



## REGION 9

SAN FRANCISCO, CA 94105

December 4, 2023

Allison Jacobson  
Bureau of Reclamation  
2800 Cottage Way  
Sacramento, California 95825

Subject: Final Environmental Impact Statement for Sites Reservoir, Tehama, Glenn, Colusa and Yolo Counties, California (EIS No. 20230150)

Dear Allison Jacobson:

The U.S. Environmental Protection Agency has reviewed the Final Environmental Impact Statement for the Sites Reservoir Project pursuant to the National Environmental Policy Act (NEPA) and Section 309 of the Clean Air Act (CAA). The CAA Section 309 role is unique to EPA. It requires EPA to review and comment on the environmental impact on any proposed federal action subject to NEPA's environmental impact statement requirements and to make its comments public.

The Sites Reservoir would be a new off-stream surface storage reservoir ten miles west of Maxwell, California, with a purpose to capture excess water from major storms and store the water for drier periods. Since the original proposal, many refinements have been made to the project including addition of mitigation and monitoring measures for construction and operation. The Bureau of Reclamation acknowledges that it needs to continue to participate in the development of the project's operations to consider the environmental impacts of coordinating federal facilities that would be used to supply water to the reservoir as well as examining the possibility of investing in Sites reservoir storage up to 25% to improve operational flexibility of the Central Valley Project (CVP). A 25% investment is identified as Reclamation's Preferred Alternative.

The EPA recognizes the need for improved water management in California and has been a cooperating agency on this project to ensure that federal decision making concerning new water storage facilities appropriately considers environmental impacts associated with siting, design, construction, and operation of such facilities. In our comments on the Supplemental Draft EIS, we identified several topics or resource areas that would benefit from additional information or analysis in the Final EIS, including project operations, scope of analysis, climate impacts and greenhouse gas emissions, impacts to streams and wetlands, sediment management, and surface water quality. We appreciate Reclamation's response to our comments provided in the Final EIS.

The EPA appreciates that the Final EIS includes additional climate change analyses and information on greenhouse gas emissions from reservoirs (detailed in Appendix 21A). We support the strong commitments for renewable energy and the inclusion of climate adaptation modeling to 2070 (Appendix 28A).

The EPA remains concerned about the approach to project operations in the Final EIS, which have not yet been finalized but are critical to understanding the environmental impacts of Sites Reservoir. Proposed mitigation, including water exchanges, as well as information on how operations would be coordinated with state and federal projects is not complete at this time (p. 2-78). The water rights process and Endangered Species Act consultations, which will affect diversion criteria as well as the Clean Water Act Section 404 permitting process, are critical to complete the understanding of environmental impacts. These processes will help to inform decision-making and to guide future permitting and mitigation actions. In particular, the proposed Sites reservoir would have to operate in conjunction with other major water projects in the Delta, such as the Delta Conveyance project, and coordinated long-term operations of the Central Valley Project and State Water Project (both projects which have NEPA processes underway).

The potential impacts of harmful algal blooms on the Delta and effects on aquatic organisms are acknowledged and described in Chapters 6 and 11 of the Final EIS. We appreciate that Reclamation has included cyanobacteria and cyanotoxins analyses to the Surface Water Ambient Monitoring Program component of the Aquatic Study Plan (HABs Action Plan). While the document acknowledges the uncertainty and unpredictability of HABs, the Final EIS also acknowledges that conditions and temperatures in the proposed reservoir are conducive to the formation of HABs. Monitoring and operational components (such as the utilization of the intake/outtake structures described on p. 6-102) are imperative for protecting water quality in the reservoir as well as receiving waters. Integration of a HABs action plan into operations scenarios will become an important component of operation scenarios in the future.

The EPA encouraged concurrent analysis of alternatives under NEPA and the Clean Water Act Section 404 to ensure that the least environmentally damaging practicable alternative (LEDPA) is included in NEPA alternatives and can be selected in the Record of Decision. EPA notes that the Final EIS presents information relevant to a future CWA 404 permit application, including information to evaluate compliance with the CWA Section 404(b)(1) Guidelines (40 C.F.R. Part 230). While project operations have not yet been fully defined pending outcome of ESA consultation and other regulatory processes, assessment of their potential impacts is required. The Guidelines require factual determinations of the secondary effects “associated with but not resulting directly from the actual placement of dredged or fill material,” and consideration of how the direct and secondary effects of the proposed project would contribute to cumulative effects on the aquatic ecosystem. In consideration of the CWA Section 404 permit process and compliance with the Guidelines, we continue to recommend analysis and disclosure of secondary effects associated with operations of the Sites Project, including: adverse effects on water quality such as harmful algal blooms; disruption of migratory corridors for salmonids and sturgeon; disruption and loss of ecosystem processes such as flood pulses; reductions in cold water supply for migratory fishes in the upper watershed; and changes to wetland or river hydrology. EPA also notes that the Sites Project has not yet identified potential sites or mechanisms to provide compensatory mitigation for impacts to aquatic resources pursuant to the 2008 Mitigation Rule (40

CFR 230.91-98) and recommends that proposed compensatory mitigation be identified in the Record of Decision and CWA 404 Permit application.

Key regulatory requirements that will help determine the full impacts from the operations of the proposed project will be established through the pending actions by the State Water Resources Control Board, U.S. Fish and Wildlife Service, National Marine Fisheries Service, California Department of Fish and Wildlife, and U.S. Army Corps of Engineers. EPA encourages Reclamation, the other federal agencies, and the State of California to help define an environmentally sound and effective project that would operate in a manner that simultaneously supports water supply reliability and protects as well as enhances California's fisheries and ecosystems. We consider the upcoming actions by FWS, NMFS, CDFW, the State Water Board, and the Corps of Engineers to be critical steps in that process, including any future NEPA compliance. We recommend that the Record of Decision include a commitment to conduct additional NEPA compliance if the outcomes of any of these processes alter the project in such a way that is not covered under the current EIS range of alternatives and analysis.

Thank you for the opportunity to review this Final EIS. If you have any questions, please contact me at (415) 947-4167, or contact Stephanie Gordon, the lead reviewer for this project, at (415) 972-3098 or [gordon.stephanies@epa.gov](mailto:gordon.stephanies@epa.gov).

Sincerely,

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