



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 10

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OFFICE OF
WATER AND WATERSHEDS

FINDING OF NO SIGNIFICANT IMPACT (FONSI)

To all interested government agencies, public groups, and individuals:

In accordance with the U.S. Environmental Protection Agency procedures for complying with the National Environmental Policy Act (NEPA) at 40 CFR Part 6, the EPA has completed an environmental review of the following proposed action:

Issuance of a National Pollutant Discharge Elimination System Permit (NPDES)

to

Pacific Aquaculture Inc.,

Rufus Woods Lake Site #3 Net Pen Aquaculture Facility

THE EPA ROLE AND RESPONSIBILITY

Section 301(a) of the Clean Water Act provides that the discharge of pollutants to surface waters of the United States is prohibited except in accordance with a NPDES permit.

Pacific Aquaculture Inc., (PAI) has applied for an NPDES permit for discharges associated with the operation of a net pen aquaculture facility within Rufus Woods Lake Reservoir, a run-of-the-river reservoir of the Columbia River, located in Douglas County, Washington. Discharges into waters of the United States associated with the operation of aquaculture facilities are regulated under the Net Pen Subcategory of the Concentrated Aquatic Animal Production Point Source Category [40 CFR Part 451, Subpart B]. Due to the location of the proposed project within the boundaries of the Confederated Tribes of the Colville Reservation, the EPA is the NPDES permitting authority.

New effluent limitation guidelines and new source performance standards for the Concentrated Aquatic Animal Production Point Source Category were promulgated on September 7, 2004, and became effective on September 22, 2004. Aquaculture facilities constructed after promulgation of these new source performance standards are considered *new sources* under 40 CFR 122.29. In accordance with Section 511(c)(1) of the CWA and the EPA's regulations for implementing the procedural provisions of the National Environmental Policy Act (NEPA) at 40 CFR Part 6, issuance of NPDES permits for *new sources* are considered major Federal actions subject to NEPA review. Pacific Aquaculture Inc's., proposed Site # 3 steelhead trout net pen aquaculture facility is considered a new source. As a new source, issuance of an NPDES permit to the Rufus Woods Lake Site #3 Net Pen Facility is subject to NEPA review.

Pursuant to the requirements of NEPA, the EPA developed an Environmental Assessment (EA) evaluating the potential impacts of the NPDES permit action. Based on the findings of the EA, EPA concluded a Finding of No Significant Impact (FONSI), which is hereby issued pursuant to the Council on Environmental Quality (CEQ) regulations at 40 CFR 1508.13 and the, EPA's regulations for implementing the procedural provisions of NEPA at 40 CFR Part 6.206.

BACKGROUND AND PROJECT DESCRIPTION

Pacific Aquaculture, Inc. (PAI)—a division of Pacific Seafood—is a Washington State-based trout farming company, producing fresh steelhead (an anadromous form of rainbow trout) for the wholesale seafood market. In 2008, Pacific Seafood purchased an existing Rufus Woods Lake fish farming operation out of bankruptcy and renamed it Pacific Aquaculture, Inc. The operation has been rearing steelhead in the Columbia River for more than 20 years.

PAI currently owns and operates two steelhead trout net pen aquaculture systems within Rufus Woods Lake. These two existing facilities were constructed prior to promulgation of NSPS and, therefore, do not require a NEPA analysis for NPDES permit coverage. As part of their long-term plan for Rufus Woods operations, PAI has proposed to construct and operate a third steelhead trout net pen aquaculture facility—Site #3. Site #3 will consist of 20 steel net pens located within the near shore area of Rufus Woods Lake, each with a capacity to hold approximately 50,000 fish at a harvest size of 6 to 8 pounds. The steelhead trout fingerlings to be introduced into Site #3 will be sterile (triploid) females certified disease free and purchased from Washington Department of Fish and Wildlife approved hatcheries. Upland support facilities are proposed on an adjacent 2.87-acre parcel at Pacific Aquaculture Preferred Alternative Site #3 (see Drawing #14 in Attachment 1). The upland site and aquatic area proposed for the location of Site #3 are within the boundaries of the Confederated Tribes of the Colville Reservation, as are the two existing sites owned and operated by Pacific Aquaculture. The upland parcel at Site #3 would be leased from the U.S. Department of the Interior, Bureau of Indian Affairs.

PURPOSE AND NEED OF ACTION

The purpose of the proposed action is to issue an NPDES Permit for PAI's Site #3 steelhead trout net pen aquaculture facility within Rufus Woods Lake. NPDES permit coverage is needed for any discharge of pollutants into waters of the U.S., including those associated with operation of net pen aquaculture facilities such as PAI's Site #3. The permit would authorize discharges from the facility into Rufus Woods Lake in accordance with the discharge limitations and monitoring requirements set forth in the proposed permit. The attached EA analyzes the potential environmental impacts associated with EPA's proposed issuance of the permit.

ALTERNATIVES

A complete analysis of alternatives can be found in Chapter 3 of the EA. A summary of the alternatives considered in the EA are described below.

