	Case 1:13-cv-01232-LJO-GSA	Document 95	Filed 10/04/13	Page 1 of 99
1 2 3 4 5 6 7 8 9 10 11	DANIEL J. O'HANLON, State Bar ERIC ROBINSON, State Bar No. 1 REBECCA AKROYD, State Bar No. 1 KRONICK, MOSKOVITZ, TIEDE A Professional Corporation 400 Capitol Mall, 27th Floor Sacramento, CA 95814 Telephone: (916) 321-4500 Facsimile: (916) 321-4555 Attorneys for Plaintiffs SAN LUIS & DELTA-MENDOTA AUTHORITY and WESTLANDS STEVEN O. SIMS (Admitted Profesor GEOFFREY M. WILLIAMSON (ABROWNSTEIN HYATT FARBER 410 17 th Street, Suite 2200 Denver, CO 80202 Telephone: (303) 223-1257 Facsimile: (303) 223-1111 Attorneys for Plaintiff WESTLANDS WATER DISTRICT	91781 To. 267305 EMANN & GIRA WATER DISTR Hac Vice) Admitted <i>Pro Ha</i> SCHRECK LL	ICT ac Vice)	
13	UNITED STATES DISTRICT COURT			
14	EASTE	RN DISTRICT (OF CALIFORNIA	A
15				
16 17	SAN LUIS & DELTA-MENDOTA WATER AUTHORITY and WESTLANDS WATER DISTRICT			7-01232-LJO-GSA COMPLAINT FOR
18	Plaintiffs,	TH	IE NATIONAL I	RECLAMATION LAW, ENVIRONMENTAL D THE ENDANGERED
19	v.	SP	ECIES ACT, AN	
20	SALLY JEWELL, et al.		ELIEF	AND INJUNCTIVE
21	Defendants,			
22	THE HOOPA VALLEY TRIBE; P.	ACIFIC		
23	COAST FEDERATION OF FISHERMEN'S ASSOCIATIONS;	;		
24	INSTITUTE FOR FISHERIES RESOURCES; and YUROK TRIB	E,		
25	Defendant-Interv	enors.		
26	Digintiffe Can Luig & Dalta Mandata Water Authority ("Authority") and Wastlanda Water			
27	Plaintiffs San Luis & Delta-Mendota Water Authority ("Authority") and Westlands Water			
28	District ("Westlands") allege as follows:			
KRONICK, MOSKOVITZ, TIEDEMANN & GIRARD ATTORNEYS AT LAW SACRAMENTO	FIRST AMENDED COM	- 1 -	RATORY AND INJUNC	TIVE RELIEF

2

3

4 5 6 7

9

8

12	
13	

11

15

14

1617

18

1920

2122

23

2425

26

27

I.

INTRODUCTION

- 1. The farms and cities that depend upon water supply from the Central Valley Project ("CVP") are suffering a severe water shortage. This year CVP agricultural water service contractors located south of the Sacramento-San Joaquin Rivers Delta ("Delta") have been allocated only 20% of their contract supply; the initial allocation in February was 25% but this was cut by 5% on March 22 due to unusually dry conditions. Orchards and vineyards are suffering severe stress, and row crops have been abandoned and other fields have been left fallow. Already overtaxed groundwater aquifers are being further drained, and in desperation farmers are using poor quality groundwater that damages soil and plants. Going in to 2014, the United States Bureau of Reclamation ("Reclamation") has projected that storage in CVP reservoirs, including in Trinity Reservoir, will be far below average. Barring an extraordinarily wet winter, south-of-Delta agricultural water service contractors expect to receive a very low initial allocation of CVP water in February 2014, perhaps even a zero percent allocation. Farm workers, farm-related businesses and whole farm communities on the western side of the San Joaquin Valley face a growing water shortage catastrophe. This water shortage is causing physical, social, and economic damage on a landscape scale.
- 2. Given this calamity, it is unthinkable that the Defendants would unlawfully release water from CVP storage to the ocean instead of delivering that supply to water users who desperately need it. But Defendants intend to do exactly that. On August 7, 2013, Defendants announced that beginning on August 13 they will release up to 109,000 acre-feet of water from the already low storage in the CVP's Trinity Reservoir to the Trinity River. That water, so needed by farms and communities in the western San Joaquin Valley, will be irretrievably lost.
- 3. Defendants' purpose in making these illegal releases of stored CVP water is to reduce the risk of a possible salmon die-off from disease in the lower Klamath River, downstream of the confluence of the Klamath River and Trinity River. Such a die-off in the lower Klamath River has been documented only one previous year, in 2002. Indeed, years with numbers of

returning Chinook salmon and flows in the lower Klamath River similar to the conditions expected this year have not resulted in salmon die-offs. Defendants are thus choosing to make a massive release of stored water from the Trinity Reservoir based on the unproven premise that doing so will reduce the risk of a repeat of the unique 2002 event. For this speculative precautionary benefit, Defendants intend to trade the certainty of losing desperately needed water supply in 2013 and deepening the harm to CVP water users and the environment from water shortage.

- 4. This misguided choice is not Defendants' to make; Defendants have no authority to make the planned releases. Instead, the releases would contradict and violate the Defendants' mandatory statutory duties.
- 5. First, the planned releases would violate section 3406(b)(23) of the Central Valley Project Improvement Act ("CVPIA"), Title XXXIV, Pub. L. No. 102-575, 106 Stat. 4700 (1992). Under CVPIA section 3406(b)(23), the Secretary of the Interior ("Secretary") has a mandatory duty to implement the flow requirements and criteria specified in a December 19, 2000 Decision for Trinity River Mainstem Fishery Restoration ("ROD"). Under the ROD, in 2013 Defendants may release up to but not exceeding 453,000 acre-feet of water from the Trinity River Division ("TRD") for the purposes of fishery restoration, propagation and maintenance. If Defendants make the planned August and September fishery releases, they will far exceed the 453,000 acre-feet volume limit for fishery releases set by the ROD. Hence, the planned releases would violate the Secretary's mandatory duty under CVPIA section 3406(b)(23) to implement fishery releases in accordance with the ROD.
- 6. Second, the planned releases of water stored by the TRD would violate section 3411(a) of the CVPIA, and section 8 of the Reclamation Act, codified at 43 U.S.C. section 383. The lower Klamath River is not an approved place of use under the State water rights permits applicable to the water stored by the TRD. CVPIA section 3411(a) directs that "the Secretary shall, prior to the reallocation of water from any . . . place of use specified within applicable Central Valley Project water rights and licenses to a . . . place of use not specified within said permits or licenses, obtain a modification in those permits and licenses, in a manner consistent

Case 1:13-cv-01232-LJO-GSA Document 95 Filed 10/04/13 Page 4 of 99

with the provisions of applicable State law, to allow such change in place of use." In
addition, section 8 of the Reclamation Act requires Defendants "to proceed in conformity with"
State law "relating to the control, appropriation, use or distribution of water used in irrigation."
43 U.S.C. § 483. The planned releases are intended to improve conditions for salmon in the
lower Klamath River. Defendants have failed, however to obtain a modification of the authorized
place of use in the State permits applicable to the TRD in accordance with State law. The
releases therefore would violate the Secretary's mandatory duties under CVPIA section 3411(a)
and 43 U.S.C. section 483 to obtain a modification of the State permits before reallocating TRD
water for use in the lower Klamath River.

7. Third, the planned releases are a major federal action that will have significant effects on the human environment. Yet, Reclamation has failed to identify and analyze those effects, or consider alternatives, in an environmental impact statement as required by the National Environmental Policy Act ("NEPA"), 42 U.S.C. §§ 4321 et seq. In letters to Reclamation dated May 31, 2013 and July 31, 2013, Plaintiffs explained that the planned releases would be unlawful, including for Defendants' failure to prepare an environmental impact statement under NEPA. The unnaturally high, cold flows to be released from Trinity Reservoir in August and September will adversely affect biological resources in the mainstem of the Trinity River, including western pond turtles, yellow-legged frog, and lamprey, and will result in the destruction of salmon redds in the Trinity River when the unusually high flows recede in late September. The loss of stored water threatens adverse effects on the listed coho salmon in the Trinity River, and Sacramento River winter-run Chinook salmon and Central Valley spring-run Chinook salmon, by reducing the pool of cold water available to maintain cooler temperatures in the upper Trinity River and the upper Sacramento River. The loss of CVP water supply and loss of hydropower generation from the releases will result in adverse effects to the environment throughout much of the CVP service area. It will cause physical impacts to the environment in the Central Valley, including fallowing and related dust emissions, groundwater overdraft and related subsidence, and use of alternative energy sources to compensate for lost hydropower. While Defendants have attempted to minimize or dismiss such effects in their environmental assessment, at a minimum the available

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

11

7

16

15

14

18

17

19 20

21

22 23

24 25

26

27

28

information raises substantial questions whether the releases may have a significant effect on the environment. Under NEPA, Defendants therefore must analyze and disclose the effects of the planned releases in an environmental impact statement, and provide an opportunity for public review and comment on that analysis, before making the releases. Defendants' reliance instead on an environmental assessment and a finding of no significant impact is arbitrary and capricious and violates NEPA.

