

**SACRAMENTO MUNICIPAL UTILITY DISTRICT'S
UPPER AMERICAN RIVER PROJECT
(FERC NO. 2101)**

**SUPPLEMENTAL
PRELIMINARY DRAFT
ENVIRONMENTAL ASSESSMENT**

SECTION 5.3.10 – LAND USE AND SOCIOECONOMICS

Sacramento Municipal Utility District
Sacramento, California

JULY 2006

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5.3.10 Land Use and Socioeconomics

SMUD analyzed the potential of the Agency Alternative to affect land use and socioeconomic resources. This section compares the Agency Alternative to both baseline conditions and the Proposed Action.

The Proposed Action will provide adequate protection and utilization of resources within the FERC Project Boundary. While some aspects of the Agency Alternative are similar to the Proposed Action and have beneficial effects to land use and socioeconomics, several of the Agency Alternative land use and socioeconomic measures are unnecessary, unjustified in the Agency Alternative Rationale, or lack a nexus to the UARP. Two of the Agency Alternative land use measures – “vegetation management plan” and “fire prevention plan” – inappropriately extend the geographic scope of SMUD’s responsibility beyond a reasonable zone of potential effect from UARP facilities to include areas well beyond the FERC Project Boundary when there is no nexus to the UARP. In addition, the Agency Alternative requires SMUD to complete four road-paving projects, at a cost of about \$8M, which are unjustified.

The Agency Alternative contains ten measures related to land use and socioeconomics. Six of the measures pertain specifically to continued operation of the UARP:

- “Transportation System Management” (Agency Alternative, Section 33)
- “Trails System Management” (Agency Alternative, Section 34)
- “Facility Management” (Agency Alternative, Section 35)
- “Vegetation Management Plan” (Agency Alternative, Section 36)
- “Fire Prevention Plan” (Agency Alternative, Section 37)
- “Law Enforcement” (Agency Alternative, Section 38)

And four of the measures pertain to construction and operation of the Iowa Hill Development:

- “Road Use Permit” (Agency Alternative, App. C, Section 9)
- “Spoils Disposal” (Agency Alternative, App. C, Section 10)
- “Construction Noise” (Agency Alternative, App. C, Section 11)
- “Requirement for a Performance Bond” (Agency Alternative, App. C, Section 12)

5.3.10.1 Agency Alternative Measure – Transportation System Management

Transportation System Management Plan

The Agency Alternative requires SMUD to develop and file with FERC a transportation system management plan for roads on NFS Lands, after approval by the FS, within one year of license issuance. The plan will establish SMUD’s level of responsibility for UARP-related roads and will include: 1) a map showing all roads, both FS system roads (classified) and FS non-system (unclassified) roads associated with the UARP; 2) a spreadsheet listing the UARP-related uses of

all roads, including an estimate of the amount of use by season; 3) the condition of the roads (e.g., length, width, location and size of culverts, grades, slope position, hydrologic connectivity, surfacing, and jurisdiction) that are determined to be the primary responsibility of the licensee; 4) a map of a traffic safety and signage plan for all roads determined to be the responsibility of the licensee; 5) a map of all drainage crossings of bridges and coverts for all roads determined to be the responsibility of the licensee; 6) measures to control erosion related to UARP facilities, including dams, roads, penstocks, power lines, transformer sites, reservoirs and reaches; 7) identification of heliports routinely used to access UARP facilities, including any staging areas and access roads; and 8) a map showing easements or other right of way agreements for all roads associated with the UARP and identify roads for which an easement or right of way is needed (Agency Alternative, p. 101-102).

Under baseline conditions, SMUD implements various measures to maintain roads on NFS Lands needed for access to UARP facilities. These roads are generally in good condition and do not contribute significant amounts of sediment to streams (License Application, PDEA, p. 5-397). The FS manages and maintains all UARP-related recreation facilities and associated roads. The Proposed Action contains a Forest Service Roads Maintenance Plan that addresses several but not all of the items required by the Agency Alternative measure, including SMUD's proposed level of responsibility for UARP-related roads and the process SMUD will follow in performing road maintenance and repairs (License Application, PDEA, Appendix F).¹

When compared to baseline conditions, both SMUD's Proposed Action and the Agency Alternative will create a process for the ongoing maintenance and repair of roads used for access to UARP facilities. However, the Agency Alternative timeline for the development of the plan is unrealistic and the requirement for an analysis of all existing easements and right of way agreements for all roads associated with the UARP is not justified.

