
2. DESCRIPTION OF ALTERNATIVES

CHAPTER 2

DESCRIPTION OF ALTERNATIVES

2.1 INTRODUCTION

This chapter summarizes the long-term water service contract negotiations process and descriptions of the alternatives considered in this EA.

2.2 LONG-TERM WATER SERVICE CONTRACT NEGOTIATIONS PROCESS

The CVPIA states that the Secretary of the Interior shall, upon request, renew any existing long-term irrigation repayment or water service contract for the delivery of CVP water for a period of 25 years and may renew such contracts for successive periods of up to 25 years each.. The CVPIA also states that no renewals shall be authorized until appropriate environmental review, including the PEIS, has been completed. The PEIS, completed in 1999, provides a programmatic environmental analysis and identifies the need for site-specific environmental documents for the long-term contract renewal process.

The CVPIA also states that contracts which expire prior to the completion of the PEIS may be renewed for interim periods. The interim renewal contracts reflect existing Reclamation law, including modifications due to Reclamation Reform Act and applicable CVPIA requirements. The initial interim contract renewals were negotiated in 1994 with subsequent renewals for periods of 2 years or less to provide for continued water service. Many of the provisions from the interim contracts were assumed to be part of the contract renewal provisions in the description of the PEIS Preferred Alternative.

In 1998, the long-term contract renewal process was initiated. Reclamation reviewed the interim contract provisions that were consistent with Reclamation law and other requirements, comments from the Draft PEIS, and comments obtained during the interim contract renewal process. Reclamation proposed that the overall provisions of the long-term contract would be negotiated with representatives of all CVP water service contractors. Following the acceptance of the CVP-wide provisions, Reclamation proposed that division-specific provisions and, finally, contractor-specific provisions would be negotiated. The CVP-wide provisions were finalized in spring 2004; as of June 2004, contractor-specific provisions have been negotiated. Reclamation also proposed that all

water service contracts except for Central San Joaquin Irrigation District, Stockton East Water District, and Colusa Drain Mutual Water Company would be renewed pursuant to this action. Contract renewals for these three districts would be delayed until the completion of a water management studies for their primary sources of CVP water, the Stanislaus River and the Sacramento River.

Reclamation published the initial proposed contract in November 1999. There were several negotiations sessions throughout the next six months. The CVP water service contractors published a counter-proposal in April 2000. The November 1999 proposal represents one “bookend” for negotiations and the April 2000 proposal represents the other “bookend.” The results of the negotiations are reflected in the subsequent proposals. The primary differences between the proposals are summarized in Table 2-1 at the end of this chapter.

2.3 ISSUES CONSIDERED AS PART OF LONG-TERM CONTRACT RENEWALS

The long-term contract renewal process addressed several other issues in addition to the contract provisions. These issues include the needs analyses, changes in service areas, and water transfers.

2.3.1 Needs Analyses

The water rights granted to the CVP by the SWRCB requires the Federal government to determine that the water is being used in a beneficial manner. The needs analysis methodology was developed to indicate that the CVP water is being used beneficially. The needs analysis was computed for each District or water user/contractors within the various divisions or units of the CVP using a multiple-step approach. First, the existing water demand was calculated for each district. For agricultural contractors, crop acreage, cropping patterns, crop water needs, effective precipitation, and conveyance losses were reviewed. For municipal and industrial contractors, residential, commercial, industrial, institutional, recreational, and environmental uses; landscape coefficients; system losses; and landscape acreage were reviewed. Second, future changes in water demands based upon crops, municipal and industrial expansion, and changes in efficiencies were reviewed. Third, existing and future non-CVP water supplies were identified for each district, including groundwater and other surface water supplies. The initial calculation of CVP water needs was limited by the assumption that groundwater pumping would not exceed the safe yield of the aquifer. In addition, the actual water needs were calculated at each division or unit level to allow for intra-regional transfers on an annual basis.

Beneficial and efficient future water demands were identified for each district. The demands were compared to available non-CVP water supplies to determine the need for CVP water. If the need was less than contract amounts, the CVP water service contract amount could be reduced. Because the CVP was initially established as a supplemental water supply for areas without adequate supplies, the needs for most districts are at least equal to the CVP water service contract and frequently exceeded the previous contract amount. However, this environmental analysis does not include increased total contract amounts. Therefore, the CVP contract amount will be limited by the existing CVP contract quantity.

