Proposed Action would result in no change to the lower American River because in-stream flows would remain the same and existing flow agreements would remain in effect. This action is a continuation of current non-project water conveyance and implementation of this action would be the continuation of existing conditions. Therefore, implementation of the Proposed

Action would result in no new or additional impacts to water supply and hydrology, but maintain current or existing conditions for a five-year period. There would be no impacts to water resources resulting from the Proposed Action.

3.2 Biological Resources

3.2.1 No Action

Implementation of the No Action alternative would mean that the interim contract would expire on February 28, 2015, and up to 15,000 AFY of non-project water would not continue to be diverted at Nimbus Dam to the FSC and flow to SMUD facilities at Rancho Seco in the south eastern portion of Sacramento County. SMUD would not have a contract mechanism for conveyance of their non-project water for M&I purposes.

3.2.2 Proposed Action

Biological resources under the Proposed Action would be identical to conditions under the No Action Alternative. The interim contract would provide for the continued delivery of the same quantities of water to the same lands for the same M&I uses that are provided for under the existing conditions established under the existing contract. Water deliveries would be made through existing CVP facilities. The action does not require the construction of any new facilities, the installation of any new structures, or the modification of existing facilities. The water would be placed to beneficial use within the authorized place of use within the contractor's water service area. Implementation of the Proposed Action would not change biological resources within the action area. The water contract quantity is included in the biological resources analysis contained in the Long-term Contract Renewals in the American River Division EIS (USBR, 2005), and therefore is incorporated by reference into this document, as well as the 2008/2009 BOs from the USFWS and the NMFS, respectively on the Continued Long-term Operations of the CVP and SWP. Reclamation is currently operating the overall CVP system to meet all regulatory requirements, downstream water needs, and environmental requirements. There would be no impacts to biological resources from the implementation of the Proposed Action.

3.3 Aquatic Resources

3.3.1 No Action

Implementation of the No Action alternative would mean that the interim contract would expire on February 28, 2015, and up to 15,000 AFY of non-project water would not continue to be diverted at Nimbus Dam to the FSC and flow to SMUD facilities at Rancho Seco in the south eastern portion of Sacramento County.

SMUD would not have a contract mechanism for conveyance of their non-project water for M&I purposes.

3.3.2 Proposed Action

Aquatic resources under the Proposed Action would be identical to conditions under the No Action Alternative. The interim contract would provide for the continued delivery of the same quantities of water to the same lands for the same M&I uses that are provided for under existing conditions established under the existing contract. Water deliveries would be made through existing CVP facilities. The action does not require the construction of any new facilities, the installation of any new structures, or the modification of existing facilities. The water would be placed to beneficial use within the authorized place of use within the contractor's water service area. Implementation of the Proposed Action would not change aquatic resources within the action area. This water contract quantity is included in the aquatic resources analysis contained in the Long-term Contract Renewals in the American River Division EIS (USBR, 2005), and therefore is incorporated by reference into this document, as well as the 2008/2009 BOs from the USFWS and the NMFS, respectively on the Continued Long-term Operations of the CVP and SWP.

In addition, as part of the essential fish habitat conservation consultation, NMFS analyzed the effects of the Proposed Action on fall-run Chinook salmon in the lower American River. In general, NMFS identified the primary factors potentially limiting fall-run production within the lower American River as high water temperatures, reduced flow magnitude, and flow fluctuations. NMFS identified Reasonable and Prudent Alternatives (RPAs) to alleviate the effects of Folsom Reservoir operations on fall-run Chinook salmon in the lower American River. The Proposed Action was addressed in the consultation and is subject to the NMFS BO.

Reclamation is currently operating the overall CVP system to meet all regulatory requirements, downstream water needs, and environmental requirements. Under the Proposed Action, Reclamation would continue to implement all current regulatory actions. The Proposed Action would not alter CVP operations, water storage or release patterns from CVP facilities, or the maximum volume of water to be delivered to the American River Division. There would be no impacts to aquatic resources from the implementation of the Proposed Action.