Given the scope of the UARP, the potential need for hiring outside contractors, and agency consultation requirements, it is unlikely the Agency Alternative plan (which requires several aspects beyond what is required under the Proposed Action's plan) can be developed and filed with FERC within one year of license issuance.

The Agency Alternative Rationale provides no justification for a roads easement analysis, which will be costly given the scope of the UARP (Agency Rationale Report, p. 180). SMUD has dozens of easements and rights-of-way related to the UARP, and possesses all necessary legal rights to the lands used by SMUD to operate and maintain the UARP. If at any time a landowner believes SMUD lacks the necessary legal right to use a parcel of land, SMUD will promptly

¹ Relative to road maintenance responsibility, the Agency Alternative measure assigns SMUD primary responsibility for maintenance of level 1 and 2 roads; responsibility for maintenance level 3, 4, and 5 roads will be shared. A definition of "maintenance level 1 through 5 roads" is contained in the ENF 1989 Land and Resource Management Plan on pages 2-18, 4-110, and 4-111. Basically, level 1 and 2 roads are single-laned, mostly native surfaced, local roads and the level 5 roads are the widest, most developed, arterial roads. Thus, the Agency Alternative statement of responsibility for road maintenance is consistent with SMUD's Proposed Action.

address the concern when landowner brings it to SMUD's attention. Thus, this aspect of the measure is unnecessary.

Specific Transportation Needs

The Agency Alternative requires SMUD to perform the following road projects within five or ten years of license issuance: 1) pave Ice House Road from the existing pavement at Northshore Campground across the dam to the Ellis Creek staging area; 2) reconstruct and pave the "North Union Valley Road" – a system of connecting FS roads consisting of 12N78, 12N52, and 12N30; 3) close the road to Junction Dam to public access and construct a turnaround/parking area for one or two vehicles; 4) realign and construct the Wrights Lake Tie Road to improve the intersection with the Ice House Campground entrance road; and 5) pave the "Lakeshore Road" (FS road 11N52) from Strawberry Point Campground to the end of the road (Agency Alternative, p. 101-102).

Under baseline conditions, as stated above, SMUD implements various measures to maintain roads on NFS Lands needed for access to UARP facilities and these roads are generally in good condition. The FS manages and maintains all UARP-related recreation facilities and associated roads. The Proposed Action does not contain any of these five measures required by the Agency Alternative.

When compared to baseline conditions, four of the Agency Alternative measures will result in enhanced road conditions at the respective road segment; however, it is inappropriate to require SMUD to implement these measures because the roads are not needed for project purposes, not located in or adjacent to the UARP, not essential for access to the UARP, and/or are not predominantly used to access the UARP for all uses. SMUD supports the measure requiring closure of the road to Junction Dam, which will improve security with little to no impact on public access to the river below the dam and Junction Reservoir. Each measure is discussed below.

Northshore Loon Lake Road (EDC road) – this segment of road is located within the FERC Project Boundary and is part of Ice House Road (a county road). This road improvement addresses impacts or needs primarily associated with the Rubicon OHV Trail, not the recreational opportunities afforded by the UARP and is therefore, a non-project use of project lands. As described in Recreation, Section 5.3.8, measures related to the Rubicon OHV Trail are inappropriately assigned to SMUD for implementation (see analysis of the "Ellis Creek Staging Area" measure). This road project can be implemented and funded via the Rubicon Trail Master Plan, currently being finalized by El Dorado County.²

² SMUD and governmental entities within EDC reached settlement on all issues related to relicensing in 2005. The agreement was filed with FERC on December 2, 2005. Under the *El Dorado – SMUD Cooperation Agreement*, EDC has the sole discretion to use payments it receives from SMUD to improve County services, facilities, and infrastructure EDC determines are impacted by the UARP. (El Dorado – SMUD Cooperation Agreement, November 22, 2005, section 4.4, p. 8.) To the extent measures in the Agency Alternative overlap with this authority, SMUD is asked to pay twice for the same alleged impact.