2.3.2 Changes in Water Service Areas

This environmental analysis does not consider future changes in water service area boundaries for use of CVP water. Any future changes to water service area boundaries for use of CVP water will be evaluated in separate technical and environmental analyses.

2.3.3 Water Transfers

Several different types of transfers are considered for long-term contract renewals. Intra-CVP contract transfers have occurred regularly throughout the CVP and are frequently limited to scheduling changes between adjoining districts. Reclamation has historically issued and will continue to address these types of transfers under separate environmental analysis.

It is recognized that water transfers will continue to occur and that the CVP long-term contracts will provide the mechanism. Because CVPIA has allowed these transfers, as evaluated in the PEIS for the Preferred Alternative, the No Action Alternative includes water transfer provisions. These provisions for transfers are also included in both Alternatives 1 and 2. However, it is difficult to identify all of the water transfer programs that could occur with CVP water in the next 25 years. Reclamation would continue with separate environmental documents for proposed transfers in establishing criteria and protocols to allow rapid technical and environmental review of future proposed transfers.

2.4 DEVELOPMENT OF ALTERNATIVES

Three alternatives were identified for the renewal of the long-term contract between Reclamation and the Feather Water District. The alternatives present a range of water service agreement provisions that could be implemented for long-term contract renewals. The No Action Alternative consists of renewing the existing water service contract as described by the Preferred Alternative of the PEIS. In November 1999, Reclamation published a proposed long-term water service contract. In April 2000, the CVP Contractors presented an alternative long-term water service contract. Reclamation and the CVP Contractors continued to negotiate the CVP-wide terms and conditions with these proposals serving as “bookends.” These CVP-wide negotiations were finalized in spring 2004. This EA also considers these proposals with the No Action Alternative as bookends to be considered for the environmental documentation to evaluate the impacts and benefits of the renewing long-term water service contracts.

2.4.1 No Action Alternative

The No Action Alternative assumes renewal of long-term CVP water service contracts for a period of 25 years in accordance with implementation of CVPIA as described in the PEIS Preferred Alternative. The PEIS Preferred Alternative assumed that most contract provisions would be similar to many of the provisions in the 1997 CVP Interim Renewal Contracts, which included contract terms and conditions consistent with applicable CVPIA requirements. In addition, the No Action Alternative in this EA assumes tiered pricing provisions and environmental commitments as described in the PEIS Preferred Alternative. The provisions of the No Action Alternative are summarized in Table 2-1. These provisions were described in the Final PEIS and include the possibility for other agencies to reallocate CVP water supplies to meet fish and wildlife requirements.

Several applicable CVPIA provisions are summarized in the description of the No Action Alternative as they are addressed in a different manner in Alternatives 1 and/or 2, and therefore could result in changes in environmental impacts or benefits. These issues include tiered water pricing, definition of municipal and industrial water users, water measurement, and water conservation.

Tiered Water Pricing. Tiered water pricing in the No Action Alternative is based upon use of a “80/10/10 Tiered Water Pricing from Contract Rate to Full Cost Rate,” including appropriate Ability-to-Pay limitations. Under this approach, the first 80 percent of the maximum contract total would be priced at the applicable Contract Rate. The next 10 percent of the contract total would be priced at a rate equal to the average of the Contract Rate and Full Cost Rate. The final 10 percent of the contract total would be priced at Full Cost Rate. The terms “Contract Rate” and “Full Cost Rate” are defined by the CVP rate-setting policies, and P.L. 99-546 and the Reclamation Reform Act (RRA), respectively. The Contract Rate for irrigation and M&I water includes the contractor’s allocated share of CVP main project operations and maintenance (O&M), O&M deficit, if any, and capital cost. The contract rate for irrigation water does not include interest on capital. The contract rate for M&I water includes interest on capital computed at the CVP M&I interest rate. The Full Cost rate for irrigation and M&I water includes interest at the RRA interest rate.

