

# RECLAMATION

*Managing Water in the West*

## SUPPLEMENTAL INFORMATION REPORT

### Odessa Groundwater Replacement Program – Change in the Discount Rate used in Benefit Cost Analysis

Odessa Subarea Special Study Area  
Columbia Basin Project, Washington



U.S. Department of the Interior  
Bureau of Reclamation  
Columbia-Cascades Area Office  
Yakima, Washington

May 2018

## MISSION STATEMENTS

### U.S. Department of the Interior

#### Protecting America's Great Outdoors and Powering Our Future

The Department of the Interior protects America's natural resources and heritage, honors our cultures and tribal communities, and supplies the energy to power our future.

### Bureau of Reclamation

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.

## SUPPLEMENTAL INFORMATION REPORT

### Odessa Groundwater Replacement Program – Change in the Discount Rate used in Benefit-Cost Analysis

Proposed Project /Action Title: Change in the discount rate used in benefit cost analysis

Existing Environmental Document: Odessa Subarea Special Study Final Environmental Impact Statement, August 2012

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# Supplemental Information Report

In May 2018, Reclamation changed the discount rate used to calculate the benefit – cost ratios presented in the *Odessa Subarea Special Study (OSSS) Economics and Technical Report*<sup>1</sup> to reflect the discount rate required by the Water Resources Development Act of 1974. This change in discount rate increased the b/c ratio of the selected alternative to above one, allowing Reclamation to request appropriated funds for parts of the Odessa Ground Water Replacement Program (OGWRP). This Supplemental Information Report (SIR) evaluates whether this change presents new information not already considered in the Environmental Impact Statement (EIS)<sup>2</sup> or Amended Record of Decision for the OSSS.<sup>3</sup>

The change in the discount rate only changes how Reclamation estimates the present value of benefits and costs that occur in the future. The underlying benefits and costs of the project used in the economic report remain the same. The corrected discount rate (3.25%) falls within the range of values (3% and 4%) considered in the EIS and applies equally to all alternatives. While the increase in the b/c ratio will permit federal appropriations to be used during implementation, it will not result a significant change from the overall scope or timing of the OGWRP. As a result, this change does not present new information on economic, cultural or environmental resources nor does it alter the relative benefits or impacts between alternatives. Further, there are no significant new circumstances or information relevant to environmental concerns and bearing on the proposed action or its impacts as described in 40 CFR 1502.9.

Consequently, Reclamation concludes the change in discount rate does not: present new information relevant to environmental concerns described in 40 CFR 1502.9; constitute an action with environmental impacts not already considered in the OSSS EIS; nor modify Reclamation's rationale for its selected alternative. As a result, this change does not require Reclamation to revisit prior NEPA/SEPA or other completed planning related analysis.

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<sup>1</sup> Reclamation, *Odessa Subarea Special Study Economics Technical Report*, September 2012 (available at: <https://www.usbr.gov/pn/programs/eis/odessa/finaleis/econ.pdf>)

<sup>2</sup> Reclamation, *Odessa Subarea Special Study Final EIS*, Volume 1 August 2012 (available at: <https://www.usbr.gov/pn/programs/eis/odessa/finaleis/feisvol1.pdf>)

<sup>3</sup> Reclamation, *Amended Record of Decision for the Odessa Subarea Special Study Final Environmental Impact Statement*, September 27, 2013 (available at: <https://www.usbr.gov/pn/studies/odessa/amendedrod.pdf>)