- 8. In August and September 2012, Defendants made releases from the TRD of nearly 40,000 acre-feet for the same purpose. Plaintiffs have been and are still being harmed by the 2012 releases, because the releases created a nearly 40,000 acre-feet hole in TRD storage. Reclamation has not kept its promise to mitigate the loss of water supply from the 2012 releases, nor has it kept its promise to develop a long-term strategy for addressing fish needs in the lower Klamath River. The August and September 2012 releases are unlawful for the same reasons the planned 2013 releases are unlawful: they are in violation of CVPIA section 3406(b)(23) because they are in excess of the volume of fishery releases for 2012 set by the ROD; the 2012 releases violate section 3411(a) of the CVPIA and 43 U.S.C. § 383 because the lower Klamath River is not an approved place of use under the State water rights permits for the TRD; and Defendants have violated NEPA by failing to prepare an environmental impact statement for the 2012 releases. In addition to relief regarding the planned 2013 releases, Plaintiffs request that the Court set aside as unlawful Defendants' decision to make the 2012 releases, and enter other appropriate relief.
- 9. Finally, Defendants' proposed action is contrary to section 7 of the federal Endangered Species Act ("ESA"), 16 U.S.C. §§ 1531 et seq. Federal action agencies must consult under ESA section 7 regarding any action that "may affect" a listed species or its critical habitat. 50 C.F.R. § 402.14(a). The proposed releases will affect species listed under the ESA, including coho salmon in the Trinity River, and Sacramento River winter-run Chinook salmon and Central Valley spring-run Chinook salmon in the Sacramento River and its tributaries. Reclamation, as the action agency, has a duty under ESA section 7, 16 U.S.C. § 1536, to consult with the National Marine Fisheries Service ("NMFS") regarding these effects on listed

anadromous fish, and with the United States Fish and Wildlife Service ("FWS") regarding effects on other listed species that may be affected. Reclamation has failed to complete formal consultation with these agencies regarding the effects of the proposed releases as required by ESA section 7. Furthermore, absent a completed biological opinion, Defendants will have no authorization for any incidental take of listed species that results from the releases. Such take would violate ESA section 9, 16 U.S.C. section 1538. On July 11, 2013, Plaintiffs provided Defendants notice of these violations as required by ESA section 11(g), 16 U.S.C. § 1540(g).

- 10. Releasing the water to the Trinity River instead of delivering it to CVP water service contractors south of the Delta will cause Plaintiffs irreparable harm from loss of precious CVP water supply in a time of severe water shortage, and related and other irreparable harm to the environment, including biological resources in both the Trinity River basin and the Sacramento River basin, and to highly productive farmland in the San Joaquin Valley and surrounding communities. If the water is released to the Trinity River, the likely irreparable harm from lower carry over storage in the TRD will extend into 2014, by reducing the amount of the initial 2014 allocation, delaying increases in 2014 contract allocations, and increasing the difficulty of managing the cold water pool for ESA-listed salmon.
- 11. The proposed releases are scheduled to begin on August 13 and conclude by no later than September 30, and hence, will be completed before Plaintiffs can reasonably obtain a final ruling on the merits. Plaintiffs therefore seek temporary and preliminary injunctive relief to prevent the August and September 2013 supplemental releases. In addition, Plaintiffs seek judgment setting aside Defendants' decisions to make the August and September 2012 supplemental releases, and the planned 2013 releases, as unlawful, arbitrary and capricious, an abuse of discretion and in excess of Defendants' authority, and a permanent injunction against such unlawful releases in the future, as well as other relief.

II.

JURISDICTION AND VENUE

12. This action states claims against departments and officers of the United States arising under the 1902 Reclamation Act, 32 Stat. 388, and acts amendatory thereof and

supplementary thereto including the CVPIA; a claim arising under NEPA; and a claim arising

under the ESA. In addition, the claims involve Plaintiffs' interests in CVP water established

under contracts entered by the United States pursuant to reclamation law, and operations of the

CVP. This Court has jurisdiction of this action pursuant to 28 U.S.C. section 1346(a)(2) and 28

U.S.C. section 1331. This Court is authorized to issue injunctive and declaratory relief pursuant

The sovereign immunity of the United States, and that of its federal agencies and

to pursuant to Rule 65 of the Federal Rules of Civil Procedure, 28 U.S.C. section 2201, and 5

7

U.S.C. sections 703 and 706.

13.

8

10

11 12

13

1415

16

17

18

19

20

21

22

23

24

25

26

27

28

federal officers and employees, is waived for this action by the judicial review provisions of the Administrative Procedure Act, 5 U.S.C. section 701 *et seq.*, including sections 702 and 704, and the citizen-suit provision of the ESA, 16 U.S.C. § 1540(g).

14. The Authority's principal place of business is located within Merced County. Westlands' principal place of business is located within Fresno County. The claims alleged in this action involve CVP water that is or should be available for use on lands and in communities situated within the counties of Stanislaus, Merced, Fresno, and Kings in the state of California, which lands and communities are within the boundaries of the United States District Court for the Eastern District of California. Further, acts or omissions giving rise to the claims occurred within

III.

section 1402, 28 U.S.C. section 1391(b)(2), 16 U.S.C. § 1540(g)(3)(A) and Rule 120 of the Local

the boundaries of the United States District Court, Eastern District of California, and will

substantially impact land and communities situated within the counties of Stanislaus, Merced,

Fresno and Kings. Therefore, venue in this judicial district is proper pursuant to 28 U.S.C.

Rules of the United States District Court, Eastern District of California.

PARTIES

15. Plaintiff Authority is a joint powers authority formed pursuant to California Government Code section 6500 *et seq*. The Authority consists of 29 member public agencies, 27 of which contract with Reclamation for water supply from the CVP. Water delivered to the Authority's members by the CVP is used within areas of San Joaquin, Stanislaus, Merced, Fresno,

Kings, San Benito, and Santa Clara Counties, California. Some of the CVP water delivered to its
members is supplied via California's State Water Project ("SWP") pumps and facilities located
within the Delta. Among the purposes for which the Authority was formed is to preserve and
protect the quantity and quality of surface and groundwater supplies available for use within the
boundaries of its member agencies. The Authority is authorized to commence and maintain suits
on behalf of its member agencies. Pursuant to an agreement between the Authority and the
United States, which became effective March 1, 1998, responsibility for the operation and
maintenance of some facilities of the Delta Division of the CVP was transferred to the Authority.
Based upon this agreement, the Authority operates the Jones Pumping Plant, the Delta-Mendota
Canal, and other related facilities of the CVP.

- 16. Plaintiff Westlands is a member of the Authority. Westlands provides water to an area of approximately 600,000 acres in Fresno and Kings Counties on the western side of the San Joaquin Valley. Westlands is authorized to commence and maintain on behalf of landowners within its boundaries any action involving or affecting the ownership or use of water. Westlands holds vested contractual rights to receive water from Reclamation for distribution and use within Fresno and Kings Counties. Westlands also holds vested contractual rights to receive additional water under the Stipulated Judgment entered on December 30, 1986, in the consolidated cases of *Barcellos and Wolfsen, Inc., et al. v. Westlands Water District* and *Westlands Water District v. United States of America*, Nos. CV 79-106 OWW and CV F-89-245 OWW (E.D. Cal.) (collectively "*Barcellos*"). Most of Westlands' CVP water is supplied via CVP pumps and facilities located within the Delta, but some of Westlands' CVP water can also be supplied via SWP pumps and facilities located within the Delta.
- 17. Defendant Sally Jewell is the Secretary of the United States Department of the Interior, and is named herein in her official capacity, for her actions and failures to act in an official capacity, or under color of legal authority. The Secretary is responsible for the administration of the 1902 Reclamation Act and acts amendatory thereof and supplementary thereto, including the CVPIA.
 - 18. Defendant United States Department of the Interior ("Interior") is responsible

-8-

3

5

6

8

11 12

13

14 15

17

16

18 19

20 21

22

23

24

25

26

27

28

for the administration of the 1902 Reclamation Act and acts amendatory thereof and supplementary thereto, including the CVPIA. The CVP is a water project authorized, constructed, maintained and operated pursuant to these laws.

- 19. Defendant Bureau of Reclamation is an agency of the United States, within the Department of the Interior, and is charged with administration of the 1902 Reclamation Act, and acts amendatory thereof and supplementary thereto, including the CVPIA. Reclamation operates the CVP, including the Trinity River Division.
- Defendant Michael Connor is the Commissioner of the United States Bureau of 20. Reclamation ("Commissioner"), and is named herein in his official capacity, for his actions and failures to act in an official capacity, or under color of legal authority. The Commissioner is responsible for administration of the 1902 Reclamation Act and acts amendatory thereof and supplementary thereto, including the CVPIA.
- 21. Defendant David Murillo is the Regional Director of the United States Department of the Interior, Bureau of Reclamation, Mid-Pacific Region ("Regional Director"), and is named herein in his official capacity, for his actions and failures to act in an official capacity, or under color of legal authority. The Regional Director is responsible for the administration of the 1902 Reclamation Act and acts amendatory thereof and supplementary thereto, including the CVPIA, within the Mid-Pacific Region. The Mid-Pacific Region includes California. The Regional Director is responsible for operation of the CVP, including the Trinity River Division, and the Klamath Project on the Klamath River. The Regional Director is the Contracting Officer under contracts entered between Reclamation and CVP contractors, including members of the Authority.

IV.

SUMMARY OF FACTS GIVING RISE TO CLAIMS

The Central Valley Project And The Trinity River Division

22. The CVP is the largest water storage and delivery system in California, covering 29 of the state's 59 counties. The CVP consists of 21 reservoirs capable of storing 12 million acre-feet of water, 11 power plants, 500 miles of major canals, aqueducts and tunnels. The CVP

- 9 -

KRONICK.

