

**NOTICE OF AVAILABILITY FOR NOTICE OF INTENT TO RELY ON  
FERC FINAL ENVIRONMENTAL IMPACT STATEMENT, WITH  
MANDATORY CONDITIONS, IN COMBINATION WITH A  
SUPPLEMENTAL ANALYSIS, TO SATISFY CEQA FOR THE MERCED  
RIVER HYDROELECTRIC PROJECT AND MERCED FALLS  
HYDROELECTRIC PROJECT RELICENSINGS**

The Merced Irrigation District (Merced ID) owns and operates the Merced River Hydroelectric Project (Merced River Project) and the Merced Falls Hydroelectric Project (Merced Falls Project), collectively referred to as the “projects.” Merced ID operates and maintains the projects pursuant to licenses issued by the Federal Energy Regulatory Commission (FERC or Commission) (FERC Project No. 2179 and FERC Project No. 2467, respectively) under the Federal Power Act (FPA). These multi-purpose projects provide flood control in the lower Merced River; help to meet Merced ID 's irrigation water demands; improve recreation and enhance environmental resources in the lower Merced River; and provide clean, renewable energy to California.

To continue operation and maintenance of the projects, Merced ID must obtain new federal licenses from FERC. Merced ID has applied to FERC for licenses with 50-year terms for both projects, and FERC has issued, in compliance with the National Environmental Policy Act (NEPA), a final environmental impact statement (FEIS) that contains FERC staff’s recommendation with mandatory conditions for terms to be included in the new licenses. Once FERC issues the new licenses, Merced ID may operate and maintain the projects consistent with the terms and conditions in the new licenses, contest the new license by seeking rehearing before FERC, or reject either one or both licenses.

Merced ID is a local government agency and subject to the requirements of the California Environmental Quality Act (CEQA). Merced ID is the CEQA lead agency for acceptance of the new licenses because it will carry out and implement the terms and conditions in the new licenses (CEQA Guidelines section 15051.) This notice of availability (NOA) is to inform CEQA responsible and trustee agencies and other interested parties about Merced ID’s intention to prepare a CEQA Supplemental Analysis to FERC’s FEIS, which will follow the general CEQA Initial Study format (i.e., Appendix G of the CEQA Guidelines). Further, a separate Merced ID CEQA Programmatic Environmental Impact Report (PEIR) is under development for all of Merced ID’s recreational facilities at Merced River and Merced Falls, which is anticipated to be final by the end of 2024, and would predate public review of this CEQA Relicensing Supplemental Analysis. Therefore, this Supplemental Analysis will also incorporate by reference the in-process CEQA Recreation PEIR.

This NOA, consistent with CEQA guidelines, starts a 30-calendar day review period of the NOI. Any responsible and trustee agencies, involved federal agencies, interest groups, and members of the public are invited to provide input on the NOI and MID’s intent to prepare a CEQA Relicensing Supplemental Analysis (in form of Initial Study). All input received will be documented and considered in the development of the Supplemental Analysis, anticipated to be completed this fall.

**PUBLIC REVIEW & COMMENT PERIOD:** May 29 to 5:00 p.m., June 27, 2024

## **PROJECT OVERVIEW**

For the **Merced River Project**, Merced ID will need to decide whether to accept the new FERC license. In accepting a new license, Merced ID would:

- Continue to operate, maintain, and manage the existing Merced River Project facilities.
- Remove from licensed facilities, but retain in operation outside the license, the minor facilities associated with the delivery of water to the Merced National Wildlife Refuge. All of the minor facilities are located on private land or land owned by Merced ID.
- Construct new recreation facilities at all of the existing Project recreation areas (i.e., Recreation areas – McClure Point, Barrett Cove, Horseshoe Bend, Bagby, and McSwain recreation areas). The majority of the new recreation facilities would be on private land or land owned by Merced ID.
- Make minor modifications to the existing FERC Project Boundary.
- Implement the other terms and conditions in the new license.

For the **Merced Falls Project**, Merced ID will need to decide whether to accept the new FERC license. In accepting a new license, Merced ID would:

- Continue to operate, maintain, and manage the existing Merced River Project facilities.
- Make minor modifications to the existing FERC Project Boundary.
- Implement the other terms and conditions in the new license.

In the FEIS’s conclusion, FERC staff (in 2019) selected the FERC Staff Alternative with all mandatory conditions as the preferred alternative. Staff also recognized that the FERC license must include: 1) any mandatory conditions submitted by the BLM pursuant to FPA section 4(e) that meet the FPA requirements; and 2) any conditions included in a final, valid, and timely WQC issued by the SWRCB under CWA section 401. Since the State Water Board set aside the WQC on May 7, 2024, it would be pre-decisional to opine in the CEQA document regarding conditions that may be in the new WQC, and these unknown conditions are not assessed in this CEQA process. Therefore, the FERC preferred alternative, combined with all other mandatory conditions, will be carried through the CEQA Supplemental Analysis as the proposed Project.