North Union Valley Road (FS Roads 12N78, 12N52, and 12N30) – this system of connecting FS roads is about 7.5 miles long, is located outside the FERC Project Boundary, and is not essential for project purposes. This road is also a primary access route to SPI-owned and other privately-owned lands. Although SMUD staff has occasionally used this road in the past, it is not needed for O&M of UARP facilities. Moreover, the public has reasonable and adequate access to Union Valley Reservoir via many other routes. The reconstruction and paving required by this measure are expensive (it would cost about \$6M to complete) and this measure places an inappropriate burden on the licensee given there is no nexus to the UARP. The Agency Alternative Rationale for this measure, i.e., to reduce OHV use on spur roads, is not a UARP-related use and less costly measures could be implemented to address this issue.

Wrights Lake Tie Road (FS Road 11N37) – this measure is unclear; as worded, it requires SMUD to realign and construct several miles of FS road SMUD rarely uses. The Wrights Lake Tie Road provides access to Ice House Reservoir and other areas including SPI-owned lands, Wrights Lake (a non-UARP lake), and the Desolation Wilderness; therefore, it is not predominantly used to access the UARP for all purposes. However, the Agency Alternative Rationale focuses exclusively on one, four-way intersection (Agency Rationale Report, p. 181). This intersection is not located within the FERC Project Boundary. One of the roads at this intersection leads to Ice House Campground and boat launch, which is owned and operated by the FS. Clarification of the measure is necessary. Further, it is inappropriate to place the burden of this measure solely on the licensee given the shared use of this road.

Lakeshore Road (FS Road 11N52) – this 1.3-mile-long road is located mostly within the FERC Project Boundary, but is not used by SMUD for O&M of the UARP. This FS road is used by the public to access an undeveloped strip of Ice House Reservoir shoreline and by whitewater boaters to access the upper SFSC run (during the spring runoff). The road also provides access to SPI-owned land. Paving this road will be expensive; it will cost about \$1M to complete. The Agency Alternative Rationale for this measure, i.e., “to control inappropriate vehicle travel off the road to reduce resource damage” is not persuasive given less costly measures could be implemented to address the issue (see SMUD’s analysis of the related measure “access trails and restoration along Ice House Lakeshore Road” in Appendix A – Recreation Resources, item 7.9).

Snow Plowing

The Agency Alternative requires SMUD to annually provide to the FS for review, prior to the snow-plowing season, a snow plowing plan that addresses public safety and access (Agency Alternative, p. 103).

Under baseline conditions, SMUD plows Ice House Road and several other roads needed to O&M the UARP. SMUD also voluntarily plows select parking areas for recreationists in accordance with the FS’s annual snow removal plan and during spring opening of campgrounds. SMUD removes the snow from Ice House Road consistent with a use permit issued by El Dorado County (License Application, PDEA, p. 5-398). Under the Proposed Action, SMUD will

implement the snow removal plan contained in the proposed FS Roads Maintenance Plan (License Application, PDEA, Appendix F).

When compared to baseline conditions, both SMUD's Proposed Action and the Agency Alternative will result in no change. This service will continue to allow public access to the Loon Lake Chalet and other areas in the Crystal Basin during the winter for winter recreational uses. Thus, the Agency Alternative measure regarding snow plowing is consistent with SMUD's Proposed Action.

5.3.10.2 Agency Alternative Measure – Trails System Management

Trails System Management Plan

The Agency Alternative requires SMUD to develop and file with FERC a trails system management plan for trails on NFS Lands that are needed for UARP operations, after approval by the FS, within one year of license issuance. The plan will include: 1) a map showing the location of all trails, both FS system trails and FS non-system trails associated with the UARP; 2) map trail locations using GPS software, pre- and post-processing standards, collection standards, and data dictionary; 3) a description of the season(s) of use and the amount of use by SMUD for each trail; and 4) the condition of the trails described above, including any construction or maintenance needs.³ In addition, every five years SMUD will prepare a five-year plan identifying maintenance and reconstruction needs for trails required for UARP operations. The measure implies that SMUD will be required to implement the construction or maintenance needs identified by the plan (Agency Alternative, p. 104).

