

UNITED STATES DEPARTMENT OF COMMERCE National Oceanic and Atmospheric Administration NATIONAL MARINE FISHERIES SERVICE Southwest Region 501 West Ocean Boulevard, Suite 4200 Long Beach, California 90802-4213

In response reply to: 2008/09022

JUN - 4 2009

Mr. Donald Glaser Regional Director Mid-Pacific Region U.S. Bureau of Reclamation 2800 Cottage Way, MP-3700 Sacramento, California 95825-1898

Dear Mr. Glaser:

This document transmits NOAA's National Marine Fisheries Service's (NMFS) final biological opinion and conference opinion (Opinion, enclosure 1) based on NMFS review of the proposed long-term operations of the Central Valley Project and State Water Project (hereafter referred to as CVP/SWP operations) in the Central Valley, California, and its effects on listed anadromous fishes and marine mammal species, and designated and proposed critical habitats, in accordance with section 7 of the Endangered Species Act (ESA) of 1973, as amended (16 U.S.C. 1531 *et seq.*). This final Opinion is based on information provided in the Bureau of Reclamation's (Reclamation) October 1, 2008, transmittal letter and biological assessment (BA), discussions between NMFS and Reclamation staff, declarations filed pursuant to Pacific Coast Federation of Fishermen Association *et al. v.* Gutierrez *et al.* 1:06-cv-245-OWW-GSA (E.D. Cal. 2008), comments received from Reclamation, peer review reports from CALFED and the Center for Independent Experts, and an extensive literature review completed by NMFS staff. A complete administrative record of this consultation is on file at the NMFS Sacramento Area Office.

Based on the best available scientific and commercial information, NMFS' final Opinion concludes that the CVP/SWP operations are likely to jeopardize the continued existence of Federally listed:

- Endangered Sacramento River winter-run Chinook salmon (Oncorhynchus tshawytscha),
- Threatened Central Valley spring-run Chinook salmon (O. tshawytscha),
- Threatened Central Valley steelhead (O. mykiss),
- Threatened Southern Distinct Population Segment (DPS) of North American green sturgeon (*Acipenser medirostris*), and
- Southern Resident killer whales (Orcinus orca).

NMFS also concludes that the proposed action is likely to destroy or adversely modify the designated critical habitats of:

• Sacramento River winter-run Chinook salmon,



EXHIBIT BKS-301

release February				
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Reclamation, in coordination with the work group, shall review updated hydrology and choose a monthly average release for every month (November, December, January, February), based on the release schedule. In the event that the updated hydrology indicates a very dry pattern and consequent likely reduction in storage, the work group may advise Reclamation to take additional actions, including export curtailments, if necessary to conserve storage

If there is a disagreement at the work group level, actions may be elevated to NMFS and resolved through the WOMT's standard operating procedures.

Rationale: It is necessary to be reasonably conservative with fall releases to increase the likelihood of adequate storage in the following year to provide cold water releases for winterrun. This action is intended to reduce adverse effects on each species without compromising the ability to reduce adverse effects on another species. A work group with biologists from multiple agencies will refine the flow schedule, providing operational certainty while allowing for real-time operational changes based on updated hydrology. Over time, it may be possible to develop a generic release schedule for these months, based on the experience of the work group.

Action I.2.2.C. Implementation and Exception Procedures for EOS Storage of 1.9 MAF or Below

If the EOS storage is at or below 1.9 MAF, then Reclamation shall:

- 1) In early October, reduce Keswick releases to 3,250 cfs as soon as possible, unless higher releases are necessary to meet temperature compliance points (see action I.2.3).
- 2) Starting in early October, if cool weather prevails and temperature control does not mandate higher flows, curtail discretionary water deliveries (including, but not limited to agricultural rice decomposition deliveries) to the extent that these do not coincide with temperature management for the species. It is important to maintain suitable temperatures targeted to each life stage. Depending on air and water temperatures, delivery of water for rice decomposition, and any other discretionary purposes at this time of year, may coincide with the temperature management regime for spring-run and fall-run. This action shall be closely coordinated with NMFS, USFWS, and CDFG.
- 3) By November 1, submit to NMFS storage projections based on 50 percent, 70 percent, and 90 percent hydrology through February. In coordination with NMFS, Reclamation shall: (1) develop a monthly average Keswick release schedule similar in format to that in Action I.2.2.B, based on the criteria below and including actions specified below; and (2) review updated hydrology and choose a monthly average release for every month, based on the release schedule. November releases shall be based on a 90 percent hydrology estimate.

