

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION IX

75 Hawthorne Street San Francisco, CA 94105

July 17, 2006

Mr. Kirk Rodgers Regional Director U.S. Bureau of Reclamation Mid-Pacific Regional Office 2800 Cottage Way Sacramento, California 95825

Subject: Final Environmental Impact Statement (FEIS) for the San Luis Unit Drainage

Feature Re-evaluation Project, Central Valley Project, California

(CEQ# 20050216)

Dear Mr. Rodgers:

The U.S. Environmental Protection Agency (EPA) has reviewed the above-referenced document pursuant to the National Environmental Policy Act (NEPA), Council on Environmental Quality (CEQ) regulations (40 CFR Parts 1500-1508) and Section 309 of the Clean Air Act.

EPA supports Reclamation's selection of the Drainage-Impaired Land Retirement Alternative in the FEIS. This alternative will help address the historical environmental impacts to the area associated with irrigation and would minimize the costs and environmental risks of managing, treating, and disposing of polluted drainage water. We are also supportive of Reclamation's commitment to implement the Delta-Mendota Canal Drainage Collection/Reuse component, which will eliminate drain water discharged to the Mendota Pool and the Delta Mendota Canal. This will reduce contributions of selenium in the San Joaquin River and nearby wetlands.

The preferred alternative proposes retiring 44% of the land currently provided irrigation water supplies under the San Luis Unit water contracts with Reclamation. These contracts are currently being renegotiated. We request Reclamation conduct a new needs assessment for these proposed long term water service contracts based on this preferred alternative and the envisioned level of land retirement for inclusion in the FEIS for renewal of these contracts (see our April 17, 2006 comments on the San Luis Unit Long-Term Contract Renewal DEIS).

As noted in our September 1, 2005 letter, there are a number of remaining issues associated with implementing the In-Valley Disposal alternatives. We recommend the Record of Decision (ROD) describe the proposed approach to resolve these issues and the environmental impact assessment process. Briefly, those issues include:

- (1) **Selenium treatment technology:** It is not yet clear that current selenium treatment technology can deliver the 10 ppb selenium concentrations on which the U.S. Fish and Wildlife Service Biological Opinion has been based. Comprehensive monitoring of pilot programs for drainage treatment will be necessary to identify the best approaches to In-Valley treatment. Therefore, we recommend incremental implementation of selenium treatment and disposal with a commitment to further pilot testing and technological development, and rigorous water quality monitoring.
- (2) **Air Quality:** Implementation of the land retirement and treatment options needs to be sensitive to significant air quality problems in the San Joaquin Valley. We recommend addressing air impact mitigation measures (including emission credits, seasonal control programs, and construction emissions mitigation) in Reclamation's drainage program and the ROD.

Finally, we understand that Reclamation has explicitly reserved its ability to select an alternative in its ROD different from the preferred alternative identified in the FEIS. As you know, EPA raised significant objections with the Ocean Disposal and Delta Disposal Alternatives, rating these alternatives as Environmental Objection – Insufficient Information in our September 1, 2005, comments on the DEIS. If Reclamation believes it will deviate substantially from its FEIS Preferred Alternative in the ROD, we request a copy of the draft ROD and the opportunity to discuss the envisioned changes, as early as possible, so that we can collectively address our concerns.

EPA appreciates the opportunity to review this FEIS and looks forward to working with Reclamation as it implements its preferred alternative. When the ROD is released, please send two copies to the address above (mailcode: CED-2). If you have questions, please contact me or Laura Fujii, the lead reviewer for this project. Laura can be reached at 415-972-3852 or fujii.laura@epa.gov.

Sincerely,

/S/ Frances Schultz for

Enrique Manzanilla, Director Communities and Ecosystems Division

cc: Michael Nepsstad, Bureau of Reclamation, Mid-Pacific Region Michael Delamore, Bureau of Reclamation, South-Central California Area Office Steve Deweiler, US Fish and Wildlife Service Joy Winkel, US Fish and Wildlife Service
Theresa Presser, U.S. Geological Survey
Lester Snow, California Department of Water Resources
John Beam, California Department of Fish and Game
Dan Skopec, California Environmental Protection Agency
Celeste Cantu, State Water Resources Control Board
Steve Moore, Regional Water Quality Control Board 2
Gerhardt Hubner, Regional Water Quality Control Board 3
Rudy Schnagl, Regional Water Quality Control Board 5
Joe Grindstaff, California Bay-Delta Authority
Marcia Brockbank, San Francisco National Estuary Program
Daniel Berman, Morro Bay National Estuary Progra