In addition to the CVP water rate, contractors are required to pay a Restoration Charge on all deliveries of CVP water. Reclamation law and policy provides full or partial relief to irrigation contractors on Restoration Charges and the capital rate component of the water rate, and relief is based on local farm budgets. Ability-to-Pay relief, relative to the irrigation water rate, is fully applicable only to the first 80 percent of the contract total. Ability-to-Pay relief is not applicable to the third tier water rate. The second tier may reflect partial Ability-to-Pay relief, as it is equal to the average of the first and third tiers. The Ability-to-Pay law and policy do not apply to CVP operation and maintenance costs, municipal or industrial water rates, CVP distribution facilities, or non-CVP water costs.

Because the PEIS, which established the No Action Alternative, uses 1994 irrigation and municipal/industrial CVP water rates, the prices of CVP water used in the No Action Alternative are based on the 1994 rates.

Definition of Municipal and Industrial Users. The definition of municipal and industrial users was established in portions of a 1982 Reclamation policy memorandum. In many instances, the definition of municipal users is easily definable. However, with respect to small tracts of land, the 1982 memorandum identified agricultural water as agricultural water service to tracts that can support \$5,000 gross income for a commercial farm operation. The memorandum indicates that this criterion can be generally met by parcels greater than 2 acres. Based on this analysis, the CVP has generally applied a definition of 5 acres or less for municipal and industrial uses in the CVP for many years. The CVP contractors can seek a modification for a demonstrated need of agricultural use on parcels between 2 and 5 acres in size and request such a modification from the Contracting Officer. The District does not have any M&I uses.

Water Measurement. The No Action Alternative includes water measurement at every agriculture turnout to measure CVP water deliveries. It is assumed that if other sources are commingled with the CVP water, including groundwater or other surface waters, that the measurement devices would report gross water deliveries. Additional calculations would be required to determine the exact quantity of CVP water. However, if groundwater or other surface waters are delivered by other means to the users, the No Action Alternative did not include additional measurement devices except as required by individual users' water conservation plans.

Water Conservation. The water conservation assumptions in the No Action Alternative include water conservation actions for municipal and on-farm uses assumed in the DWR Bulletin 160-93; and conservation plans completed under the 1982 Reclamation Reform Act consistent with the criteria and requirements of the CVPIA. Such criteria address cost-effective Best Management Practices that are economical and appropriate, including measurement devices, pricing structures, demand management, public information; and financial incentives.

2.4.2 Alternative 1

Alternative 1 is based upon the proposal presented by CVP water service contractors to Reclamation in April 2000. However, there were several issues included in the April 2000 proposal that could not be included in Alternative 1 because they are not consistent with existing Federal or state requirements or would require a separate Federal action, as described below.

- The April 2000 proposal includes Terms and Conditions to provide a highly reliable water supply, and provisions to improve the water supply capabilities of the CVP facilities and operations to meet this goal - *These issues were not included in Alternative 1 because these issues would require additional Federal actions with separate environmental documentation and would also limit the Secretary's obligation to achieve a reasonable balance among competing demands as required by the CVPIA. Currently Reclamation is completing the least cost plan to restore project yield in accordance with Section 3408(j) of CVPIA and under the CALFED program.*
- The April 2000 proposal includes language to require renewal of contracts after 25 years upon request of the contractor - *The study period for this EA is 25 years, which coincides with the contract period applicable to irrigation contracts and required by CVPIA. Renewal after 25 years would be a new Federal Action and would require new environmental documentation.*
- The April 2000 proposal did not include provisions for compliance with biological opinions - *Biological consultations are required by the Consultation and Coordination requirements established by Executive Order for all Reclamation activities. These are binding on Reclamation and provisions are needed to address this requirement.*
- The April 2000 proposal included provisions for water transfers - *It is recognized that water transfers will continue and that the CVP long-term contracts will provide the mechanisms for the transfers. However, it would be difficult to identify all of the water transfer programs that could occur with CVP water in the next 25 years.*

Reclamation would continue with separate environmental documents for transfers, and will establish criteria for rapid technical and environmental review of proposed transfers.

