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

OCT 0 4 2012

Mr. David Woolley
Bureau of Reclamation
South-Central California Area Office
1243 N Street
Fresno, CA 93721

Subject: San Luis Reservoir State Recreation Area Draft Resource Management Plan and Draft Environmental Impact Statement, Merced County, California (CEQ# 20120262)

Dear Mr. Woolley:

The U.S. Environmental Protection Agency (EPA) has reviewed Draft Resource Management Plan (RMP) and Draft Environmental Impact Statement (DEIS) for the San Luis Reservoir State Recreation Area pursuant to the National Environmental Policy Act (NEPA), Council on Environmental Quality regulations (40 CFR Parts 1500-1508), and Section 309 of the Clean Air Act.

EPA supports the development of a comprehensive RMP to guide future management actions. We understand that the DEIS is programmatic in scope, and subsequent project-level analysis will be completed, as appropriate, pursuant to NEPA and other applicable regulations. The DEIS sets forth policies for management of the San Luis Reservoir State Recreation Area and adjacent lands known as the Plan Area. EPA is supportive of many of these measures, and appreciates efforts to cluster new facilities in portions of the Plan Area that are already developed in order to protect undeveloped areas.

Based on our review of the DEIS, we have rated the document as EC-2, Environmental Concerns – Insufficient Information (see enclosed EPA Rating Definitions). EPA is primarily concerned with the lack of details on potential future off-highway vehicle (OHV) use. We recommend that the Final Environmental Impact Statement (FEIS) provide additional information describing (1) the degree to which OHV usage may expand under Alternatives 3 and 4, (2) how construction emissions and increases in OHV usage were incorporated into the air quality analysis, and (3) additional indicators that would be used to manage water quality. We also recommend that the Bureau of Reclamation (BOR) and California State Parks (CSP) coordinate closely with U.S. Fish and Wildlife Service (FWS) to inform development of the FEIS. For further details on these issues and additional concerns, please see our enclosed detailed comments.

Please note that, as of October 1, 2012, EPA Headquarters no longer accepts paper copies or CDs of EISs for official filing purposes. Submissions after October 1, 2012 must be made through the EPA's new electronic EIS submittal tool: e-NEPA. To begin using e-NEPA, you must first register with the EPA's electronic reporting site - https://cdx.epa.gov/epa_home.asp. Electronic submission does not change requirements for distribution of EISs for public review and comment, and lead agencies should still provide one hard copy of each Draft and Final EIS released for public circulation to the EPA Region 9 office in San Francisco (Mail Code: CED-2).

We appreciate the opportunity to review this DEIS, and are available to discuss our comments. If you have any questions, please contact me at 415-972-3521, or contact Jen Blonn, the lead reviewer for this project. Jen can be reached at 415-972-3855 or blonn.jennifer@epa.gov.

Sincerely,

Kathleen Martyn Goforth, Manager
Environmental Review Office

Enclosure: Summary of the EPA Rating System

**U.S. EPA DETAILED COMMENTS ON THE SAN LUIS RESERVOIR STATE RECREATION AREA DRAFT RESOURCE MANAGEMENT PLAN AND DRAFT ENVIRONMENTAL IMPACT STATEMENT, MERCED COUNTY, CALIFORNIA, OCTOBER 4, 2012**

## Air Quality

The environmental analysis indicates that future total emissions in the Plan Area would remain well below General Conformity Rule de minimis levels under all project alternatives, and that no exceedances would occur if motor vehicle and vessel use doubled. It is unclear whether construction emissions that would result from developing facilities, roads and recreational features were incorporated into the analysis. It is also unclear whether off-highway vehicle (OHV) emissions were included.

Although emissions from this project are projected to remain under significance thresholds, it is important to minimize emissions to the extent feasible. The project is located in the San Joaquin Valley Air Basin, which has among the worst air quality in the county. Existing conditions can be exacerbated by the cumulative impacts of smaller scale releases. Use of cleaner diesel or electric equipment for construction is not discussed in the DEIS, and could help minimize overall project emissions.

Alternatives 2, 3, and 4 include elements that could increase boating, such as expanding the boat launch at Dinosaur Point Use Area, reopening/relocating the boat launch at Medeiros Use Area, and expanding day use and camping opportunities. While Alternatives 2 and 3 would not change target boat density ranges, Alternative 4 would allow for higher target boat density ranges in some portions of the Plan Area. Emissions associated with increased boating do not appear to be provided. In addition, each of the action alternatives would impose a three-year phase-out of non-conformant two-stroke engines. The analysis indicates that changes in boat densities would be fully (under Alternative 2) or partially (under Alternative 4) offset by the phase-out. Supporting analysis, however, is not provided.

Alternatives 3 and 4 allow for the expansion of the off-highway vehicle (OHV) use area if land becomes available. Information is not provided on how much land might be added, or how many additional OHV users would be allowed. Without such information, it is unclear how impacts were accounted for in the environmental analysis. The current baseline for OHV use is also unclear. OHV use is not listed in Table 4-2, which contains data on visitor use and capacity for other types of recreation.

***Recommendations for the Final Environmental Impact Statement (FEIS):***

- Clarify whether OHV and construction emissions were included in the conformity analysis. If they were not included, please revise the analysis to incorporate these emissions.
- Commit to use cleaner diesel or electric technologies for construction in the Plan Area to the extent feasible.
- Include quantitative information on air emissions from increases in boating under each alternative.
- Include analysis to support the conclusion that the three-year phase-out of non-conformant two-stroke engines would fully (under Alternative 2) and partially (under Alternative 4) offset emissions from future increases in boat use. Indicate whether related emissions would be offset under Alternative 3.
- Explain how much land might be added to the Plan Area for OHV use under Alternatives 3 and 4, how many additional OHV users would be allowed annually under each alternative, and associated emissions levels. Explain how this information is incorporated into the environmental analysis.