21

22

23

24

25

26

27

28

provides water to irrigate approximately 3.25 million acres of farmland and supplies water to more than 2 million people through more than 250 long-term water contracts in the CVP service area. Most of the CVP service area is within the Central Valley. Approximately 90% of the portion of CVP water delivered to contractors located south of the Delta is used for agricultural purposes.

- 23. In 1955, Congress authorized the construction, operation and maintenance of the TRD as "an addition to and integral part of" the CVP, for "the principal purpose of increasing the supply of water available for irrigation and other beneficial uses in the Central Valley of California." Act of August 12, 1955, Pub.L. No. 84-386, 69 Stat. 719.
- 24. The TRD stores and regulates water from the Trinity River. The Trinity River originates in northwest California, near the city of Weed, and flows generally southward until it is impounded by Trinity and Lewiston Dams. The mean annual inflow to Trinity Reservoir from the Trinity River is about 1.2 million acre-feet. Trinity Reservoir has a storage capacity of 2.4 million acre feet. Water is released from Trinity Reservoir to the Trinity River through Trinity Dam and Powerhouse, until it flows to the much smaller Lewiston Reservoir seven miles downstream. From Lewiston Reservoir, water regulated by the TRD may again be released to the Trinity River through Lewiston Dam, or diverted eastward to the Sacramento River watershed. Water released to the Trinity River from Lewiston Dam flows generally westward some 112 river miles until entering the Klamath River. The Klamath River discharges into the Pacific Ocean approximately 40 river miles downstream of its confluence with the Trinity River. Alternatively, water in Lewiston Reservoir may be diverted at Lewiston Dam to the Sacramento River watershed through Clear Creek Tunnel, which conveys the water into Whiskeytown Reservoir. From there, the water either is transported through the Spring Creek Tunnel and discharged into Keswick Reservoir, located on the Sacramento River downstream from Shasta Reservoir, or is released from Whiskeytown Reservoir to Clear Creek, which flows into the Sacramento River downstream from the Keswick Reservoir.
- 25. As water is diverted into the Sacramento River watershed and conveyed to the Sacramento River, it passes through several hydroelectric plants, and thereby generates

electricity. Power production as a result of cross-basin diversion of Trinity River water through TRD powerplants is approximately three times greater than power production at Shasta Dam for an equivalent amount of water released. Prior to the ROD, Trinity Reservoir typically reached its greatest storage level at the end of May. Under the pattern of Trinity releases prescribed by the ROD, maximum storage may occur by end of April, or early in May.

- Valley watershed are integrated with operations of the Shasta Division of the CVP, to supply water to CVP water service contractors and others, and to generate hydropower. The water diverted to the Sacramento River watershed is also used to comply with environmental protection and restoration requirements, including water quality in the Sacramento River and Delta, and to supply water to wildlife refuges. Water that is diverted by the TRD and conveyed to the Central Valley is potentially available for delivery to the Authority's members through CVP facilities, among other uses. On the other hand, Trinity River water that is released to the Trinity River at Lewiston Dam is irretrievably lost to any further CVP uses, including delivery to the Authority's members.
- 27. Reclamation times exports of TRD water to the Sacramento River watershed based on a determination of how to make best use of a limited volume of Trinity water, in concert with releases from Shasta, to help conserve coldwater pools and to meet temperature objectives on the upper Sacramento and Trinity Rivers, as well as power production economics. A key consideration in the export timing determination is the thermal degradation that occurs in Whiskeytown Reservoir related to residence time of transbasin exports in the lake, and air temperatures. To minimize such thermal degradation effects, transbasin export patterns are typically scheduled to provide an approximate 120,000-acre-foot volume in late spring to create a thermal connection to Spring Creek Powerhouse before larger transbasin volumes are scheduled during the hot summer months. Typically, to avoid warming and function most efficiently for temperature control, the water flowing from the Trinity through Whiskeytown Reservoir must be sustained at fairly high rates. When the total volume of Trinity water available for export is limited, that may in turn compress the time period for which effective temperature control

Case 1:13-cv-01232-LJO-GSA Document 95 Filed 10/04/13 Page 12 of 99

1	releases can be made from Whiskeytown Reservoir to cool water in the Sacramento River for the
2	benefit of listed salmonid species. In general, lowering the quantity of water available for export
3	from the TRD increases the reliance on the cold water pool in the deeper waters of Shasta
4	Reservoir to maintain sufficiently cold temperatures in the Sacramento River for salmonids.
5	CVPIA Section 3406(b)(23) And Releases For The Trinity River Fishery
6	28. In 1992, in the CVPIA, Congress sought to bring a final resolution to a decades-
7	old dispute over the appropriate level of releases to the Trinity River for the Trinity River fishery.
8	In CVPIA section 3406(b)(23), Congress established a process to define the appropriate level of
9	releases from the TRD to restore and maintain the Trinity River fishery. Congress directed the
10	Secretary to develop "permanent instream fishery flow requirements and Trinity River Division
11	operating criteria and procedures for the restoration and maintenance of the Trinity River
12	fishery." The Secretary did so, culminating in the ROD, adopted on December 19, 2000. A copy
13	of the ROD is attached as Exhibit 1. The ROD was based in part on a Trinity River Flow
14	Evaluation Study ("Final Flow Report") completed in 1999, a Draft Environmental Impact
15	Statement/Draft Environmental Impact Report ("DEIS/DEIR") dated October 1999 and a Final
16	Environmental Impact Statement/Environmental Impact Report ("FEIS/EIR") completed in
17	October 2000.
18	29. Until 2002, there had not been a recorded incident of a fish die-off in the lower
19	Klamath River. The Final Flow Report did not recommend, and the DEIS/DEIR and FEIS/EIR
20	did not analyze the environmental impacts of, flow releases in the months of August and
21	September above 450 cfs for the purpose of reducing the risk of fish disease in the lower Klamath
22	River. As described below, however, the ROD allows Reclamation to adjust the schedule of
23	releases within a year, subject to an annual limit on the total volume of fishery releases that varies
24	with water year type. Adjustments to the release schedule are subject to compliance with the
25	requirements of NEPA and the ESA.
26	30. In CVPIA section 3406(b)(23), Congress directed that if the Hoopa Valley Tribe
27	concurred in the release and operating criteria and procedures developed by the Secretary, then
28	they "shall be implemented accordingly." The Hoons Valley Tribe concurred in the flow

KRONICK,
MOSKOVITZ,
TIEDEMANN & GIRARD
ATTORNEYS AT LAW
SACRAMENTO

Case 1:13-cv-01232-LJO-GSA Document 95 Filed 10/04/13 Page 14 of 99

On average, the ROD increased the volume of releases to the Trinity River by 75% compared to the CVPIA's 340,000 acre-feet interim dedication. (ROD at p. 20.) The annual volume of releases under the ROD ranges from 368,000 acre-feet in a critically dry year to 815,000 acre-feet in an extremely wet year. (ROD at p. 12.) The ROD specifies a schedule of annual instream flow release volumes and peak flow rates for five different water-year classifications, set forth in Table 1 of the ROD, as follows:

7

1

2

3

4

5

6

8 9

10

11

Peak Flow Water-Volume Peak Flow (Acre-feet) Duration year Class (days) Critically 369,000 1,500 36 dry 453,000 4,500 Dry 5 647,000 6,000 5 Normal Wet 701,000 8,500 5 815,000 11,000 5 Extremely wet

1213

14

15

16

17

18

19

20

21

22

23

24

25

26

In accord with the statutory requirement that the Secretary develop "permanent" fishery flow requirements, the ROD provides that "the schedule for releasing water on a daily basis, according to that year's hydrology, may be adjusted but the annual flow volumes established in Table 1 may not be changed." *Id.* The alternative selected in the ROD includes an Adaptive Environmental Assessment and Management ("AEAM") Program. One of the functions of the AEAM Program is to "recommend possible adjustment to the annual flow schedule within the designated flow volumes provided for in the ROD or other measures in order to ensure that the restoration and maintenance of the Trinity River anadromous fishery continues based on the best available scientific information and analysis." (ROD at p. 3, emphasis added.) The information related to the fish die-off in the lower Klamath River in is an example of the information that under the ROD may lead to an adjustment of the annual release schedule within the designated flow volumes. The timing of releases can be adjusted to respond to changing conditions and new scientific information, subject to other regulatory requirements such as ESA consultation and NEPA review, but the permanent annual volume limits established in the ROD for fishery restoration and maintenance purposes cannot be exceeded.