- The April 2000 proposal includes provisions for transfer of O&M requirements - *It is recognized that transfers of O&M to the group of contractors will continue and that the CVP long-term contracts will provide the mechanisms for such transfers. However, it would be difficult to identify all of the O&M transfer programs that could occur with CVP water in the next 25 years. Reclamation would require separate environmental documents for such transfers.*
- The April 2000 proposal includes provisions for resolution of disputes - *Assumptions for resolution of disputes were not included in Alternative 1 and at this time would not appear to affect environmental conditions.*
- The April 2000 proposal includes provisions for expansion of the CVP service areas by the existing CVP water contractors - *The study area for the long-term contract renewal process is defined by the existing service area boundaries. Expansion of the service area boundaries would be a new Federal Action and would require separate environmental documentation.*

The April 2000 proposal did include several provisions that were different than the assumptions for No Action Alternative and those provisions are included in Alternative 1, as summarized in Table 2-1. The April 2000 proposal also included several provisions that involve specific language changes that would not significantly modify CVP operations in a manner that would affect the environment as compared to the No-Action Alternative but could affect specific operations of a contractor, as described in Table 2-1.

Note that the tiered pricing requirements (including unit prices for CVP water) and definition of municipal and industrial users in Alternative 1 would be the same as in the No Action Alternative.

2.4.3 Alternative 2

Alternative 2 is based upon the proposal presented by Reclamation to CVP water service contractors in November 1999. However, there were several provisions included in the November 1999 proposal that are not included in Alternative 2. These provisions would constitute a separate Federal action, as described below.

- The November 1999 proposal includes provisions for the contractor to request approval from Reclamation of proposed water transfers - *Water transfers were not included in Alternative 2 because such actions cannot now be definitely described and essentially constitute a separate Federal action and require separate environmental documentation.*
- The November 1999 proposal includes provisions for transfer of O&M to third parties *O&M transfers were not included in Alternative 2 because these actions would be a separate Federal action and require separate environmental documentation.*

The November 1999 proposal did include several provisions that were different than the assumptions for the No Action Alternative and are included in Alternative 2, as summarized below and in Table 2-1. The primary differences are related to tiered pricing and the definition of municipal and industrial users.

Tiered Water Pricing. Tiered water pricing in Alternative 2 is based upon a definition of “Category 1” and “Category 2” water supplies. “Category 1” is defined as the quantity of CVP water that is reasonably likely to be available for delivery to a contractor and is calculated on an annual basis as the average quantity of delivered water during the most recent 5 year period. For the purposes of this Alternative, the “Category 1” water supply is defined as the “contract total.” “Category 2” is defined as that additional quantity of CVP water in excess of Category 1 water that may be delivered to a contractor in some years. Under Alternative 2, the first 80 percent of Category 1 volume would be priced at the applicable Contract Rate for the CVP. The next 10 percent of the Category 1 volume would be priced at a rate equal to the average between the Contract Rate and Full Cost Rate as defined by Reclamation law and policy. The final 10 percent of the Category 1 volume would be priced at the Full Cost Rate as required by the CVPIA. All Category 2 water, when available, would be priced at Full Cost Rate. It should be noted that Category 1 and Category 2 volumes will change every year based upon the average deliveries for the “most recent 5 years,” with limited exception, based upon the findings of the water needs assessment. Alternative 2 assumes the sum of Category 1 and Category 2 water is equal to the maximum quantity included in the contractors’ existing water service contract. The quantity is the same as the No Action Alternative and Alternative 1. The terms “Contract Rate” and “Full Cost Rate” are discussed under Tiered Pricing for the No Action Alternative. The same Ability-to-Pay adjustments would be applicable to Restoration Payments and tiered water rates as described in the No Action Alternative.

The prices of CVP water used in Alternative 2 are based upon irrigation and municipal/industrial CVP water rates presented in the November 17, 1999 Financial Workshop Handouts 1 and 2.

2.5 ALTERNATIVES CONSIDERED BUT ELIMINATED

2.5.1 Nonrenewal of Long-Term Contracts

Nonrenewal of existing contracts is considered infeasible based on Section 3404(c) of the CVPIA. This alternative was considered but eliminated from analysis in this EA because Reclamation has no discretion not to renew the contracts.

