FINDING OF NO SIGNIFICANT IMPACT

Addendum to the Coordinated Operation Agreement
Central Valley Project/State Water Project
FONSI 18-35-MP

Approved by: [Signature]
Brenda Burman, Commissioner
Date: 12/12/18

U.S. Department of the Interior
Bureau of Reclamation
Mid-Pacific Region

December 2018
Background

In accordance with the National Environmental Policy Act of 1969, as amended, the Bureau of Reclamation prepared an Environmental Assessment (EA) to examine the potential direct, indirect, and cumulative effects associated with amending the 1986 Coordinated Operation Agreement. The attached EA was prepared in accordance with National Environmental Policy Act, Council on Environmental Quality regulations (40 CFR 1500-1508), and Department of the Interior Regulations (43 CFR Part 46) and is hereby incorporated by reference.

Alternatives Including the Proposed Action

No Action: Reclamation and DWR would continue to follow the process defined in Article 14 of the Agreement. This would result in amendments to the Agreement other than those identified in the Proposed Action. There is a large degree of uncertainty in what the final amendment would include, given the differences in agency positions that led to the issuance of the Notice of Negotiations. As such, for evaluation purposes, the No Action Alternative was identified as a condition whereby the CVP and SWP would continue to operate per the Agreement without amendment or addendum. Obligations imposed on ongoing operations of the CVP and SWP since 1986 through D-1641 would continue to be met through temporary operations arrangements.

Proposed Action: Reclamation and DWR propose amending four key elements of the Agreement to reflect the evolved manner in which the Projects have been operated since the Agreement was originally authorized and signed: Article 6(c) in-basin uses; Article 10(b) CVP use of Harvey O. Banks (“Banks”) Pumping Plant; Article 10(i) export restrictions; and Article 14(a) the periodic review. The exhibits and operations studies would also be updated as provided for in the Agreement. These elements are proposed to be updated as follows:

Article 6(c) of the Agreement is amended to provide:

(c) Sharing of Responsibility for Meeting Sacramento Valley inbasin use with Storage Withdrawals During Balanced Water Conditions: Each party's responsibility for making available storage withdrawals to meet Sacramento Valley inbasin use of storage withdrawals shall be determined by multiplying the total Sacramento Valley inbasin use of storage withdrawals by the following percentages:

<table>
<thead>
<tr>
<th>Water Year Type</th>
<th>United States</th>
<th>State of California</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wet</td>
<td>80%</td>
<td>20%</td>
</tr>
<tr>
<td>Above Normal</td>
<td>80%</td>
<td>20%</td>
</tr>
<tr>
<td>Below Normal</td>
<td>75%</td>
<td>25%</td>
</tr>
<tr>
<td>Dry</td>
<td>65%</td>
<td>35%</td>
</tr>
<tr>
<td>Critical</td>
<td>60%</td>
<td>40%</td>
</tr>
</tbody>
</table>
The water year classifications described in the amended Article 6(c) shall be based on the Sacramento Valley 40-30-30 Index as most recently published through the Department of Water Resources' Bulletin 120.

In a Dry or Critical Year following two Dry or Critical Years, the United States and State will meet to discuss additional changes to the percentage sharing of responsibility to meet inbasin use.

Article 10(b) of the Agreement is amended to provide:

(b) The State will transport up to 195,000 acre-feet of Central Valley Project water through the California Aqueduct Reaches 1, 2A, and 2B no later than November 30 of each year by direct diversion or by redversion of stored Central Valley Project water at times those diversions do not adversely affect the State Water Project purposes or do not conflict with State Water Project contract provisions. If the diversion capacity at the south Delta intake to Clifton Court Forebay is in excess of 7,180 cubic feet per second during the July 1 through September 30, the State will provide available capacity at the Banks Pumping Plant to the Central Valley Project to divert or redvert 195,000 acre-feet, except when the Delta is in Excess Water Conditions during July 1 through September 30, the diversion capacity at the south Delta intake to Clifton Court Forebay in excess of 7,180 cubic feet per second shall be shared equally by the State and the United States. This Article does not alter the Cross-Valley Canal contractors' priority to pumping at the Harvey O. Banks Pumping Plant, as now stated in Revised Water Rights Decision 1641 (March 15, 2000).

Article 10(i) is added to the Agreement to provide:

(i) Sharing of Applicable Export Capacity When Exports are Constrained. During periods when exports are constrained by non-discretionary requirements imposed on the Central Valley Project and the State Water Project South Delta exports by any federal or state agency, allowable applicable export capacity shall be shared by the following percentages:

<table>
<thead>
<tr>
<th></th>
<th>United States</th>
<th>State of California</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balanced Water Conditions</td>
<td>65%</td>
<td>35%</td>
</tr>
<tr>
<td>Excess Water Conditions</td>
<td>60%</td>
<td>40%</td>
</tr>
</tbody>
</table>

Sharing of applicable export capacity during Balanced Water Conditions shall be considered a first right of refusal for the United States to use up to 65% of allowable export capacity after dividing any unstored water for export in accordance with 6(d).