Under baseline conditions, SMUD uses several short trails to access UARP facilities, such as stream gages and outlet works, from the nearest road, and one long trail – the Rubicon Hiking Trail – to access Buck Island and Rubicon reservoirs from the Loon Lake Trailhead facility. Most of the short trails used by SMUD are less than ¼ mile long and are not used by the public; the segment of the Rubicon Hiking Trail used by SMUD is about seven miles long. The Proposed Action does not contain a trails system management plan.

When compared to baseline conditions, the Agency Alternative measure will create a process for the ongoing maintenance of trails used for access to UARP facilities. However, another Agency Alternative measure, “recreation operation, maintenance, and administration” (Section 21), requires SMUD to make annual payments to the FS for, among other things, “maintaining trails” (Agency Alternative, p. 85). Therefore, the requirements of Section 21 overlap with the requirement for SMUD to maintain those trails used by both SMUD and the public (e.g., Rubicon Hiking Trail) under the “trails system management plan” measure (Section 34). The Agency Alternative Rationale for the annual funding measure lacks necessary detail to determine whether this potential overlap exists (Agency Rationale Report, p. 123-133).

³ Trails that provide access for Project operations only should not be required to meet FS standards for general public access; rather, they should be maintained at a level commensurate with their intended use – hydroelectric operations, consistent with FS standards (see ENF Forest Plan, p. 4-112).

Specific Trail System Needs

The Agency Alternative requires specific trail improvement projects under the “specific recreation measures” (Section 19) which are analyzed in Recreation, Section 5.3.8.

5.3.10.3 Agency Alternative Measure – Facility Management

The Agency Alternative requires SMUD to develop and file with FERC a facility management plan, after approval by the FS, within one year of license issuance. The plan will include: 1) a map showing all UARP facilities, including structures on NFS or BLM lands (and associated water and septic systems, and other utilities), above and below ground storage tanks, etc.; 2) a description of the type and season of use of each structure; and 3) a description of the condition of each structure, and planned maintenance or removal. In addition, every five years SMUD will prepare a five-year plan identifying maintenance, reconstruction, and removal needs for UARP facilities, including transmission lines (Agency Alternative, p. 104-105).

Under baseline conditions, SMUD operates and maintains the UARP facilities consistent with its FERC license and other applicable regulations. The Proposed Action does not contain a facility management plan.

When compared to baseline conditions, the Agency Alternative measure will create a process for an inventory of UARP facilities every five years. However, the need for this measure is unclear given FERC’s continuous oversight and regulatory requirements throughout the term of new license. The Agency Alternative Rationale provides no justification for this measure (Agency Rationale Report, p. 180).⁴

5.3.10.4 Agency Alternative Measure – Vegetation Management Plan

The required measure “vegetation management plan” contained in the Agency Alternative addresses both vegetation resources and land use aspects (Agency Alternative, p. 105). Therefore, this measure is assessed below and also in Botanical Resources, Section 5.3.4.

The Agency Alternative requires SMUD to develop and file with FERC a vegetation management plan, after approval by the FS, within two years of license issuance or before any ground disturbing activities. The plan will: 1) identify and prioritize all inadequately vegetated areas to be re-vegetated or rehabilitated; 2) list the plant species to be used along with planting locations, methods, and densities; and 3) address vegetation management under existing UARP-associated distribution and transmission lines on NFS Lands.

The Proposed Action includes development of a Vegetation Management Plan for NFS Lands within the FERC Project Boundary. The purpose of the plan is to describe the measures SMUD will implement to protect vegetation during routine UARP O&M activities, including

⁴ 36 CFR 212.7 does not address inventories or maintenance of project facilities on NFS Lands.

maintenance of transmission line corridors. Thus, the third requirement of the Agency Alternative measure will be addressed under the Proposed Action's Vegetation Management Plan.

Relative to the first two requirements of the Agency Alternative measure, the Agency Alternative Rationale provides no discussion or inventory of any "inadequately vegetated areas" and no rationale why it should be SMUD's responsibility to re-vegetate or rehabilitate any such areas; therefore, there is no justification of need for these two items (Agency Rationale Report, p. 182-184). In addition, requirements one and two of this measure lack a definitive geographic scope with respect to the action required by the plan and potentially include lands located outside the FERC Project Boundary that lack a nexus to the UARP.