Criteria and actions:

- 1) Keswick releases shall be managed to improve storage and maintained at 3,250 cfs unless hydrology improves.
- 2) November monthly releases will be based on 90 percent hydrology.
- 3) Consider fall-run needs through January as per CVPIA AFRP guidelines, including stabilizing flows to keep redds from dewatering.
- 4) Continue to curtail discretionary agricultural rice decomposition deliveries to the extent that these do not coincide with temperature management for the species, or impact other ESA-listed species. It is important to maintain suitable temperatures targeted to each life stage. Depending on air and water temperatures, delivery of water for rice decomposition may coincide with the temperature management regime for spring-run and fall-run. This action shall be closely coordinated with NMFS. USFWS, and CDFG.
- 5) If operational changes are necessary to meet Delta outflow, X2, or other legal requirements during this time, then:
 - a) CVP/SWP Delta combined exports shall be curtailed to 2,000 cfs if necessary to meet legal requirements while maintaining a 3,250 cfs Keswick release (or other planned release based on biological needs of species); and
 - b) if it is necessary to curtail combined exports to values more restrictive than 2000 cfs in order to meet Delta outflow, X2, or other legal requirements, then Reclamation and DWR shall, as an overall strategy, first, increase releases from Oroville or Folsom; and
 - c) in general, Reclamation shall increase releases from Keswick as a last resort.
 - d) Based on updated monthly hydrology, this restriction may be relaxed, with NMFS' concurrence.
- 6) If the hydrology and storage have not improved by January, additional restrictions apply see Action I.2.4.

Rationale: Per actions I.2.3 and I.2.4 below, Reclamation is required to meet 1.9 MAF EOS. The BA's CALSIM modeling shows that during a severe or extended drought, 1.9 EOS storage may not be achievable. In this circumstance, Reclamation should take additional steps in the fall and winter months to conserve Shasta storage to the maximum extent possible, in order to increase the probability of maintaining cold water supplies necessary for egg incubation for the following summer's cohort of winter-run.

Assessment of the hydrologic record and CALSIM modeling shows that operational actions taken during the first year of a drought sequence are very important to providing adequate storage and operations in subsequent drought years. The biological effects of an extended

drought are particularly severe for winter-run. Extended drought conditions are predicted to increase in the future in response to climate change. While it is not possible to predict the onset of a drought sequence, in order to ensure that project operations avoid jeopardizing listed species, Reclamation should operate in any year in which storage falls below 1.9 MAF EOS as potentially the first year of a drought sequence. The CVP storage system is likely to recover more quickly in the winter and spring months if additional storage conservation measures are taken in the fall and winter.

The curtailments to discretionary rice decomposition deliveries and combined export curtailment of 2,000 cfs are necessary to conserve storage when EOS storage is low. These actions were developed through an exchange of information and expertise with Reclamation operators.

This action is consistent with comments from the Calfed Science Peer Review panel. That panel recommended that Shasta be operated on a two-year (as opposed to single year) hydrologic planning cycle and that Reclamation take additional steps to incorporate planning for potential drought and extended drought into its operations.

<u>Action I.2.3. February Forecast; March – May 14 Keswick Release Schedule (Spring Actions)</u>

Objective: To conserve water in Shasta Reservoir in the spring in order to provide sufficient water to reduce adverse effects of high water temperature in the summer months for winterrun, without sacrificing carryover storage in the fall.

Actions:

- Reclamation shall make its February 15 forecast of deliverable water based on an estimate of precipitation and runoff within the Sacramento River basin at least as conservative as the 90 percent probability of exceedence. Subsequent updates of water delivery commitments must be based on monthly forecasts at least as conservative as the 90 percent probability of exceedence.
 - a) Reclamation shall provide the draft February forecast, and a projection of temperature management operations for the summer months, to NMFS no later than seven business days after receipt of the official DWR runoff forecast.
 - b) NMFS shall be provided at 3 three business days to review the draft forecast.
 - c) NMFS shall review the draft February forecast to determine whether the predicted delivery schedule is likely to leave sufficient water for temperature management to meet ESA requirements.
 - d) NMFS shall provide a written evaluation to Reclamation prior to Reclamation making the first allocation announcements and for each subsequent month for discretionary contract deliveries.
 - e) Reclamation shall manage releases from Keswick consistent with the February forecast and subsequent monthly hydrology updates.