Article 14(a) of the Agreement is amended to provide:

(a) Prior to December 31 of the fifth full year following execution of this agreement, and before December 31 of each fifth year thereafter, or within 365 days of the implementation of new or revised requirements imposed jointly on Central Valley
Project and State Water Project operations by any federal or state agency, or prior to initiation of operation of a new or significantly modified facility of the United States or the State or more frequently if so requested by either party, the United States and the State jointly shall review the operations of both projects. The parties shall (1) compare the relative success which each party has had in meeting its objectives, (2) review operation studies supporting this agreement, including, but not limited to, the assumptions contained therein, and (3) assess the influence of the factors and procedures of Article 6 in meeting each party's future objectives. The parties shall agree upon revisions, if any, of the factors and procedures in Article 6, Exhibits Band D, and the Operation Study used to develop Exhibit B.

In addition to the amended articles presented above, pursuant to Article 11, Exhibit A will be updated to conform with Delta standards established by the State Water Resources Control Board in the 1995 Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary as implemented by D-1641. Exhibit B shall also be updated based on a joint operations study of the amendments as agreed to, which identifies nondiscretionary requirements imposed on the Central Valley Project and State Water Project by any federal or state agency.

Findings

Based on the attached EA, Reclamation finds that the Proposed Action is not a major Federal action that will significantly affect the quality of the human environment, and preparation of an Environmental Impact Statement is not required. The EA describes the existing environmental resources associated with the Proposed Action and evaluates the effects of the No Action and Proposed Action alternatives. The following discussion is organized around the 10 significance criteria described in 40 C.F.R. § 1508.27.

1. **Impacts that may be both beneficial and adverse**--The Proposed Action would impact resources as described in the EA. There are no predicted long-term effects associated with the Proposed Action. Beneficial effects include a more reliable water supply source, with a beneficial effect to water storage, and beneficial effects to prime farmland.

2. **Degree to which the selected alternative will affect public health or safety or a minority or low income population**--The Proposed Action would have no significant effects on public health or safety. No minority or low income populations would be disproportionately affected by the Proposed Action. See also E.O. 12898.

3. **Unique characteristics of the geographic area of the Proposed Action**--There are no park lands, prime farm lands, wetlands, wild and scenic rivers, or ecologically critical areas that would be negatively impacted by the proposal.

4. **Degree to which the effects of the Proposed Action on the quality of the human environment are likely to be highly controversial**--Under NEPA, the degree to which the effects of the Proposed Action on the quality of the human environment are likely to be highly controversial is determined by whether there are substantial questions that are raised by experts as to whether a project may cause significant degradation of some human
environmental factor or there is a substantial dispute among the experts about the size, nature, or effect of the action. No effects on the quality of the human environment from the Proposed Action have been identified that can be considered highly controversial.

5. **Degree to which the effects of the Proposed Action on the human environment are highly uncertain or involve unique or unknown risks**—As described above, the proposed action is not unique or unusual. The effects of operating under the Coordinated Operating Agreement (COA), which has been in effect since 1986, are well understood, and the proposed action to modify four elements of the COA reflects an update to operations that better reflects current conditions. CalSimII modeling results have been used to help identify effects; the CalSim model has been used for decades and is considered to be the best available analytical tools for modeling CVP/SWP operations. The environmental effects are described in the EA, and there are no effects that are considered to be highly uncertain or to involve unique or unknown risks.

6. **Degree to which the Proposed Action sets a precedent for future actions with significant effects or represents a decision in principle about a future consideration**—The Proposed Action would be authorized pursuant to the Reclamation Act of 1902, as amended, and P.L. 99-546, which authorized the Coordinated Operations of the Central Valley and State Water Projects pursuant to the Coordinated Operating Agreement. The decision would not limit later management decisions for how to operate the CVP, does not set a precedent for future actions, or represent a decision in principle about a future action.

7. **Whether the action is related to other actions with individually insignificant but cumulatively significant impacts**—The Reinitiation of Consultation for the Long Term Operations of the Central Valley and State Water Project will incorporate the effects of COA addendum in its analysis.

8. **Degree to which the action may adversely affect sites, districts, buildings, structures, and objects listed in or eligible for listing in the National Register of Historic Places or cause loss or destruction of significant cultural resources**—Pursuant to 54 U.S.C. § 306108, commonly known as Section 106 of the National Historic Preservation Act, and its implementing regulations at 36 CFR Part 800, Reclamation determined this undertaking would not affect historic properties.

9. **Degree to which the action may adversely affect an endangered or threatened species or its habitat that has been determined to be critical under the Endangered Species Act of 1973**—Effects to listed species would be negligible or slightly beneficial and are covered under current consultations.

10. **Whether the action threatens a violation of federal, state, local, or tribal law, regulation or policy imposed for the protections of the environment**—The Proposed Action violates no federal, state, tribal, or local environmental protection laws.

12. The Proposed Action will not limit access to, and ceremonial use of, Indian sacred sites on Federal lands by Indian religious practitioners or significantly adversely affect the physical integrity of such sacred sites (EO 13007 and 512 DM 3).