2.5.2 Reduction in Contract Amounts

Reduction of contract amounts was considered in certain cases but rejected from analysis. The reason for this is twofold. Water needs analyses have been completed for all contracts and in almost all cases the needs exceed or equal the current total contract amount. Secondly, in order to implement good water management, the contractors need to be able to store or immediately use water in wetter years when more water is available. By quantifying contract amounts in terms of the needs analyses and the CVP delivery capability, the contractors can make their own economic decisions. Allowing the

contractors to retain the full water quantity gives the contractors assurance that the water will be available to them for storage investments. In addition the CVPIA, in and of itself, achieves a balance in part through its dedication of significant amounts of CVP water, and actions to acquire water for environmental purposes.

2.5.3 Greater or Lesser Water Deliveries

Alternatives with reduced water deliveries were not investigated because the Water Needs Assessment showed the District would require all the water it is entitled to under the existing contract. Alternatives with greater water deliveries were not investigated because increased water amounts are not available to the District under the CVPIA.

2.6 SELECTION OF THE PREFERRED ALTERNATIVE

The final contract language and the long-term contract renewal Preferred Alternative represents a negotiated position between Alternatives 1 and 2. Therefore, it is anticipated that the impacts will be either equal to or less than those identified for Alternative 1, Alternative 2, or the No Action Alternative.

2.7 SUMMARY OF CONCLUSIONS

Potential impacts associated with implementing the No Action Alternative, Alternative 1, and Alternative 2 are listed in Table 2-2 and described in detail in Chapter 3 of this EA. As shown in Table 2-2, no significant impacts would occur with implementation of these alternatives.

Table 2-1
Comparison of Contract Provisions Considered in Alternatives

Provision	No Action Alternative Based on PEIS and Interim Contracts	Alternative 1 Based on April 2000 Proposal	Alternative 2 Based on November 1999 Proposal
Explanatory Recitals	<p>Assumes water rights held by CVP from SWRCB for use by water service contractors under CVP policies.</p> <p>Assumes that CVP is an important part of the urban and agricultural water supply.</p> <p>Assumes increased use of water rights, the need to meet water quality standards and fish protection measures, and other measures that constrain the use of CVP water.</p> <p>Assumes the need for the 3408(j) study.</p> <p>Assumes that loss of water supply reliability would have an impact on socioeconomic conditions and would change land use.</p>	<p>Assumes CVP Water Right as being held in trust for project beneficiaries that may become the owners of the perpetual right.</p> <p>Assumes CVP as an essential and irreplaceable part of the urban and agricultural water supply.</p> <p>Assumes that CVPIA impaired ability of CVP to deliver water.</p> <p>Assumes implementation of yield increase projects per 3408(j) study.</p> <p>Assumes that loss of water supply reliability would have adverse socioeconomic and environmental impacts in the CVP service area.</p>	<p>Same as No Action Alternative.</p> <p>Same as No Action Alternative.</p> <p>Same as No Action Alternative.</p> <p>Same as No Action Alternative.</p> <p>Same as No Action Alternative.</p>
Definitions			
“Charges”	Charges are defined as payments required in addition to rates.	Assumes rewording of the definition of charges to exclude both rates and tiered pricing increments.	Same as No Action Alternative.
“Category 1 and Category 2”	Tiered pricing as in the PEIS.	Not included.	Tiered pricing for Categories 1 and 2.
“Contract Total”	Contract total is described as total contract.	Same as No Action Alternative.	Described as basis for Category 1 to calculate tiered pricing.
“Landholder”	Landholder is described in existing Reclamation law.	Assumes rewording to specifically define landholder with respect to ownership, leases, and operations.	Assumes rewording to specifically define landholder with respect to ownership and leases.

