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

AUG 22 2011

Colleen Sievers
Bureau of Land Management - Carson City District
Stillwater Field Office
5665 Morgan Mill Road
Carson City, Nevada 89701

Subject: Final Environmental Impact Statement for the Salt Wells Energy Projects, Churchill County, NV (CEQ# 20110231)

Dear Ms. Sievers:

The U.S. Environmental Protection Agency has reviewed the Final Environmental Impact Statement for the Salt Wells Energy Projects, Churchill County, Nevada. Our review and comments are provided pursuant to the National Environmental Policy Act, the Council on Environmental Quality Regulations (40 CFR Parts 1500-1508), and our NEPA review authority under Section 309 of the Clean Air Act.

EPA reviewed the Draft Environmental Impact Statement and provided comments to the Bureau of Land Management on March 28, 2011. We rated the DEIS as *Environmental Concerns–Insufficient Information* (EC-2), primarily due to potential direct and indirect impacts to wetlands, ephemeral washes and biological resources. We also asked for a final determination of the geographic extent of jurisdictional waters of U.S. (WUS) in the project area, additional information on how climate change could affect the proposed project, and improved mitigation and management plans for the protection of biological resources.

We appreciate the efforts of the BLM, the applicant, and its consultants to respond to our DEIS comments. We are pleased to note that the FEIS indicates that the preferred alternative for the transmission line construction avoids bisecting the Corkill Ranch conservation easement. We are also pleased to note that the FEIS includes an avian protection plan, equipment emissions mitigation plan, emergency response plan and additional discussion of climate change impacts to the project.

While recognizing these improvements, the EPA has continuing concerns regarding potential impacts to wetlands and aquatic resources, including ephemeral washes and site hydrology. Specifically, in the absence of a formal jurisdictional determination verified by the Army Corps of Engineers, it is difficult to discern the extent of WUS on the project site. To determine the extent of WUS, a wetland delineation should be submitted to the Corps for verification. If it is determined that there are jurisdictional waters within the Project area, a Clean Water Act Section 404 permit from the Corps will be required for any discharges of dredged or fill material into these waters. If a Section 404 permit is required, EPA will review the project for compliance

with the Federal Guidelines for Specification of Disposal Sites for Dredged or Fill Materials (40 CFR 230), promulgated pursuant to Section 404(b)(1) of the CWA (Guidelines). Pursuant to the Guidelines, any permitted discharge into WUS must be the Least Environmentally Damaging Practicable Alternative (LEDPA) available to achieve the project purpose. No discharge can be permitted if it will cause or contribute to significant degradation of WUS. We recommend that the BLM address this major issue prior to making a final decision on the proposed project.

In addition, we recommend that all mitigation measures include specific criteria for success, be adopted in the Record of Decision and be included as conditions in construction contracts and any other approvals, as appropriate, to minimize adverse environmental impacts to the extent possible. If any mitigation measures proposed in the DEIS or FEIS are not adopted, the ROD should provide justification for the decision not to adopt them.

We are available to discuss all recommendations provided. Please send one hard copy and one CD ROM copy of the ROD to this office when it is filed with our Washington D.C. office. If you have any questions, please contact me at 415-972-3521, or contact Scott Sysum, the lead reviewer for this project, at 415-972-3742 or Sysum.scott@epa.gov.

Sincerely,

Kathleen Martyn Goforth
Manager
Environmental Review Office
Communities and Ecosystems Division

cc: Ms. Kristine Hansen
United States Army Corp of Engineers, Reno Regulatory Office
Ms. Selena Werdon
U.S. Fish and Wildlife Service, Nevada Fish and Wildlife Office