Merced ID also intends to use and rely on the Preliminary Environmental Impact Report (PEIR) for the Merced ID Recreation Facility Plan to satisfy CEQA review requirements for all recreational facilities included in the FERC relicensing of the Merced River Project and Merced Falls Project. The PEIR is under development and expected to be available for public review in late 2024.

## **POTENTIAL ENVIRONMENTAL IMPACTS**

Merced ID intends to prepare a CEQA Supplemental Analysis pursuant to section 15221(b) to add and supplement, among other things, the following CEQA considerations that were not addressed or fully covered in the FEIS: 1) air quality effects; 2) noise effects; 3) climate change; 4) separate discussion on mitigation measures, including a program for monitoring or reporting on mitigation measures; 5) Native American tribe consultation, including outreach requirements required by Public Resources Code section 21080.3.1 (adopted by Assembly Bill 52); 6) growth-inducing impacts of the proposed projects; and 7) assessing and incorporating into the proposed

Project any revisions to FWS conservation measures that have occurred post-FEIS, as well as BLM plan development measures that were defined post-FEIS. During the course of preparing the Supplemental Analysis, Merced ID may identify other CEQA considerations that will be included and evaluated. Given the inclusion of all FERC-approved mandatory conditions presented by BLM and USFWS, it is assumed that there will be no unmitigable impacts resulting from the proposed Project construction and operations; therefore, no alternatives to the proposed Project will be carried through the CEQA analysis (as would be the case in completing an Initial Study/Negative Declaration or Initial Study/Mitigated Negative Declaration CEQA process). In addition, since all recreation improvements are being assessed separately under the MID Recreation PEIR process, and findings simply incorporated by reference here, any footprint of disturbance potential effects that would result from recreation-related upgrades would be analyzed and mitigated in that document, rather than in this Supplemental Analysis.

### **CEQA NOTIFICATIONS**

Merced ID has prepared and is distributing this NOI to give notice to interested agencies and parties of its intent to rely on the FEIS for the Merced ID relicensing, in combination with a supplemental analysis (in the format of an IS, using Appendix G of the CEQA guidelines as a template) to be prepared by Merced ID, to meet the requirements of CEQA in accordance with Public Resources Code section 21083.7 and CEQA Guidelines sections 15221 and 15225. Merced ID is providing this NOI by: 1) uploading an Notice of Availability (NOA) and this NOI to the Governor's Office of Planning and Research, State Clearinghouse Unit, via CEQA Submit for publication to CEQAnet; 2) emailing or mailing the NOA and NOI to responsible agencies, trustee agencies, counties, and other interested parties; 3) posting the NOA at County Clerk offices for Merced and Mariposa Counties; and (4) posting the NOA and NOI on the Merced ID website (<https://mercedid.org/>) for public access.

At release of the CEQA Supplemental Study, Merced ID will be providing notice by: 1) uploading filing documentation and CEQA Supplemental Study (IS) to the Governor's Office of Planning and Research, State Clearinghouse Unit, via CEQA Submit for publication to CEQAnet; (2) posting a NOA at County Clerk offices for Merced and Mariposa Counties, (3) posting the supplemental study (IS) and NOA on the Merced ID website, and (4) publishing the NOA in county newspapers of general circulation in the area affected by the proposed project.

### **SUBMITTING COMMENTS**

The *NOTICE OF INTENT TO RELY ON FERC FINAL ENVIRONMENTAL IMPACT STATEMENT, WITH MANDATORY CONDITIONS, IN COMBINATION WITH A SUPPLEMENTAL ANALYSIS, TO SATISFY CEQA FOR THE MERCED RIVER HYDROELECTRIC PROJECT AND MERCED FALLS HYDROELECTRIC PROJECT RELICENSINGS* is available for public review at <https://mercedid.org/> and at the Governor's Office of Planning and Research, State Clearinghouse Unit, via CEQAnet. Given this is not an EIR process, no public meetings will be held at release of NOI or upon release of future Supplemental Analysis documentation. Submission of comments are invited from all interested parties until **5:00 p.m. PDT on June 27, 2024**. Comments can be submitted via email to [bkelly@mercedid.org](mailto:bkelly@mercedid.org) or via mail post to Merced Irrigation District, attention: Bryan Kelly, Deputy General Manager, at 744 W. 20<sup>th</sup> Street, Merced, CA 95340.