5.3.10.5 Agency Alternative Measure – Fire Prevention Plan

The Agency Alternative requires SMUD to develop and file with FERC a fire prevention plan, after approval by the FS and in consultation with state and local fire agencies, within one year of license issuance or 60 days before any ground disturbing activities. The plan will: 1) address the availability of fire access roads, community road escape routes, helispots to allow aerial firefighting assistance in the steep canyon, and other pre-fire suppression strategies; 2) identify fire hazard reduction measures (e.g., eliminating ladder fuels, reducing fuel loading, clearing around fire rings and dispersed camping areas, thinning vegetation 50 feet on either side of trails, and constructing fuel-breaks) to prevent the escape of "project-induced fires"; 3) analyze fire prevention needs to ensure that prevention equipment and personnel are available and provide the FS a list of the location and availability of fire-prevention equipment and personnel; and 4) develop, and implement via signage and patrols, fire prevention measures for "project-related recreation on licensee land." The measure also includes a fifth item to be covered by the plan, which says: "see Vegetation Management Plan condition for related prescribed fire treatment measures"⁵ (Agency Alternative, p. 105-106).

Under baseline conditions, SMUD implements various measures to reduce fire risk for fires originating at UARP facilities (i.e., dams, powerhouses, switchyards, and transmission lines). The FS manages all UARP-related recreation facilities and administers all dispersed recreation within the FERC Project Boundary on NFS Lands. Throughout the project area, the FS implements a fuels management program to minimize fire risk on NFS Lands.

The Proposed Action does not contain a Fire Prevention Plan because SMUD believes the FERC standard license article is sufficient to cover the licensee's appropriate role. SMUD will continue to implement appropriate measures to reduce the potential for fire to originate at UARP facilities.

⁵ This element of the required plan is unclear – the referenced vegetation management plan measure doesn't address prescribed fire treatment measures.

Implementation of a fire prevention plan may have beneficial environmental effects; however, it is inappropriate to require SMUD to develop the required plan for several reasons.

First, the Agency Alternative Rationale is flawed and overreaches as it relates to dispersed recreation occurring beyond the FERC Project Boundary. Although the geographic scope of the Agency Alternative measure is undefined, the Agency Alternative Rationale discusses the risk of fire within the 85,000-acre Crystal Basin Recreation Area and alludes to generalized areas of the Crystal Basin where dispersed recreation occurs. It alleges this dispersed recreation is related to the UARP without recognizing other attractions and uses of the forest and cites human-caused fire incident data for the Crystal Basin, claiming it is UARP-related (Agency Rationale Report, 2005, p. 182-184). However, the FS-collected fire incident data does not distinguish among the types of human-caused fires (e.g., timber harvesting – burning slash piles, motorized activities, campfires, etc.). In addition, the spatial distribution of human-caused fire incidents indicates a relationship to both common places where people recreate and the road network in the Crystal Basin, which serves a mix of public/private land ownership and many forms of non-UARP use such as private timber harvesting and use of the Rubicon OHV Trail (DTA and CRS, 2004c, p. 13). Thus, there is insufficient evidence of a causal link and required nexus to the UARP. See also SMUD’s analysis of the “dispersed area patrol (Zone 3)” measure concluding dispersed recreation outside the FERC Project Boundary lacks a nexus to the UARP (see Recreation, Section 5.3.8).

Second, SMUD is not in the best position to develop such a plan. SMUD has no independent enforcement authority or fire prevention expertise. The FS has the planning, management, and enforcement authority and responsibility for all FS lands. The FS and EDC have fire prevention and suppression expertise. Further, as discussed in Recreation, Section 5.3.8, the FS has long-standing agreements with SMUD concerning UARP-related recreation facilities and recreation in dispersed areas within the FERC Project Boundary. Through these agreements, the FS performs and is accountable for the management and administration of UARP-related recreation facilities and dispersed recreation and their ongoing associated impacts. The FS has provided no indication this will change in the future.

Finally, if EDC believes local fire resources are impacted by the UARP, it may utilize funds provided by SMUD under the 2005 EDC-SMUD Cooperation Agreement, to provide this service.⁶

We conclude the Agency Alternative measure may have beneficial environmental effects if developed and implemented, but SMUD is not the appropriate party to develop the plan because SMUD lacks authority and expertise in fire prevention and suppression. Further, to the extent the scope of the measure extends to lands beyond the FERC Project Boundary, it lacks nexus to the UARP. FERC standard license articles are sufficient to cover the licensee’s appropriate role.