Table 2-1
Comparison of Contract Provisions Considered in Alternatives *(continued)*

Provision	No Action Alternative Based on PEIS and Interim Contracts	Alternative 1 Based on April 2000 Proposal	Alternative 2 Based on November 1999 Proposal
“M&I Water”¹	Assumes rewording to provide water for irrigation of land in units less than or equal to 5 acres as M&I water unless the contracting officer is satisfied the use is irrigation.	M&I ¹ water described for irrigation of land in units less than or equal to 2 acres.	Same as No Action Alternative.
Terms of Contract - Right to Use Contract	Assumes that contracts may be renewed. Assumes convertibility of contract to a 9(d) contract same as existing contracts.	States that contract shall be renewed. Includes conditions that are related to negotiations of the terms and costs associated with conversion to a 9(d) contract.	Same as No Action Alternative. Same as No Action Alternative.
Water to be Made Available and Delivered to the Contractor	Assumes water availability in any year with existing conditions. Assumes water delivery per contract provisions, if available. Assumes compliance with biological opinions and other environmental documents for contracting. Assumes that current operating policies strive to minimize impacts to CVP water users.	Similar to No Action Alternative. Not included. Assumes that CVP operations will be conducted in a manner to minimize shortages and that studies to increase yield shall be completed with necessary authorizations.	Actual water availability in a year is unaffected by Categories 1 and 2. Same as No Action Alternative. Same as No Action Alternative.
Time for Delivery of Water	Assumes methods for determining timing of deliveries as in existing contracts.	Assumes minor changes related to timing of submittal of schedule.	Same as No Action Alternative.
Point of Diversion and Responsibility for Distribution of Water	Assumes methods for determining point of diversion as in existing contracts.	Assumes minor changes related to reporting.	Same as No Action Alternative.
Measurement of Water Within District	Assumes measurement for each turnout or connection for facilities that are used to deliver CVP water as well as other water supplies.	Assumes measurement at delivery points.	Assumes similar actions in No Action Alternative but applies to all water supplies.
Rates and Method of Payment for Water	Assumes tiered pricing is total water quantity. Assumes advanced payment for rates for 2 months.	Assumes tiered pricing is total water quantity. Assumes advanced payment for rates for 1 month.	Assumes tiered pricing is total water quantity. Assumes advanced payment for rates for 6 months.

Table 2-1
Comparison of Contract Provisions Considered in Alternatives *(continued)*

Provision	No Action Alternative Based on PEIS and Interim Contracts	Alternative 1 Based on April 2000 Proposal	Alternative 2 Based on November 1999 Proposal
Non-interest Bearing Operation and Maintenance Deficits	Assumes language from existing contracts.	Same as No Action Alternative.	Same as No Action Alternative.
Sales, Transfers, or Exchanges of Water	Assumes continuation of transfers with the rate for transferred water being the higher of the sellers' or purchasers' CVP cost of service rate.	Assumes continuation of transfers with the rate for transferred water being the purchasers' CVP cost of service rate.	Same as No Action Alternative.
Application of Payments and Adjustments	Assumes payments will be applied as in existing contracts.	Assumes minor changes associated with methods described for overpayment.	Same as No Action Alternative.
Temporary Reduction - Return Flows	Assumes that current operating policies strive to minimize impacts to CVP water users.	Assumes minor changes associated with methods described for discontinuance or reduction of payment obligations.	Same as No Action Alternative.
Constraints on Availability of Project Water	Assumes that current operating policies strive to minimize impacts to CVP water users.	Assumes contractors do not consent to future Congressional enactments which may impact.	Same as No Action Alternative.
Unavoidable Groundwater Percolation Rules and Regulations	Assumes that some of applied CVP water will percolate to groundwater. Assumes that CVP will operate in accordance with then existing rules.	Same as No Action Alternative.	Same as No Action Alternative.
Water and Air Pollution Control	Assumes that CVP will operate in accordance with then existing rules.	Assumes minor changes with right to non-concur with future enactments retained by contractors.	Same as No Action Alternative.
Quality of Water	Assumes that CVP will operate in accordance with existing rules without obligation to operate towards water quality goals.	Same as No Action Alternative.	Same as No Action Alternative.
Water Acquired by the Contractor Other than from the United States	Assumes that CVP will operate in accordance with existing rules.	Assumes changes associated with payment following repayment of funds.	Same as No Action Alternative.
Opinions and Determinations	PEIS recognizes that CVP will operate in accordance with existing rules.	Assumes minor changes with respect to references to the right to seek relief.	Same as No Action Alternative.
Coordination and Cooperation	Not included.	Assumes that coordination and cooperation between CVP operations and users should be implemented and CVP users should participate in CVP operational decisions.	Not included.