3.4 Facility Operations

3.4.1 No Action

Implementation of the No Action alternative would mean that the interim contract would expire on February 28, 2015, and up to 15,000 AFY of non-project water would not continue to be diverted at Nimbus Dam to the FSC and flow to SMUD

facilities at Rancho Seco in the south eastern portion of Sacramento County. SMUD would not have a contract mechanism for conveyance of their non-project water for M&I purposes.

3.4.2 Proposed Action

The final EIS for the June 2005 CVP Long-term Contract Renewals in the American River Division included analysis to evaluate potential impacts to Folsom Reservoir operations and Reclamation's management of the cold water pool (CWP) with implementation of SMUDs project water. This analysis indicates that no changes in CWP volume would result in any change to Folsom Reservoir operations and therefore would not have any additional effect on Reclamation's ability to meet downstream requirements. Because the implementation of this water service contract was found to not affect Folsom Reservoir operations, it is reasonable to conclude that implementation of the Proposed Action would also not result in additional affects to Reclamation's operation of Folsom Reservoir or management of the CWP, as this is a renewal for ongoing operations within the CVP. Facility operations would not be impacted by the implementation of the Proposed Action.

3.5 Cumulative Impacts

According to the Council on Environmental Quality (CEQ) regulations for implementing the procedural provisions of NEPA, a cumulative impact is defined as *the impact on the environment which results from the incremental impact of the action when added to other past, present, and reasonably foreseeable future actions regardless of what agency (federal or non-federal) or person undertakes such other actions*. Cumulative impacts can result from individually minor but collectively significant actions taking place over a period of time.

The Proposed Action would not result in cumulative adverse impacts to environmental resources when considered in combination with other past, present, and reasonably foreseeable future actions. This action is a continuation of current project water conveyance and implementation of this action would be the continuation of current events. The Proposed Action would not change long-term CVP contract amounts or deliveries from within the historical ranges since the Proposed Action would be identical to existing conditions.

Section 4 Consultation and Coordination

This section presents the agencies and parties that were coordinated or consulted with during the development of the document, the applicable federal, state and local requirements the project will and the distribution list.

Agencies and parties that were contacted during the development of this document:

- National Marine Fisheries Service
- United States Fish and Wildlife Service

It is reasonable to assume that the 2008 and 2009 BOs, and proceeding BOs have properly identified and analyzed the impacts associated with the movement of this water through the FSC. Furthermore, the 2008/2009 BOs provided additional analyses for the movement of this water and the RPAs developed by NMFS and USFWS allowed for continued and ongoing operation of the CVP. Therefore, the renewal of this contract is seen as an administrative action and not a new action that would hinder current operations in managing Folsom Reservoir, lower American River or the FSC.

The 2008 USFWS BO and the 2009 NMFS BO for the continued operations of the CVP and SWP indicated RPAs to ensure that project related effects on protected species and their critical habitats are ameliorated to the extent possible.

Reclamation has submitted an Environmental Assessment for a five-year temporary WA contract under Section 7(a)(2) of the Endangered Species Act. The action area is defined as the water and streams within SMUDs Rancho Seco CVP service area as derived from the Sacramento and American River watersheds.

- Sacramento Municipal Utility District

4.1 Public Review Period

Reclamation intends to provide the public with an opportunity to comment on the Draft Finding of No Significant Impact and Draft EA for a two week period.

Section 5 References

National Marine Fisheries Service, Biological Opinion on the Continued Long-term Operations of the Central Valley Project and the State Water Project, June 4, 2009.

U.S. Bureau of Reclamation, Long-term renewal of the American River Division water service contracts, June 2005.

U.S. Fish and Wildlife Service, Biological Opinion on the Continued Long-term Operations of the Central Valley Project and the State Water Project, December 15, 2008