⁶ See n. 2, *supra*.

5.3.10.6 Agency Alternative Measure – Law Enforcement

Most of the Agency Alternative Rationale for the “law enforcement” measure references aspects related to recreationists (Agency Rationale Report, p.184-186). Therefore, this measure is addressed in Recreation, Section 5.3.8.

5.3.10.7 Agency Alternative Measures – Road Use Permit and Spoils Disposal

The Agency Alternative requires SMUD, prior to undertaking any activities on NFS Lands, to obtain: 1) a road use permit for all FS roads that will be used for the construction of the Iowa Hill Development;⁷ and 2) “waste discharge requirements or other permitting approvals” for discharge of spoils to land (Agency Alternative, p. 140 – 141).

Under the Proposed Action, SMUD will obtain all required regulatory permits and approvals applicable to construction of the Iowa Hill Development. The Proposed Action, which requires an Erosion and Sedimentation Control Plan, a Storm Water Pollution Prevention Plan, an Invasive Weeds Management Plan, and a Revegetation Management Plan (License Application, PDEA, Appendix G), will ensure adequate measures are incorporated to protect water quality, control erosion, minimize the spread of invasive weeds and revegetate areas disrupted by construction. Thus, the Agency Alternative and the Proposed Action are consistent.

5.3.10.8 Agency Alternative Measure – Construction Noise

The Agency Alternative requires SMUD to implement the following measures to address construction noise: 1) during materials transport and construction activity, no vehicle will idle with the engine running for more than five minutes; 2) notify homeowners at least two weeks in advance of any materials transport and construction activities within 0.5 mile of the tract; and 3) post a notice to residents indicating the nature, timing, and duration of all materials transport and construction activities occurring within 0.5 mile of their residence. The measure also requires monthly monitoring and reporting to ensure compliance with the above measures and requires a “noise hot line” telephone system for residents and recreationists to report noise disturbances associated with construction activities (Agency Alternative, p. 141).

Under the Proposed Action, SMUD will prepare a Noise Attenuation Plan that identifies measures necessary to reduce construction noise at sensitive receptors to acceptable levels as identified in the El Dorado County General Plan to the maximum extent possible. Measures will likely include limiting the hours and days of noise-generating, aboveground construction activities, monitoring of blasting activities, establishing monitoring protocols, and community response methods to allow the public to inform SMUD of any unusually annoying noise events and establish protocols for responding to such events (License Application, PDEA, p. 5-378).

⁷ The Agency Alternative measure requires SMUD to confine all UARP vehicles to roads or specifically designed access routes; this is vague and warrants clarification with regard to UARP vehicles in construction and staging areas.

Both the Proposed Action and the Agency Alternative will incorporate measures to minimize the potential disturbance caused by construction noise; however, the Proposed Action allows for interested parties to provide input into the development of the final Noise Attenuation Plan, likely resulting in a set of measures preferable to the local community compared to the measures required by the Agency Alternative.

5.3.10.9 Agency Alternative Measure – Performance Bond

The Agency Alternative requires SMUD to obtain a surety bond prior to construction activities, in an amount to be specified by the FS, to guarantee NFS resources affected by the construction of the Iowa Hill Development are protected in the event: 1) the license is surrendered, or 2) SMUD fails to carry out the measures of the license. SMUD will maintain the bond until one year after construction is complete and associated restoration work is complete and accepted by the FS. In the event license conditions are not carried out, a FS officer will provide written instructions to SMUD clarifying the scope and schedule needed to comply with the license. In the event the FS deems the written instructions have not been met, the FS may issue a demand letter to the surety for the amount due under the bond (Agency Alternative, p. 142).

Other than stating the measure is ‘necessary’, the Agency Alternative Rationale provides no substantial justification for this measure (Agency Alternative Rationale, p. 195-196). The Proposed Action does not include such a measure because it is unnecessary. SMUD is a governmental entity with an appropriate array of options to fund the Iowa Hill Development and any associated contingencies. Therefore, this measure is unnecessary and an inefficient use of government resources.