UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105-3901

September 14, 2007

Mr. Steve Spangle
Field Supervisor
U.S. Fish and Wildlife Service
2321 West Royal Palm Road, Suite 103
Phoenix, AZ 85021

Subject: Draft Environmental Impact Statement the Operation of Horseshoe and Bartlett Reservoirs, Arizona [CEQ# 20070289]

Dear Mr. Spangle:

The U.S. Environmental Protection Agency (EPA) has reviewed the U.S. Fish and Wildlife Service's (USFWS) Draft Environmental Impact Statement (DEIS) for the Operation of Horseshoe and Bartlett Reservoirs. Our review and comments are provided pursuant to the National Environmental Policy Act (NEPA), the Council on Environmental Quality (CEQ) Regulations (40 CFR Parts 1500-1508), and our NEPA review authority under Section 309 of the Clean Air Act (CAA).

The Salt River Project (SRP) has submitted an application for an incidental take permit (Permit) under the Section 10(a)(1)(B) of the Endangered Species Act (ESA). The Permit would authorize the incidental take of 16 species including the southwestern willow flycatcher, yellow-billed cuckoo, bald eagle, razorback sucker, Colorado pikeminnow, Gila topminnow, spikedace, and loach minnow. Due to dry conditions in central Arizona for the past several years, reservoir levels behind Horseshoe and Bartlett dams have been below normal, resulting in riparian trees and shrubs growing in space historically used to store water. These newly established riparian areas have been colonized by species that use this habitat, such as the southwestern willow flycatcher. A Permit is needed because continued operation of the reservoirs may adversely affect the habitat used by the covered species.

SRP has prepared a Draft Habitat Conservation Plan (DHCP) and DEIS to meet the requirements of the ESA and to evaluate the potential impacts associated with issuance of the Permit. The DHCP and DEIS are well organized and provide much useful information regarding habitat conservation planning and the potential impacts associated with the Permit. We commend the USFWS on a well-written, comprehensive set of documents. The Preferred Alternative authorizes the continued full operation of Horseshoe and Bartlett Reservoirs with the addition of operating objectives designed: 1) to support stands of tall riparian vegetation at the upper end of Horseshoe to minimize impacts to covered bird species; and 2) to manage Horseshoe Reservoir levels to minimize impacts to covered native fish, frog, and gartersnake species. The Preferred Alternative includes implementation of all measures described in the DHCP to minimize and mitigate the potential take of covered species.

Based on our review, we have rated the DEIS as Lack of Objections (LO) (see enclosed "*Summary of Rating Definitions*"). We have concerns about the acquisition of off-site mitigation habitat and the status of the Biological Opinion. The DEIS states that as part of the proposed action, SRP would acquire and manage 200 acres of suitable riparian habitat (pg. 32). Table 2-3 states that 50 acres would be located in Verde Valley if feasible; 150 acres would be located in Safford Valley; and that the balance of habitat would be located in San Pedro or elsewhere in Central Arizona. We are concerned that the off-site mitigation areas may not be located in proximity to the Horseshoe and Bartlett Reservoirs. Although we understand that it is advantageous to purchase large parcels of riparian land, we recommend that off-site mitigation areas be purchased within the same watershed, if at all possible.

The DEIS also states that formal consultation will terminate with the preparation of a Biological Opinion. The Biological Opinion will provide the USFWS determination as to whether the proposed action is likely to jeopardize the continued existence of listed species or result in the destruction or adverse modification of designated critical habitat (pg. 12). We recommend that the results of the Biological Opinion be summarized within the FEIS.

We appreciate the opportunity to review this DEIS. When the Final EIS is released for public review, please send one hard copy and one CD ROM to this office at the same time it is officially filed with our Washington D.C. office. If you have any questions, please contact me at (415) 972-3846 or Ann McPherson, the lead reviewer for this project. Ann can be reached at (415) 972-3545 or at mcpherson.ann@epa.gov.

Sincerely,

Nova Blazej, Manager
Environmental Review Office

Enclosures: Summary of EPA Rating Definitions