28

- 33. The ROD explains that the flow regime adopted in the ROD meets the Secretary's statutory obligations, and meets federal trust responsibilities to both the Hoopa Valley Tribe and the Yurok Indian Tribe. The ROD provides: "The necessity for these actions results from the various statutory obligations of the Department as well as the federal trust responsibility to the Hoopa Valley and Yurok Indian Tribes. For the reasons expressed in this ROD, the Department's agencies are directed to implement the Preferred Alternative as described in the FEIS/EIR and as provided below. This alternative best meets the statutory and trust obligations of the Department to restore and maintain the Trinity River's anadromous fishery resources, based on the best available scientific information, while also continuing to provide water supplies for beneficial uses and power generation as a function of Reclamation's Central Valley Project (CVP)." (ROD at p. 2.)
- 34. The ROD further explains: "As expressed above, the guiding principles for this decision emanate from various Congressional mandates as well as the federal government's trust responsibility to the Hoopa Valley and Yurok Indian Tribes. . . . In light of these obligations, the Service, with vital support from the Hoopa Valley Tribe, conducted an extensive scientific effort to determine the appropriate flows and other measures necessary to restore and maintain the Trinity River's anadromous fishery. In section 3406(b)(23) of the CVPIA, Congress sought the final resolution of these issues in order to meet the federal trust responsibility and to meet the goals of prior legislation, calling for the completion of the scientific efforts initiated by Secretary Andrus and for the implementation of recommendations, based on the best available scientific information, regarding permanent instream fishery flow requirements and TRD operating criteria and procedures necessary for the restoration and maintenance of the Trinity River anadromous fishery. These statutory and trust responsibilities form the basis for the FEIS/EIR's purpose and need for this action—to restore and maintain the natural production of anadromous fish below the TRD." (ROD at p. 17.)
- 35. The ROD explained why the Secretary did not chose a flow regime requiring even greater releases of water to the Trinity River: "Although the Maximum Flow Alternative scored better than the Preferred Alternative in terms of estimated population increases, the

Maximum Flow Alternative would exclude or excessively limit the Department's ability to
address the other recognized purposes of the TRD, including water diversions to the CVP and
power production in the Trinity Basin. The best available science presently indicates that the
Department's statutory and trust obligations can be achieved while still meeting Congressiona
intent to have the TRD integrated with the CVP to the extent that diversions to the CVP do no
impair in-basin needs." (ROD at p. 25.)

Plaintiffs and others filed an action in this Court to challenge the ROD and its requirements. That litigation resulted in decisions by this Court *Westlands Water Dist. v. U.S. Dept. of Interior*, 275 F. Supp. 2d 1157 (E.D. Cal. 2002); *Westlands Water Dist. v. U.S. Dept. of Interior*, 2001 WL 34094077 (E.D. Cal.2001), including a grant of preliminary injunctive relief, and by the Ninth Circuit Court of Appeals *Westlands Water Dist. v. U.S. Dept. of Interior*, 376 F.3d 853 (9th Cir. 2004). Since resolution of that litigation in 2004, Reclamation's releases to the Trinity River for fishery purposes have been governed by the provisions of the ROD.

Reclamation's Fishery Releases For 2013 Pursuant To The ROD

- 37. Under the ROD, the maximum annual volume of releases for fishery purposes depends upon the water-year type. Defendants have declared 2013 to be a "dry" year under the ROD. Accordingly, the maximum volume of releases for fishery purposes for 2013 set by the ROD is 453,000 acre-feet.
- 38. In early April 2013, Defendants established a schedule for releases of water from Trinity Reservoir for fishery purposes in 2013. As has been typical under the ROD, and as recommended by the Final Flow Report, the releases are intended to somewhat resemble a natural hydrograph, with higher releases in the spring months, with releases declining steadily through the early summer, until reaching a stable rate of 450 cubic feet per second ("cfs") through late summer and fall. A graphical representation and table showing the release schedule adopted for 2013 is attached as Exhibit 2.
- 39. Under the release schedule Defendants adopted for 2013, releases to the Trinity River for fishery purposes were increased beginning on April 21, and peaked at a rate of approximately 4,500 cfs on May 2 and 3. Releases declined thereafter until reaching a rate of 450

October 15, when releases will decrease further to 300 cfs.

2

1

3

4 5

6

7

8

9

10

11

12 13

14

15 16

17

18 19

20 21

22

23 24

25

26

27

28

40. The release schedule for 2013 adopted by Defendants and implemented beginning on April 21 uses the entire maximum volume of 453,000 acre-feet for fishery purposes

cfs on June 24. Under the adopted schedule in Exhibit 2, releases are to remain at 450 cfs until

provision for the supplemental releases in August and September now being proposed.

specified for a "dry" year by the ROD. The release schedule for 2013 does not make any

41. The release schedule for 2013 specifies a rate of releases of 450 cfs throughout August and September 2013. At a rate of releases of 450 cfs in August and September, the volume of water released from Trinity Reservoir during August and September 2013 will exceed the inflow into Trinity Reservoir during August and September. The TRD will be releasing stored water that will augment natural flows in the Trinity River below the TRD during August and September 2013. Hence, with releases at 450 cfs, the TRD will cause average flows in the lower Klamath River during the months of August and September 2013 to be higher than such flows would be absent the TRD.

2013 Is A Year Of Critical Water Supply Shortage In The Central Valley, And 2014 **Threatens To Be Even Worse**

- 42. CVP water supplies are scarce due to record dry conditions in Northern California since January. On February 25, 2013, Reclamation announced that agricultural water service contractors located south of the Delta would receive an allocation of 25% of their contract supply. On March 22, 2013, however, Reclamation reduced this allocation to 20%. Allocations for municipal and industrial water service contractors south of the Delta were reduced from 75% to 70%. Reclamation's announcement of these reductions stated "this decreased allocation for South-of-Delta contractors is based on the critical water year classification, the projection of reduced Delta inflows this spring, significant loss of reservoir storage to support pumping this summer and water quality permit requirements."
- 43. Shortages of overall CVP water supply are not evenly distributed across CVP water users. Due to CVP contract priorities and other CVP obligations and regulations, the members of the Authority that are agricultural water service contractors may suffer severe

KRONICK.

SACRAMENTO

21

22

23

24

25

shortages in a year when other CVP contractors face little or no shortages. For example, this year agricultural water service contractors located south of the Delta have been allocated 20% of contract supply, while San Joaquin River Exchange and Settlement Contractors and wildlife refuges (level 2) located south of the Delta have been allocated 100% of contract and level 2 supplies respectively. North-of-Delta settlement and municipal and industrial users are likewise allocated 100% of contract supply this year, and north-of-Delta agricultural water service contractors have been allocated 75% of contract supply.

- 44. The dry conditions and severe water shortage in the Central Valley have been recognized by state and federal officials. On May 20, 2013, Governor Brown issued Executive Order B-21-13, to streamline approvals for water transfers to California's farms. As reasons for taking this action, the Order recites that "much of California experienced record dry conditions in January through March 2013, registering historic lows on the Northern Sierra and the San Joaquin precipitation indices" and "record dry and warm conditions resulted in a snowpack substantially below average, with estimated May water content in the statewide snowpack being only 17 percent of average and with the spring snowmelt season now being well underway." It states that "reductions in surface water deliveries will likely force San Joaquin Valley agricultural water users to extract additional groundwater from already overused basins, potentially resulting in additional land subsidence," that "the supply reductions will jeopardize agricultural production in parts of the San Joaquin Valley" and "the supply reductions will also impact millions of municipal and industrial water users across California."
- 45. On May 24, 2013, Reclamation and the California Department of Water Resources ("DWR") jointly asked that the CVP and SWP be relieved from meeting certain Bay-Delta Water Quality Control Plan requirements that would require Reclamation to draw down storage in Shasta Reservoir so far that it would deplete the cold water in Shasta Reservoir necessary to maintain temperatures for winter-run Chinook salmon in the Sacramento River in the late summer. A copy of the letter making that request is attached as Exhibit 3.
- 46. The May 24 letter explains the adverse impact of these conditions on project storage and the cold water pools in storage that are necessary to maintain cool water temperatures

for salmon below Shasta Dam and other dams in the late summer and fall. Reclamation sought to operate to Critical Dry rather than Dry year type requirements in the Delta, to save 100,000 to 200,000 acre-feet of storage: "There is a significant difference between the volume of Delta inflow needed to achieve the Dry and Critical water quality objectives for Jersey Point and Emmation through June 15. If Reclamation and DWR are able to begin operating to the Critical year water quality objectives in May it may be possible to achieve 100,000 to 200,000 af, of cold water benefits in the upstream reservoirs. This savings in cold water storage would improve the chances of meeting the temperature objective at Airport Road. This cold water benefit will help avoid temperature related fish losses in the Sacramento River." (Ex. 3 at 4.)

- 47. On May 29, 2013, in response to this request to save 100,000 to 200,000 acrefeet of CVP and SWP water in storage, the State Water Resources Control Board, through the Delta Watermaster, indicated that it would not object or take any action if Reclamation and DWR operated to meet Critically Dry year rather than Dry year objectives under the Water Quality Control Plan, provided they submitted and operated to an approved temperature management plan to maximize benefits to fisheries resources. In response, Reclamation submitted its plan for managing the cold water pool in Shasta Reservoir in 2013 to the State Water Board.
- 48. The dry conditions and water supply shortages in 2013 portend further water shortages for CVP contractors in 2014. The CVP and other water projects depend upon water stored in wetter years to compensate for lower precipitation during dry years. Water in storage allows projects to provide water users a more stable and reliable supply, and to meet the requirements of environmental regulations each year. The quantity of water in storage is a key determinant of CVP contract allocations. The greater the storage that can be carried over from one year to the next, the greater the water supply protection against dry conditions the next year. Conversely, the lower the carry over storage from one year to the next, the greater the risk to water supply availability in the following year.
- 49. Going in to 2014, CVP reservoirs will be depleted. Even with the relief provided by the State Water Resources Control Board, Reclamation has projected that end of December storage in Shasta Reservoir will be 1.9 million acre-feet, well below average end of