Table 2-1
Comparison of Contract Provisions Considered in Alternatives *(continued)*

Provision	No Action Alternative Based on PEIS and Interim Contracts	Alternative 1 Based on April 2000 Proposal	Alternative 2 Based on November 1999 Proposal
Charges for Delinquent Payments	Assumes that CVP will operate in accordance with existing rules.	Same as No Action Alternative.	Same as No Action Alternative.
Equal Opportunity	Assumes that CVP will operate in accordance with existing rules.	Same as No Action Alternative.	Same as No Action Alternative.
General Obligation	Assumes that CVP will operate in accordance with existing rules.	Similar to No Action Alternative.	Same as No Action Alternative.
Compliance with Civil Rights Laws and Regulations	Assumes that CVP will operate in accordance with existing rules.	Same as No Action Alternative.	Same as No Action Alternative.
Privacy Act Compliance	Assumes that CVP will operate in accordance with existing rules.	Same as No Action Alternative.	Same as No Action Alternative.
Contractor to Pay Certain Miscellaneous Costs	Assumes that CVP will operate in accordance with existing rules.	Similar to No Action Alternative.	Same as No Action Alternative.
Water Conservation	Assumes compliance with conservation programs established by Reclamation and the state.	Assumes conditions similar to the No Action Alternative with the ability to use State standards which may or may not be identical to Reclamation's requirements.	Same as No Action Alternative.
Existing or Acquired Water or Water Rights	Assumes that CVP will operate in accordance with existing rules.	Same as No Action Alternative.	Same as No Action Alternative.
Operation and Maintenance by Non-federal Entity	Assumes that CVP will operate in accordance with existing rules and no additional changes to operation responsibilities under this alternative.	Assumes minor changes to language that would allow subsequent modification of operational responsibilities.	Assumes minor changes to language that would allow subsequent modification of operational responsibilities.
Contingent on Appropriation or Allotment of Funds	Assumes that CVP will operate in accordance with existing rules.	Assumes minor changes to language.	Same as No Action Alternative.
Books, Records, and Reports	Assumes that CVP will operate in accordance with existing rules.	Assumes changes for record keeping for both CVP operations and CVP users.	Same as No Action Alternative.
Assignment Limited	Assumes that CVP will operate in accordance with existing rules.	Assumes changes to facilitate assignments.	Same as No Action Alternative.
Severability	Assumes that CVP will operate in accordance with existing rules.	Same as No Action Alternative.	Same as No Action Alternative.
Resolution of Disputes	Not included.	Assumes a Dispute Resolution Process.	Not included.
Officials Not to Benefit	Assumes that CVP will operate in accordance with existing rules.	Same as No Action Alternative.	Same as No Action Alternative.

Table 2-1
Comparison of Contract Provisions Considered in Alternatives *(continued)*

Provision	No Action Alternative Based on PEIS and Interim Contracts	Alternative 1 Based on April 2000 Proposal	Alternative 2 Based on November 1999 Proposal
Changes in Contractor's Service Area	Assumes no change in CVP water service areas absent Contracting Officer consent.	Assumes changes to limit rationale used for non-consent and sets time limit for assumed consent.	Same as No Action Alternative
Notices	Assumes that CVP will operate in accordance with existing rules.	Same as No Action Alternative.	Same as No Action Alternative.
Confirmation of Contract	Assumes Court confirmation of contract.	Not included - Assumption is Court confirmation not required.	Same as No Action Alternative.

¹The term "M&I water," or "municipal and industrial water," is not used in the contract with the Feather Water District; instead the term "other water" is used.