- Update Table 4-2 so that it includes OHV use, and clarify whether visitor data provided in the table is an annual average or another metric.
- Further describe the potential motor-cross track included in Alternative 4 by providing details on how much land it would use, how many riders would be expected, associated emissions, and methods for incorporating impacts into the DEIS.

**Water Quality**

The Plan Area includes the water surfaces of San Luis Reservoir, O'Neill Forebay, and Los Banos Creek Reservoir. We understand that the function of the San Luis Reservoir is to store and regulate water pumped from the Delta for use in the San Joaquin Valley and Southern California, and water is pumped through the O'Neill Forebay to reach the San Luis Reservoir. Given the importance of the San Luis Reservoir as a drinking water source, as well as increasing concerns with water quality and quantity in California due to climate change and other factors, protecting water quality in the Plan Area is a key concern to EPA. We note that water quality does not appear to be addressed in the cumulative impacts analysis.

While section 5.4.1.3 discusses impacts from motorized vessel emissions on water quality, the analysis does not describe how increases in boat use under various alternatives would alter impacts. Indicators that would be used to measure water quality are also not fully defined. Table 4-4 lists indicators that would be used to measure the quality of resource management and visitor experience. While sedimentation in ponds and springs in addressed, other indicators of water quality are not included.

The DEIS references a 2001 report that was conducted to address water quality concerns in the San Luis Reservoir, and specific recommendations from that report are listed in Table 2-6. It is unclear whether these recommendations were fully incorporated into the Resource Management Plan (RMP), such as recommendations to (1) increase public awareness of water quality, (2) conduct studies to estimate runoff in the watershed and contaminants entering the San Luis Reservoir, and (3) protect water quality from grazing operations.

***Recommendations for the FEIS*:**

- Describe potential cumulative impacts on water quality from each alternative and other reasonably foreseeable actions in the nearby area.
- Provide quantitative information on impacts to water quality from potential increases in boating for each alternative in section 5.4.1.3.
- Update Table 4-4 so that it includes indicators for water quality, such as (but not limited to) water quality data (as collected by DWR) and visible evidence of poor grazing practices.
- Clearly indicate how recommendations from Table 2-6 (entitled *Conclusions and Recommendations of the Sanitary Survey Update 2001, San Luis Reservoir*) are incorporated into the RMP for each action alternative. If recommendations are not included, provide an explanation.

**Grazing Management, Monitoring and Enforcement**

Alternatives 2, 3, and 4 would allow for grazing to be expanded. We note that various management plans are proposed for Alternatives 2, 3 and 4 on p. 4-44, and a grazing management plan does not appear to be proposed. While we recognize the environmental benefits that controlled grazing can offer, we are concerned with impacts to ecological conditions and water quality that could result if best practices are not implemented.

***Recommendations for the FEIS*:**

- Commit to develop a grazing management plan to stem overgrazing and ensure functioning ecological conditions for all action alternatives. If these elements are addressed elsewhere, provide an explanation of how they will be fully addressed throughout the life of the RMP.
- Describe resources and procedures that will be used to implement and enforce best management practices for grazing to ensure that environmental impacts are not greater than those stated in the DEIS.

**Renewable Energy Development**

The RMP includes goals for sustainability and renewable energy, such as incorporating solar power equipment into facilities. Potential plans for utility scale renewable energy generation in the Plan Area are unclear. Text indicates that the Bureau of Reclamation (BOR) has identified 1,200 acres of federal land as potentially viable for renewable energy development. It is unclear if these acres are within the 27,000 acre Plan Area, or are located in an area nearby.

***Recommendations:***

- Clarify, in the FEIS, whether the 1,200 acres identified by BOR as potentially viable for renewable energy development (as mentioned on p. 3-20 and 4-25) are within the 27,000 acre Plan Area. If so, identify where they are located on a map, and ensure that potential impacts of renewable energy development are addressed in the DEIS.

**Coordination and Public Outreach**

EPA recognizes that the Plan Area is owned by BOR, and managed by California State Parks (CSP), California Department of Water Resources (DWR), and California Department of Fish and Game (DFG). While BOR is the lead federal agency, and CSP is the state lead agency, DFG and DWR also contributed to the development of the DEIS. EPA is pleased to see this level of coordination. We are concerned, however, that much of the public outreach and coordination with U.S. Fish and Wildlife Service (FWS) on this project occurred in 2003 or earlier, and new issues may have developed since that time. We also note that, although outreach to the Native American Heritage Commission (NAHC) in 2003 and 2011 did not result in identification of Native American resources in the Plan Area, NAHC did, in 2011, provide the names of five individuals who may have more information on cultural resources in the Plan Area, and these individuals were added to the project mailing list.

***Recommendations:***

- Coordinate with FWS to ascertain whether or not new issues relevant to their jurisdiction have arisen since 2003, and document this coordination and the resolution of any such issues in the FEIS.
- Consider whether conducting an additional public outreach survey (such as the one conducted in 2003) prior to completion of the FEIS would help inform decision making by providing more up to date input from visitors.
- Directly reach out (via phone, email, and letter) to the five individuals that the NAHC suggested may have knowledge of cultural resources in the Plan Area, and document coordination in the FEIS.