Case 1:13-cv-01232-LJO-GSA Document 95 Filed 10/04/13 Page 20 of 99

1	December storage in Shasta Reservoir of 2.9 million acre-feet. End of December storage in
2	Trinity Reservoir, without the proposed additional August and September 2013 releases, is
3	projected to be about 1.3 million acre-feet, compared to an average of 1.6 million acre-feet. At a
4	level of projected end of December carryover storage in Trinity Reservoir of 1.3 million acre-feet,
5	it is highly unlikely that there will be enough precipitation to re-fill Trinity Reservoir in 2014.
6	Only an extraordinarily wet season in late 2013 and early 2014 will allow these reservoirs to refill
7	to capacity.
8	Despite The Existing CVP Water Shortage, And The Terms Of The ROD, Defendants Have Decided To Make Additional Releases Of Water Stored In The TRD During August And

- September 2013 For Fishery Purposes
- 50. Some four months after cutting contract allocations to south-of-Delta water service contractors, and some two months after seeking relief from water quality standards to preserve CVP water in storage, Defendants have announced their decision to release up to 109,000 acre-feet of water from storage in the TRD to the ocean. On August 7, 2013, Defendants announced they have decided to make this release of stored water from the TRD in August and September 2013, for the fishery purpose of reducing the risk of a possible salmon die-off from disease in the lower Klamath River. Such a die-off in the lower Klamath River has occurred once before, in 2002. However, a die-off did not occur in other years with numbers of returning salmon and flows in the lower Klamath River similar to what is projected for this year.
- 51. Beginning on August 13, Defendants intend to increase releases from the TRD to the Trinity River from the previously scheduled 450 cfs to achieve flow in the lower Klamath River of 2,800 cfs. Defendants intend to continue excess releases until at least September 21. The excess releases will continue until September 30 if water temperatures in the lower Klamath River are above 23°C. These excess releases above the rate 450 cfs for this period through September 30 will amount to approximately 70,000 acre-feet of water.
- 52. Defendants intend to further increase the rate of releases to double the flow in the lower Klamath River to 5,600 cfs if they detect an outbreak of disease in the lower Klamath River. These releases would continue for a 7-day period. If made, these additional releases will amount to approximately 39,000 acre-feet of water.

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

53. The water released under this action will flow in the Klamath River and into the Pacific Ocean. That water will be irretrievably lost for export to the Sacramento watershed and other CVP uses, including water supply and generation of hydropower.

The Proposed Additional Releases Will Cause Significant And Irreparable Harm

- 54. Plaintiffs will be irreparably harmed by the lost water supply from the proposed releases, up to approximately 109,000 acre-feet. Instead of releasing that water to the Trinity River, Defendants could export it to the Sacramento watershed to support deliveries to members of the Authority, including Westlands. By doing so, Reclamation could restore the 5% allocation to south-of-Delta contractors that was cut on March 22, 2013. In addition, increasing exports from the TRD to the Sacramento River watershed would increase hydropower generation in 2013.
- 55. Reclamation has a contractual obligation to optimize water deliveries to CVP contractors. Given that Reclamation has concluded that it may release up to an additional 109,000 acre-feet of water from the TRD this year and still meet the various legal mandates applicable to the CVP, then pursuant to its contractual obligation to optimize deliveries it should use that water to restore the contract allocations to south-of-Delta CVP contractors that were cut on March 22. By contrast, Reclamation is under no legal mandate to release additional water to the Trinity River. Quite the contrary, as alleged herein, such releases are illegal.
- 56. If Defendants make the proposed releases to Trinity River instead of restoring the allocation to south-of-Delta CVP agricultural water service contractors to 25%, Plaintiffs will be irreparably harmed in at least two ways. First, their constituents will suffer the immediate loss of the increased contract allocation and use of increased CVP water deliveries south of the Delta in 2013. Additional CVP supply is desperately needed south of the Delta. The existing 20% allocation has put the entire agricultural region on the west side of the San Joaquin Valley in distress. Growers are scrambling to stretch the limited CVP supply to keep alive permanent crops such as orchards and vineyards, and to supplement irrigation with lower quality groundwater that damages trees, crops and the soil, and further depletes an already overdrafted groundwater basin. Growers also face financial injury, as they must pay high rates to purchase water from other sources, and lose income from fallowed fields and abandoned crops. That has rippling

5

9

12 13

11

15 16

14

17

18

19 20

21 22

23

24 25

26

27

28

socioeconomic effects in the region, from lost jobs and dislocation of communities. An additional 5% allocation will help alleviate existing water shortages, and for any portions not used in 2013, provide secure supply for 2014 stored in San Luis Reservoir south of the Delta, water that growers can more readily rely upon than storage in upstream reservoirs. 57. Second, by further draining Trinity Reservoir in August and September this year

- without meeting existing water supply needs, Defendants will likely set up even more dire circumstances in 2014. It is very unlikely that Trinity Reservoir will refill in 2014. Hence, the additional August and September releases will likely create a hole in storage in Trinity Reservoir of up to 109,000 acre-feet going into 2014. This hole in storage in Trinity Reservoir will likely reduce initial, February 2014 CVP contract allocations to members of the Authority below what the allocations would have been without the releases. Lower initial allocations and delays in increases to allocations cause harm to farmers trying to plan their planting for the coming growing season and secure financing. With reduced CVP water allocations, they must scale back their operations by fallowing land, reducing the number of employees, and taking other measures. While increasing the allocation in 2013 will likewise likely result in reduced water in storage next year, that will be offset by the benefits of meeting water supply needs this year and likely some carry over of water allocated in 2013 to 2014.
- 58. The loss of CVP water supply has cascading, adverse environmental and socioeconomic effects within the CVP service area south of the Delta. The west side of the San Joaquin Valley cannot easily absorb losses of CVP water supply. Reclamation's ongoing inability and failure to consistently deliver the full contractual amount of CVP water to the Authority's members, such as Westlands, has resulted in extensive conservation efforts within Westlands and other districts. As a result, the potential gains from conservation in these areas have been exhausted. Farmers must instead turn to increased pumping of groundwater, purchase of supplemental water supplies from other sources, and ultimately to fallowing land.
- 59. Very low CVP allocations in successive years push farmers beyond the level to which they can adapt even for the short term. Water supply shortages worsened by the proposed excess releases threaten numerous adverse environmental effects within the CVP service area

including, but not limited to, worsening of groundwater basin overdraft, land subsidence,

1

5

8

9

12

13 14

16

15

17

18 19

20

21

22 23

24

25 26

27

28

decreased groundwater recharge, threatened violation of state-adopted basin plan water quality objectives, reductions in crop yields, reduced agricultural employment, endangerment of permanent crops, and decreased air quality. 60. In addition, the proposed releases from Trinity Reservoir will increase the risk that the TRD will not be able to maintain cold temperatures for salmon in the Trinity River in 2014. The releases will also diminish the ability of the TRD to assist in maintaining cold temperatures for salmon in the Sacramento River. By diminishing the total volume of Trinity

period for which effective temperature control releases can be made from Whiskeytown Reservoir to the Sacramento River. That in turn will force greater reliance on the cold water pool

water available for export to the Sacramento River, the releases will likely compress the time

- in Shasta Reservoir to maintain cool temperatures for endangered winter-run Chinook salmon in the Sacramento River through the late summer. The species affected, including the coho salmon
- in the Trinity River, and Central Valley spring-run and winter-run Chinook salmon Central
- Valley steelhead, and green sturgeon in the Sacramento River, are listed under the ESA as
- threatened delta smelt by diminishing the water supply in Trinity Reservoir available to maintain

threatened or endangered. In addition, the proposed releases may adversely affect the ESA-listed

- water quality in the Delta. According to the FWS, the delta smelt requires certain water quality
- conditions in the Delta including outflow, and the proposed releases will reduce the amount of
- water available for export to the Sacramento River to achieve those conditions in the Delta.
- 61. In addition, if Defendants make the proposed releases to the Trinity River in 2013, the releases will harm other biological resources within the Trinity River mainstem. The releases will cause unseasonably high and cold flows in the mainstem of the Trinity River. Such flows will harm special status species that inhabit the Trinity River, including the yellow-legged frog, the western pond turtle, and the lamprey.

Defendants Have Not Prepared An Environmental Impact Statement

62. Defendants have not prepared an environmental impact statement to analyze the effects of the proposed excess August and September 2013 releases to the Trinity River under

KRONICK.

SACRAMENTO

63. On July 17, 2013, Defendants released a draft environmental assessment and finding of no significant impact ("draft EA/FONSI") regarding the proposed excess releases. Defendants requested comment by July 31, 2013. On July 31, 2013, Plaintiffs submitted comments on the draft EA/FONSI. The comments explained that the proposed releases to the Trinity River are a major federal action significantly affecting the quality of the human environment, and that under NEPA Defendants must prepare an environmental impact statement. These comments explained that the loss of stored TRD water to CVP uses will have particularly harmful effects given the existing water shortage and the shortage looming for 2014.

64. Notwithstanding these comments and similar comments by others, on August 7, 2013, Defendants adopted a final EA/FONSI. The final EA/FONSI fails to adequately address significant potential impacts of the proposed releases.