**Table 2-2
Summary of Potential Impacts**

Resource	No Action Alternative	Alternative 1	Alternative 2
Agricultural Economics	<p>CVP water use would range from 17,860 to 19,940 acre-feet and CVP water rates would range from \$4.53 per acre-foot (tier 1) to \$9.40 per acre-foot (tier 3).</p> <p>There would no substantial change in irrigated acres from existing conditions.</p> <p>Gross revenues would be approximately \$16.7 million.</p>	Same as under No Action Alternative.	<p>Compared to the No Action Alternative, there would be increases in CVP water rates but water use quantities would be similar.</p> <p>Changes in irrigated acres would be minor in all types of water years.</p> <p>Gross and net revenues would decline minimally.</p> <p>There would be losses in jobs, economic output, and place-of-work income.</p>
Water Resources	<p>Tiered pricing might reduce the amount of water the District decides to purchase in years where more than 80 percent of the contract amount of water is made available. However, preliminary CVPM model results suggest that cropping patterns are not likely to change because of increased water pricing.</p> <p>Regional groundwater levels would continue to decline.</p>	Same as under No Action Alternative.	<p>Tiered pricing under Alternative 2 would be the same as under No Action only when the District receives 100 percent of its contract amount in each of the preceding five years; if it received less than the full contract amount, then the cost under Alternative 2 would be higher than under No Action. However, CVPM modeling results indicate there would be a negligible change in cropping patterns and little change in water use in the District.</p> <p>If the District opts to purchase all project water available to it each year, there should be no change in groundwater use.</p>

Table 2-2
Summary of Potential Impacts *(continued)*

Resource	No Action Alternative	Alternative 1	Alternative 2
Land Use Resources	There would be minimal anticipated changes to agricultural land use under the No Action Alternative.	Same as under No Action Alternative.	The overall change on the amount of irrigated acreage would be small, less than two percent, under all water year scenarios. General cultivated and fallowed acreage patterns would be similar to historical patterns, and agricultural land use would be similar to existing conditions. Renewing the long-term water contracts therefore would not result in large adverse land use effects.
Biological Resources	<p>No adverse impacts to sensitive plant or animal species are expected to occur, except for potential impacts to anadromous fish as the pumps at both stations are not screened.</p> <p>There would be no impact to wetland or riparian habitat.</p> <p>There would be no adverse changes to plant or animal diversity/distribution and no fish or wildlife habitat degradation.</p>	Same as under No Action Alternative.	<p>Alternative 2 is expected to have minimal impacts to special status species, except for potential impacts to anadromous fish until the pumps are screened.</p> <p>Alternative 2 would not adversely affect wetlands, riparian habitats, or other special habitats.</p> <p>There would be no adverse changes to plant or animal diversity/distribution and no fish or wildlife habitat degradation.</p>
Social Conditions and Environmental Justice	<p>There would be no appreciable impact on Sutter County population, income, or employment rates.</p> <p>Minority or low-income populations would not be disproportionately affected.</p>	Same as under No Action Alternative.	<p>Overall employment impacts to Sutter County are likely to be minimal.</p> <p>Potential for a large impact to minority or low-income populations such as the migrant farm worker community is small due to the small size of the District and minimal anticipated changes in employment.</p>
Recreational Resources	No impacts to the use or enjoyment of the Feather River or other recreational opportunities in the project vicinity are expected under the No Action Alternative.	Same as under No Action Alternative.	No large impacts to the use or enjoyment of the Feather River or other recreational opportunities in the project vicinity are expected under the No Action Alternative.

Table 2-2
Summary of Potential Impacts *(continued)*

Resource	No Action Alternative	Alternative 1	Alternative 2
Indian Trust Assets	No impacts to Indian Trust Assets would occur.	Same as under No Action Alternative.	Same as under No Action Alternative.
Cultural Resources	No direct impacts to cultural resources would be expected. Indirect impacts could result if it were to lead to changes in agricultural practices or land use. However, the No Action Alternative would be expected to have a small potential for influencing decisions on future agricultural practices and land use.	Same as under No Action Alternative.	No direct impacts to cultural resources would be expected. Indirect impacts could result if it were to lead to changes in agricultural practices or land use. However, the potential for change in irrigated acreage is minimal and may result in additional pasture lands, which requires minimal disturbance and would have no effect on cultural resources.
Geology and Soils	No adverse impacts on soils are expected.	Same as under No Action Alternative.	No adverse impacts on soils are expected.
Air Quality	There would be no net increase in emissions and therefore No Action would not be subject to the Clean Air Act conformity rule.	Same as under No Action Alternative.	Same as under No Action Alternative.
Visual Resources	Anticipated changes to agricultural viewsheds under the No Action Alternative would be minimal.	Same as under No Action Alternative.	Agricultural viewsheds under Alternative 2 would be similar to existing conditions and the impact would be minimal.