UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

August 18, 2014

Ms. Erin Phelps
Project Leader
Flagstaff Ranger District
Coconino National Forest
5075 North Highway 89
Flagstaff, Arizona 86004

Subject: Draft Environmental Impact Statement for the Flagstaff Watershed Protection Project, Coconino County, Arizona (CEQ # 20140185)

Dear Ms. Phelps:

The U.S. Environmental Protection Agency commends the Forest Service for the unique partnership forged with the City of Flagstaff to develop the Flagstaff Watershed Protection Project (FWPP). The forest restoration and fire risk reduction activities proposed should help to achieve restoration goals established for the Coconino National Forest, while protecting watersheds vital to the City of Flagstaff's water supply, if implemented in concert with strong avoidance and mitigation measures (such as the proposed Aquatic Management Zones that would establish buffers or filter strips around designated water bodies).

The EPA has reviewed the Draft Environmental Impact Statement for the FWPP pursuant to the National Environmental Policy Act, Council on Environmental Quality regulations (40 CFR Parts 1500-1508), and Section 309 of the Clean Air Act. The Forest Service did not identify a preferred alternative in the Draft EIS, so we have separately rated the no action alternative and each of the action alternatives presented in the document, as well as the adequacy of the document itself (see the enclosed "Summary of EPA Rating Definitions").

The EPA recognizes the clear and present risk for a high severity wildfire to spark in the Dry Lake Hills or Mormon Mountain. We also recognize that the direct environmental impacts of such a blaze, as well as the impacts from subsequent erosion and potential flooding, would be substantial and that preventive measures are needed to protect wildlife, critical habitat, water resources, and property. For this reason, we have rated the No Action Alternative (Alternative 1) as Environmental Concerns (EC).

The remaining alternatives propose various remedies to prevent catastrophic fire. The Draft EIS evaluates the environmental impacts associated with each remedy. Based on the analyses provided in the Draft EIS, EPA has rated Alternative 2 (Proposed Action with Cable Logging) as "Environmental Concerns" (EC). Alternative 2 would require the creation of long clear-cuts down steep slopes throughout the project area. These cable corridors, along with the associated skid trails and temporary roads, would result in the most soil disturbance of any of the proposed alternatives. This is a concern, as the Draft EIS states that the majority of soils in the Dry Lake Hills and Mormon Mountain analysis areas have moderate to severe erosion hazard ratings (p. 31). With such pervasive erosion potential in the project area, the soil disturbance from cable logging treatments could result in significant impacts to

water resources. In addition, according to the Draft EIS, Alternative 2 would lead to "a loss of more Mexican spotted owl key habitat components with a loss of more snags and trees greater than 18 inches dbh than any other action alternative" (p. 300), and thus, project activities may, in the estimation of the Forest Service, "adversely affect the Mexican spotted owl and its critical habitat" (p. 308).

Alternatives 3 (Proposed Action without Cable Logging) and 4 (Minimal Treatment Alternative), though not without their own potential impacts, employ considerably less soil disturbing treatment methods than those proposed in Alternative 2. We have rated them as "Lack of Objections" (LO). Alternative 3, because it would utilize a combination of specialized steep-slope machinery and helicopters, would avoid the more severe impacts to snags and Mexican spotted owl habitat caused by the creation of cable corridors in Alternative 2. Alternative 4, because it would largely avoid the steepest slopes in the proposed project area and treat the minimum amount necessary to meet the FWPP purpose and need, appears to represent the least environmentally damaging alternative.

The Draft EIS states that the Forest Service anticipates that the final decision for this project could involve a blending of alternatives. We recommend that the Forest Service consider a blend of Alternatives 3 and 4, combining the minimalist approach of Alternative 4 (with its focus on areas of dense fuel loading and where the probability of severe effects to soil resources from a wildfire is greatest) with the more targeted, specialized steep-slope treatments of Alternative 3. We also recommend that the Forest Service avoid the use of cable logging.

The EPA commends the Forest Service for producing a high-quality Draft EIS. We have rated the document, however, as "Category 2" (Insufficient Information). There are a few sections where we would like to see additional information provided in the Final EIS. The first pertains to the projected greenhouse gas emissions from FWPP activities. The Draft EIS provides a good qualitative description comparing the potential emissions from a high severity wildfire and those associated with thinning treatments and other forest restoration work, including prescribed burning. It does not, however, include estimates of the greenhouse gas emissions that would result from FWPP activities, including the GHGs that would be emitted from truck traffic (both to deliver crew members to and from the FWPP work sites, as well as to transport logs or other biomass material for offsite processing), machinery used for treatments, and helicopters. We recommend that the Final EIS include an expanded GHG discussion to account for these emissions.

Secondly, we recommend that the Final EIS discuss the potential for further reductions in air emissions that could be achieved by lessening or eliminating pile burning of residual fuels in favor of biomass energy production. The Draft EIS merely states that biomass energy production would be considered. In light of the considerable restoration work that is either underway or planned for lands adjacent to the proposed FWPP area (including the Four Forest Restoration Initiative) and, thus, the economies of scale that could be achieved from harvesting residual fuels from multiple sites over several years, we recommend that the Forest Service provide additional information in the Final EIS about the potential to incorporate biomass energy production into the FWPP.

We would also like to see additional information in the Final EIS concerning how climate change may affect the FWPP. The Draft EIS includes a good description of the relationship between climate change and fire, particularly how proposed treatments would lead to a more resilient forest, better able to withstand wildfire. We recommend that the Final EIS also include a description of how climate change may affect sensitive species within the project area (including the Mexican spotted owl and northern goshawk) and the habitats on which these species depend. Additionally, we are interested to know how climate change effects may inform, and potentially alter, project activities and management decisions

over the life of the FWPP. We recommend that the Final EIS and Record of Decision include a commitment to monitor climate change effects, and to adapt management strategies accordingly in order to avoid exacerbating those effects, for the duration of the FWPP.

We appreciate the opportunity to review this Draft EIS, and are available to discuss our comments. When the Final EIS is released, please send one CD copy to this office (specify Mail Code ENF-4-2). If you have any questions, please contact me at 415-972-3521, or contact Jason Gerdes, the lead reviewer for this project. Mr. Gerdes can be reached at 415-947-4221 or gerdes.jason@epa.gov.

Sincerely,

Kathleen Martyn Goforth, Manager
Environmental Review Section

Enclosure: Summary of EPA Rating Definitions