Defendants Have Not Conducted ESA Section 7 Consultation Regarding The August And September Releases

- 65. Defendants did not conduct any ESA section 7 consultation regarding the potential effects of the August and September 2013 releases on ESA-listed species or their critical habitat.
- 66. The ROD specifies the amounts of CVP water to be released from the TRD in different hydrologic year types for the restoration, propagation and maintenance of the Trinity River fishery. The ROD was approved based, in part, on two biological opinions issued pursuant to ESA section 7. These biological opinions do not evaluate the effects of unnaturally high and cold flows in the Trinity River in August and September on ESA-listed species, such as the Southern Oregon/Northern California Coast ("SONCC") Coho salmon. Further, these biological opinions do not evaluate the impacts that exceeding the ROD's limit on the volume of annual releases may have on ESA-listed species in the Trinity River and Sacramento River watersheds.
- 67. NMFS issued its "Biological Opinion for the Trinity River Mainstem Fishery Restoration EIS and its Effects on Southern Oregon/Northern California Coast Coho Salmon,

Sacramento River Winter-run Chinook Salmon, Central Valley Spring-run Chinook Salmon, and Central Valley Steelhead" ("NMFS BiOp") on October 12, 2000. The NMFS BiOp concluded, among other things, that increasing releases of CVP water from the TRD to carry out the ROD would reduce the volume of water available for import to the Sacramento River watershed, and therefore was likely to adversely affect Sacramento River winter-run Chinook salmon, which are listed as endangered (59 Fed. Reg. 440 [January 4, 1994]). The NMFS BiOp did not analyze the ROD's effects on green sturgeon, which was listed as threatened in 2006 (71 Fed. Reg. 17757 [April 7, 2006]; *see* 74 Fed. Reg. 52300 [October 9, 2009][designating critical habitat]).

- 68. The NMFS BiOp did not analyze the effects of excess releases in August and September on SONCC coho salmon in the Trinity River watershed. Reclamation's excess releases may adversely affect juvenile coho salmon in the Trinity River, and may adversely affect their designated critical habitat. These releases will result in unusually high and cold flows in the Trinity River in August and September, conditions that species in the Trinity River would not experience under natural conditions, nor under the typical flow regime since operations of the TRD began, or under the flow regimes analyzed for the ROD. The excess releases also reduce the volume of cold water in storage in Trinity Reservoir. That may adversely affect coho salmon in the Trinity River by diminishing Reclamation's ability to maintain cooler water temperatures beneficial to coho salmon.
- 69. The NMFS BiOp did not analyze the effects of the releases in excess of the ROD's annual volume limits on the listed species in the Sacramento River watershed. The August and September releases may adversely affect listed species by diminishing the water supply in Trinity Reservoir available to maintain water temperatures beneficial to listed species in the Sacramento River.
- 70. In the environmental assessment for the supplemental 2013 releases, Reclamation determined that implementing the proposed August and September releases prior to receiving a pending biological opinion regarding operation of the entire CVP system would not violate the ESA section 7 consultation requirement. Reclamation concluded that the "2013 late-summer flow augmentation release will continue the status quo as to listed species in that

Reclamation still retains discretion to provide flow and water temperature conditions that are consistent with currently anticipated conditions with respect to listed fish." (Environmental Assessment at p. 25.) Reclamation therefore concluded that it was not required to consult with NMFS regarding the effects of the August and September releases, even though the prior NMFS BiOp did not consider the effects of such releases or the effects of exceeding the ROD's annual limits for releases from the TRD for fishery purposes.

- FWS issued its "Reinitiation of Formal Consultation Biological Opinion of the Effects of Long-term Operation of the Central Valley Project and State Water Project as Modified by Implementing the Preferred Alternative in the Draft Environmental Impact Statement/Environmental Impact Report for the Trinity River Mainstem Fishery Restoration Program and Request for Consultation on the Implementation of this Alternative on the Threatened Northern Spotted Owl, Northern Spotted Owl Critical Habitat, and the Endangered Bald Eagle within the Trinity River Basin, and Where Applicable, Central Valley Reservoirs" ("FWS BiOp") on October 12, 2000 as well. The FWS BiOp concluded, among other things, that release of CVP water from the TRD to carry out the ROD's fishery flow release schedule would reduce the volume of water available for import to the Sacramento River watershed, and therefore was likely to adversely affect the delta smelt, which are listed as threatened (58 Fed. Reg. 12854 [March 5, 1993]; see 75 Fed. Reg. 17667 [April 7, 2010] [finding reclassifying delta smelt from threatened to endangered is warranted but precluded by higher priority listing actions]).
- 72. The FWS BiOp did not analyze the effects of the releases in excess of the ROD's annual volume limits on the delta smelt. The August and September releases may adversely affect the delta smelt by diminishing the water supply in Trinity Reservoir available to maintain water quality in the Delta.
- 73. In the environmental assessment for the supplemental 2013 releases, Reclamation concluded that the supplemental releases would not affect any ESA-listed species under the jurisdiction of the FWS, and therefore, there was no need to consult with FWS pursuant to the ESA. This conclusion is inconsistent with the FWS BiOp's determination that increased releases from the TRD were likely to adversely affect the listed delta smelt, by reducing the

SACRAMENTO

Case 1:13-cv-01232-LJO-GSA Document 95 Filed 10/04/13 Page 27 of 99

amount of water available for import to the Sacramento River watershed.

1 2 74. Reclamation has failed to fulfill its obligation under ESA section 7 to consult 3 regarding the excess releases. Plaintiffs have a concrete interest in ensuring that Defendants 4 satisfy their ESA consultation obligations with respect to ESA-listed species which may be 5 adversely affected by changes to TRD operations related to the excess releases. Each year 6 Plaintiffs' CVP water supply is significantly constrained pursuant to the requirements of existing 7 biological opinions developed as a result of ESA consultation regarding effects of CVP 8 operations on Sacramento River winter-run Chinook salmon, Central Valley spring-run Chinook 9 salmon, Central Valley steelhead, green sturgeon, and the delta smelt. In recent years, the 10 requirements of these biological opinions have significantly reduced the CVP water supply 11 available to Plaintiffs. Changes to TRD operations related to the excess releases may adversely 12 affect these same listed species by diminishing the quantity of water available from the TRD to 13 assist in maintaining appropriate water quality in the Sacramento River, Clear Creek, and the 14 Delta. Increased and colder flows in the Trinity River in late summer and early fall may 15 adversely affect Southern Oregon/Northern California Coast coho salmon rearing in the Trinity 16 River below Lewiston Dam. Plaintiffs have an interest in the conservation and recovery of these 17 ESA-listed species. If changes to TRD operations related to the excess releases adversely affect 18 the status of these ESA-listed species, that impaired status is likely to result in even more 19 stringent restrictions on CVP operations, and greater adverse effects on Plaintiffs' water supply. 20 By diminishing the quantity of TRD water available to export to the Sacramento River, the excess 21 releases likewise diminish the ability of the TRD to contribute to the recovery of listed species in 22 that watershed. Plaintiffs thus have an interest in ensuring that Defendants perform a lawful ESA 23 consultation regarding the late summer and early fall releases proposed for 2013 and for any 24 future years. 25

The Court Should Preliminarily Enjoin The Proposed Releases, And After Resolving The Merits Enter Judgment Setting Aside The Defendants' Actions And Providing Declaratory **And Permanent Injunctive Relief**

75. The excess August and September releases will begin and be completed before

27

26

28

- 27 -

5

9

10 11 12

13

14

15 16

17

18 19

20 21

22

23 24

25

26

27

28

the Court can finally resolve the merits of Plaintiffs' claims, and if allowed to occur, the releases will likely cause irreparable harm to Plaintiffs and the environment. The balance of hardships favors injunctive relief, and is in the public interest. Plaintiffs therefore request temporary and preliminary injunctive relief against the releases.

76. Although the duration of the proposed 2013 releases is too short to allow the claims alleged herein to be fully litigated before the releases end, and the 2012 releases have already been completed, Plaintiffs request that the Court nonetheless finally resolve the claims alleged herein and enter judgment for Plaintiffs. Based upon Defendants' actions over the past decade, Plaintiffs reasonably expect to be subject to similar supplemental releases again. The Defendants have already made supplemental releases for the purpose of reducing risk of disease for returning salmon in the lower Klamath River in the years 2003, 2004, and 2012, and are attempting to do so again in 2013. Defendants are likely to attempt to do so yet again in future years when they believe conditions warrant. The period of such supplemental releases has typically been about 40 days, too short a time to allow Plaintiffs' claims against the releases to be fully litigated prior to the cessation of the releases. The Court should therefore maintain jurisdiction even after the period of the releases proposed for 2013 has expired, to resolve the claims presented in this complaint, to set aside the 2012 and 2013 actions, and enter appropriate declaratory and permanent injunctive relief, relief that will govern and prevent similar attempted actions in future years.

V.

FIRST CLAIM FOR RELIEF (THE 2013 RELEASES VIOLATE CVPIA SECTION 3406(B)(23))

77. Plaintiffs reallege and incorporate herein by reference the allegations of paragraphs 1 to 76, inclusive, of this Complaint and further allege:

78. The Defendants have a mandatory duty under CVPIA section 3406(b)(23) to implement releases to the Trinity River for fishery purposes in accordance with the ROD. The maximum fishery releases for each year is set forth in the ROD, based on year type. As the ROD states at page 12: "the schedule for releasing water on a daily basis, according to that year's hydrology, may be adjusted but the annual flow volumes established in Table 1 may not be

- 28 -

	Case 1:13-cv-01232-LJO-GSA Document 95 Filed 10/04/13 Page 29 of 99
1	changed."
2	79. The excess August and September releases are for fishery purposes.
3	Specifically they are intended to benefit migrating Chinook salmon in the lower Klamath River.
4	A significant portion of the Chinook salmon in the lower Klamath River are returning to the
5	Trinity River for spawning.
6	80. Under the ROD, Defendants are limited to releases for fishery purposes totaling
7	453,000 acre-feet for 2013. If Defendants make the additional August and September releases,
8	the total releases for fishery purposes in 2013 will exceed the 453,000 volume limit set by the
9	ROD, by the full amount of the additional releases. Defendants' action is therefore in violation of
10	Defendants' mandatory duty under CVPIA section 3406(b)(23) to implement the releases and
11	operating criteria set forth in the ROD.
12	81. Defendants' decision to make the excess August and September 2013 fishery
13	releases is a final agency action for which there is no other adequate remedy in a court, within the
14	meaning of APA section 704.
15	82. The Defendants' action is: (1) arbitrary, capricious, an abuse of discretion, and
16	otherwise not in accordance with law; (2) in excess of statutory jurisdiction, authority, or
17	limitation, or short of statutory right; and (3) without observance of procedure required by law,
18	within the meaning of 5 U.S.C. § 706(A), (C) and (D). Under APA section 706, the Court must
19	therefore hold unlawful and set aside Defendants' action.
20	83. Plaintiffs have exhausted any and all administrative remedies required by law.
21	Plaintiffs have no plain, speedy or adequate remedy at law.
22	WHEREFORE, Plaintiffs pray for relief as more fully set forth below.
23	VI.
24	SECOND CLAIM FOR RELIEF (THE 2013 RELEASES ARE A USE OF WATER OUTSIDE THE STATE PERMITTED
25	PLACE OF USE IN VIOLATION OF CVPIA SECTION 3411(A) AND 43 U.S.C. § 383)
26	84. Plaintiffs reallege and incorporate herein by reference the allegations of
27	paragraphs 1 to 83, inclusive, of this Complaint and further allege:
28	85. California law requires that an applicant for a water rights permit identify the
	- 29 -

place where the applicant intends to use the water it seeks to appropriate. The applications that Reclamation submitted for water rights permits for the TRD identified the place that water diverted from Trinity River would be used as the CVP service area. The applications did not include the lower Klamath River as an intended place of use.

- 86. The water permits issued to Reclamation by the State Water Resources Control Board approved the diversion and use of water based upon and as described in Reclamation's applications, and subject to additional terms and conditions identified by the Board. The existing water rights permits applicable to the TRD do not approve use of water diverted by the TRD in the lower Klamath River.
- 87. Section 3411(a) of the CVPIA directs that "the Secretary shall, prior to the reallocation of water from any . . . place of use specified within applicable Central Valley Project water rights and licenses to a . . . place of use not specified within said permits or licenses, obtain a modification in those permits and licenses, in a manner consistent with the provisions of applicable State law, to allow such change in . . . place of use."
- 88. Section 8 of the Reclamation Act requires Defendants "to proceed in conformity with" State law "relating to the control, appropriation, use or distribution of water used in irrigation." 43 U.S.C. § 483.
- 89. Chapter 10 of Division 2 of the California Water Code (commencing at Section 1700) provides a procedure and substantive requirements for an amendment to the approved place of use under a water rights permit. The process includes notice to interested persons and a right to protest.
- 90. Defendants have not obtained a modification of the approved place of use under the TRD permits to add the lower Klamath River in accordance with the requirements of California law.
- 91. The proposed allocation of stored TRD water for use in the lower Klamath River in August and September 2013 without first obtaining a modification of the permitted place of use under the State water rights permits applicable to the TRD is a violation of Defendants' mandatory duties under CVPIA section 3411(a) and 43 U.S.C. section 483.

	1	
,	1	

WHEREFORE, Plaintiffs pray for relief as more fully set forth below.

2

3

4

5

7

9

10

11 12

- 13
- 14
- 15 16
- 17
- 1 /
- 18
- 19 20
- 21

22

23

24

25

2627

28

28

VII.

THIRD CLAIM FOR RELIEF (DEFENDANTS HAVE FAILED TO COMPLY WITH THE NATIONAL ENVIRONMENTAL POLICY ACT REGARDING THE 2013 RELEASES)

- 92. Plaintiffs reallege and incorporate herein, as if set forth in full, each and every allegation contained in paragraphs 1 through 91, inclusive, of this Complaint and further allege:
- 93. Reclamation is a federal agency subject to NEPA. NEPA requires that "to the fullest extent possible," all agencies of the federal government prepare an environmental impact statement prior to implementing "major Federal actions significantly affecting the quality of the human environment." 42 U.S.C. § 4332(2)(C).
- 94. At a minimum, based on the available information, there are substantial questions whether the August and September 2013 releases may have a significant effect on the human environment. Under NEPA, Defendants are therefore required to prepare an environmental impact statement before proceeding with the releases.
- 95. Defendants' decision to proceed with the releases without preparing an environmental impact statement is arbitrary and capricious. In the final EA/FONSI for the August and September 2013 releases, Defendants have failed to take a hard look at the consequences of the releases, failed to provide a convincing statement of reasons to explain why the impact of the releases will be insignificant, and failed to base their decision on a consideration of all the relevant factors.

WHEREFORE, Plaintiffs pray for relief as more fully set forth below.

VIII.

FOURTH CLAIM FOR RELIEF (DEFENDANTS HAVE FAILED TO COMPLY WITH THE ENDANGERED SPECIES ACT REGARDING THE 2013 RELEASES)

- 96. Plaintiffs reallege and incorporate herein, as if set forth in full, each and every allegation contained in paragraphs 1 through 95, inclusive, of this Complaint and further allege:
- 97. The ESA provides for the listing of, and affords certain protections to, species determined to be threatened or endangered. Threatened species are defined as "any species which

is likely to become an endangered species within the foreseeable future throughout all or a significant portion of its range." 16 U.S.C. § 1532(20). Endangered species are those which are "in danger of extinction throughout all or a significant portion of its range." 16 U.S.C. § 1532(6).

- 98. The fish species affected by the proposed August and September releases—SONCC coho salmon in the Trinity River, Central Valley spring-run chinook salmon, Sacramento River winter-run chinook salmon, green sturgeon and delta smelt--are listed under the ESA as threatened or endangered. 62 Fed. Reg. 24588 (May 6, 1997) [listing SONCC coho salmon as threatened]; 64 Fed. Reg. 50394 (September 16, 1999) [listing Central Valley spring-run Chinook salmon as threatened]; 59 Fed. Reg. 440 (January 4, 1994) [listing Sacramento River winter-run Chinook salmon as endangered]; 71 Fed. Reg. 17757 (April 7, 2006) [listing green sturgeon as threatened]; 58 Fed. Reg. 12,863 (March 5, 1993) [listing delta smelt as threatened].
- 99. Reclamation is a federal agency subject to the ESA. Section 7(a)(2) of the ESA requires that each federal agency, in consultation with and with assistance of the Secretary, ensure that any action which it authorizes, funds, or carries out is not likely to jeopardize the continued existence of any threatened or endangered species or result in the destruction or adverse modification of any listed species' critical habitat. 16 U.S.C. § 1536(a)(2). In fulfilling its obligations under ESA section 7(a)(2), Reclamation must "use the best scientific and commercial data available." *Id*.
- 100. Reclamation has a duty to "review its actions at the earliest possible time to determine whether any action may affect listed species or critical habitat." 50 C.F.R. § 402.14(a). If Reclamation determines that an action may affect any listed species or critical habitat, then it must initiate consultation. *Id.* Reclamation is excused from initiating consultation only if it obtains written concurrence from NMFS or FWS that an action is not likely to adversely affect a listed species or critical habitat, or a preliminary biological opinion is confirmed as a final biological opinion. 50 C.F.R. § 402.14(b)(1), b(2). Neither exception to the consultation requirement set forth in 50 C.F.R. § 402.14(b) applies here.
- 101. Reclamation did not initiate consultation pursuant to ESA section 7 with NMFS or FWS regarding the effects of the excess releases in August and September 2013 on ESA-listed

species or their critical habitat. If Reclamation made a determination without consultation that

the excess releases could not affect any listed species or critical habitat, that determination was

not based on the best scientific and commercial data available, and was arbitrary, capricious, and

an abuse of discretion.

10 11

12 13

14

16

15

17

18

19

20 21

22

23

24

25

26 27

28

102. Defendants have not satisfied their ESA section 7 obligations to consult with NMFS and FWS regarding the excess releases in August and September. On July 11, 2013, Plaintiffs provided Defendants with written notice of violations of ESA section 7 and ESA section 9 related to the August and September excess releases, pursuant to ESA section 11(g), 16 U.S.C. § 1540(g). More than sixty days have passed since Plaintiffs provided that written notice of violations to Defendants, and Defendants have not since cured the violations. Plaintiffs' interests are adversely affected by Defendants' failure to consult under ESA section 7, because the August and September excess releases may impair the status or recovery of listed fish species that are the subject of biological opinions that restrict CVP operations, and may thereby lead to additional or prolonged restrictions on CVP operations that adversely affect Plaintiffs' CVP water supply.

- 103. ESA section 9, 16 U.S.C. § 1538, prohibits take of listed species. Federal agencies causing take may be excused from section 9 through an incidental take statement in a biological opinion issued pursuant to ESA section 7. 16 U.S.C. § 1536(o). Defendants, however, have not completed ESA section 7 consultation regarding excess releases in August and September, and therefore will violate ESA section 9 for any incidental take that occurs in connection with the excess releases in August and September.
- 104. Defendants' decision to proceed with the August and September releases without conducting ESA section 7 consultation is: (1) arbitrary, capricious, an abuse of discretion, and otherwise not in accordance with law; (2) in excess of statutory jurisdiction, authority, or limitation, or short of statutory right; and (3) without observance of procedure required by law, within the meaning of 5 U.S.C. § 706(A), (C) and (D).

WHEREFORE, Plaintiffs pray for relief as more fully set forth below.

2

3

4

5

7 8

9

11

12

131415

16 17

18

1920

2122

2324

25

26

27

28

IX.

FIFTH CLAIM FOR RELIEF (THE 2012 RELEASES, AND RECLAMATION'S FAILURE TO KEEP ITS COMMITMENTS RELATED TO THOSE RELEASES, ARE ARBITRARY, CAPRICIOUS AND AN ABUSE OF DISCRETION)

105. Plaintiffs reallege and incorporate herein, as if set forth in full, each and every allegation contained in paragraphs 1 through 104, inclusive, of this Complaint and further allege:

- 106. The year type for 2012 under the ROD was "normal." Under the ROD,
 Defendants were limited to releases for fishery purposes totaling 647,000 acre-feet for 2012. In
 August and September of 2012, however, Defendants made additional releases of nearly 40,000 acre-feet for the purpose of reducing risk of disease outbreak among Chinook salmon in the lower Klamath River.
- 107. The additional August and September releases in 2012 were for fishery purposes. As a result of those additional releases, the total volume of releases for fishery purposes in 2012 was approximately 687,000 acre-feet, and hence the total volume of releases in 2012 exceeded the 647,000 acre-feet volume limit for 2012 set by the ROD. Defendants' 2012 action is a violation of Defendants' mandatory duty under CVPIA section 3406(b)(23) to implement the releases and operating criteria set forth in the ROD.
- 108. The release of stored TRD water for use in the lower Klamath River in August and September 2012 without first obtaining a modification of the permitted place of use under the State water rights permits applicable to the TRD is a violation of Defendants' mandatory duties under CVPIA section 3411(a) and 43 U.S.C. section 483.
- 109. At a minimum, based on the available information, there were substantial questions whether the August and September 2012 releases might have a significant effect on the human environment. Under NEPA, Defendants were therefore required to prepare an environmental impact statement before proceeding with the releases.
- 110. Defendants failed to prepare an environmental impact statement prior to making the August and September 2012 additional releases. Instead, Defendants prepared an environmental assessment, and issued a finding of no significant impact on August 10, 2012.

TIEDEMANN & GIRARD

ATTORNEYS AT LAW
SACRAMENTO

- 111. Defendants' decision to proceed with the 2012 additional releases without preparing an environmental impact statement under NEPA is arbitrary and capricious.

 Defendants failed to take a hard look at the consequences of the August and September additional releases, failed to provide a convincing statement of reasons to explain why the impact of the releases would be insignificant, and failed to base their decision on a consideration of all the relevant factors.
- July 2012. In response, Reclamation made three commitments to Plaintiffs documented in a July 27, 2012 letter from then Regional Director Don Glaser to Dan Nelson: (1) that if Plaintiffs did not dispute the proposed action, Defendants would not assert that as a waiver of Plaintiffs' claims the action was illegal; (2) Reclamation promised to mitigate any loss of water supply to its CVP contractors in 2013-2014 resulting from the releases; and (3) Reclamation further promised to develop a "long-term strategy for addressing fall fish needs on the Lower Klamath River." Reclamation has not kept the second and third commitments, and whether it will keep the first remains to be seen. A copy of the July 27, 2012 letter is attached as Exhibit 4.
- 113. In the summer of 2012, the CVP water supply situation was better than it is now in 2013. But as a result of the dry hydrology since, Trinity Reservoir did not refill in 2013. Plaintiffs have been and are still being harmed by those 2012 releases, because the releases created a nearly 40,000 acre-feet hole in TRD storage. And now the CVP water supply and projected carry over storage is much worse than in 2012.
- 114. Defendants have done nothing to mitigate the CVP's loss of the nearly 40,000 acre-feet of water above the ROD flows released from the TRD in August and September 2012.
- 115. Nor have Defendants developed a long term strategy for addressing the needs of fish in the lower Klamath River in the late summer and early fall. For example, Defendants could have, but did not, provide for such flows out of the block of water dedicated for fishery releases under the ROD for 2013. Over the past year, Defendants could have, but have not, prepared an environmental impact statement to address the impacts of making these late summer and early fall releases.

- 116. Instead, in August of 2013, Defendants are attempting yet another last-minute, ill-considered and illegal release of TRD stored water to the Trinity River that under the ROD is designated for CVP uses.
- Defendants' decisions to make the additional fishery releases in August and September of 2012, and to not honor Reclamation's commitments in the July 27, 2012 letter, are final agency actions for which there is no other adequate remedy in a court, within the meaning of APA § 704.
- 118. Reclamation did not initiate consultation pursuant to ESA section 7 with NMFS or FWS regarding the effects of the excess releases in August and September 2012 on ESA-listed species or their critical habitat. If Reclamation made a determination without consultation that the excess releases could not affect any listed species or critical habitat, that determination was not based on the best scientific and commercial data available, and was arbitrary, capricious, and an abuse of discretion.
- Reclamation's commitments in the July 27, 2012 letter relating to those releases are: (1) arbitrary, capricious, an abuse of discretion, and otherwise not in accordance with law; (2) in excess of statutory jurisdiction, authority, or limitation, or short of statutory right; and (3) without observance of procedure required by law, within the meaning of 5 U.S.C. § 706(A), (C) and (D). Under APA section 706, the Court must therefore hold unlawful and set aside Defendants' action.
- 120. Plaintiffs have exhausted any and all administrative remedies required by law. Plaintiffs have no plain, speedy or adequate remedy at law regarding the 2012 releases.

WHEREFORE, Plaintiffs pray for relief as more fully set forth below.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs pray for preliminary relief and judgment as follows:

- 1. For an order setting aside Defendants' decisions to make additional releases of stored water from the TRD in August and September of 2012 and August and September 2013;
- 2. For an order declaring that the releases of stored water from the TRD in August and September of 2012 and August and September 2013 in excess of the volume of releases set

capricious and in excess Defendants' authority and discretion;

9

12

13

11

14

15

16 17

18

19 20

21

22 23

24

25

26

27

28

3. For an order declaring that the lower Klamath River is not a permitted place of use under the water rights permits issued by the State of California for the TRD, and that absent modification of such permits releases of stored water from the TRD for use in the lower Klamath River are prohibited by CVPIA section 3411(a) and 43 U.S.C. section 383, and are unlawful, arbitrary, capricious, an abuse of discretion, and in excess Defendants' authority and discretion;

by the ROD for each year are contrary to CVPIA section 3406(b)(23), and are unlawful, arbitrary,

- 4. For an order declaring that the releases of stored water from the TRD in August and September 2012 and August and September 2013 are major federal actions significantly affecting the human environment, that Defendants have not complied with NEPA with regard to such releases, and the releases are unlawful, arbitrary, capricious, an abuse of discretion, without observance of procedure required by law, and in excess of Defendants' authority and discretion;
- 5. For an order declaring that the releases of stored water from the TRD in August and September 2012 and August and September 2013 are subject to the ESA section 7 consultation requirements and the ESA section 9 take prohibition, that Defendants have not complied with the ESA with regard to such releases, and the releases are unlawful, arbitrary, capricious, an abuse of discretion, without observance of procedure required by law, and in excess of Defendants' authority and discretion;
- 6. For a temporary restraining order and preliminary injunction prohibiting the Defendants, and the individual officers thereof, and their successors, and any persons or entities acting in concert with them, from making the releases of stored water from the TRD planned for August and September 2013, and for further preliminary injunctive relief in the event that Defendants propose other or additional unlawful releases prior to the resolution of the merits of the claims alleged herein;
- 7. For a permanent injunction prohibiting Defendants from operating the TRD in violation of CVPIA section 3406(b)(23) and the ROD, CVPIA section 3411(a), 43 U.S.C. section 383, NEPA, and the ESA;
 - 8. For costs of suit, including reasonable attorneys' fees; and

KRONICK.

SACRAMENTO

	Case 1:13-cv-01232-LJO-GSA Document 95 Filed 10/04/13 Page 38 of 99
1	9. For such other and further relief as the Court may deem just and proper.
2	
3	Dated: October 4, 2013.
4	KRONICK, MOSKOVITZ, TIEDEMANN & GIRARD A Law Corporation
5	
6	By:/s/ <i>Daniel J. O'Hanlon</i> Daniel J. O'Hanlon
7	Attorneys for Plaintiffs SAN LUIS & DELTA-MENDOTA WATER
8	AUTHORITY and WESTLANDS WATER DISTRICT
9	
10 11	
12	
13	Dated: October 4, 2013. BROWNSTEIN HYATT FARBER SCHRECK LLP
14	
15	By: <u>/s/ Steven O. Sims</u> Steven O. Sims
16	Attorneys for Plaintiffs WESTLANDS WATER DISTRICT
17	
18	1036959.2 10355.004
19	
20	
21	
22	
23	
2425	
26	
27	
28	
, z, Girard	- 38 - FIRST AMENDED COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELIEF

KRONICK,
MOSKOVITZ,
TIEDEMANN & GIRARD
ATTORNEYS AT LAW
SACRAMENTO