Proposed Action

The proposed action (preferred alternative) is for PAI to construct the Rufus Woods Lake Site #3 facility at river mile 576.4, and upland support facilities on Colville Tribal Tract No. 101-T4213. This site is preferred for optimum (i.e., minimum) environmental effects and fish cultural conditions in relation to the siting criteria for floating net pen aquaculture facilities, for closest proximity to PAI's existing Site #1 (for ease of maintenance and operations), and for the least potential for impacts to the known location of cultural resources on lands bordering the river in the area.

Under the proposed action EPA would issue an NPDES permit to Site #3 for discharges associated with operation of the net pens. In-water discharges would include uneaten or regurgitated feed, fish feces, fish oil, and possibly other constituents associated with the steelhead trout net pen aquaculture operation. No antifoulants are used on net pens in a freshwater environment, and pharmaceutical treatments are extremely rare, based on the more than 20-year history of fish culture in Rufus Woods Lake. There has also been no need for fish treatment for exoparasites in the freshwater environment.

A complete description of all aspects of the proposed action can be found in Chapter 3 of the EA.

Alternatives to the Proposed Action

Several alternative sites within Rufus Woods Lake were evaluated during project planning. Several factors went into the ultimate site selection, including water depth, currents, circulation patterns, ambient water quality, river bottom characteristics, anchoring conditions, and proximity to sensitive areas and existing facilities. In addition to the proposed site, three additional sites were evaluated—High Banks Bight (\approx river mile 573.9); Mah-Kin Rapids (\approx river mile 572.4) and; Narrows Downstream (\approx river mile 571.9). After evaluating each siting criteria for each alternative locations it was determined that the proposed action alternative (\approx river mile 571.9) was the best alternative for meeting the purpose and need of the proposed project while minimizing impacts to the receiving water and environment.

A detailed description of alternatives to the proposed action is included in Chapter 3 of the EA.

No Action

Under the no action alternative PAI would not expand existing operations in Rufus Woods Lake and would not construct Site #3. Under the no action alternative EPA would not issue an NPDES permit for PAI's Rufus Woods Lake Site #3 net pen aquaculture facility.

CROSS CUTTERS

The following cross-cutting environmental laws and regulations were evaluated. A complete analysis of all cross-cutters considered is included in Chapter 6 of the EA.

National Historic Preservation Act

The EPA has determined that issuance of an NPDES permit for Site #3 is not an undertaking which has the potential to impact historic properties or cultural resources. The EPA has no jurisdiction over the location or siting of the proposed project (net pens or upland facilities), which are the primary means in which historic properties or cultural resources could be impacted. Therefore, pursuant to 36 CFR 800.3(a)(1), EPA has no further obligations under Section 106 of the NHPA. Rather, Federal and/or Tribal agencies with direct jurisdiction and permitting authority over siting and construction of the proposed facility will need to work with the applicant to ensure that historic properties and cultural resource are protected in accordance with applicable State and Federal law.

Clean Air Act

The proposed project does not occur within any air quality maintenance or non-attainment areas. Therefore, construction and operation of the facility is not subject to a General Conformity determination pursuant to 40 CFR Part 93.

Endangered Species Act

The only documented threatened or endangered species potentially present within the project area are the grizzly bear, Canada lynx, northern spotted owl, Ute ladies'-tresses, and the bull trout. There is no suitable habitat for any of the upland species within the project area and no designated critical habitat for any of identified species. The presence of bull trout in the project area is based upon an anecdotal sighting of an individual bull trout within Rufus Woods Lake.

The EPA has determined that the proposed project will have *no effect* on any identified threatened or endangered species. The only potential impact to bull trout from the proposed project, if present, would be from in-water work and noise associated with installation of the net pens within Rufus Woods Lake. Due to the extremely low numbers of bull trout within Rufus Woods Lake, and the effluent limitations and monitoring requirements contained within the NPDES permit to minimize impacts to the receiving water, the authorization of discharges into Rufus Woods Lake under the NPDES permitting program will have *no effect* on bull trout or any other threatened or endangered species or designated critical habitat.

Magnuson-Stevens Fishery Conservation and Management Act—Essential Fish Habitat

The Chief Joseph Dam has been identified as a barrier to migratory salmonids passage and represents the upstream extent of Pacific salmon essential fish habitat (EFH). As a result, no Pacific salmon EFH is designated above Chief Joseph Dam, including Rufus Woods Lake. Therefore, the proposed project will have no effect on Pacific salmon EFH.

Executive Order 12898—Environmental Justice

The Confederated Colville Tribe (CCT) has been consulted throughout the development of the EA and proposed draft permit for PAI's Site #3 net pen facility. It is anticipated that construction and operation of Site # 3 will result in a net benefit to CCT through an increase in local employment opportunities as well as royalties paid on PAI profits. No adverse or disproportionate impacts to CCT are anticipated as a result of the proposed project.

Executive Order 13175—Consultation and Coordination with Indian Tribal Governments

The EPA has invited CCT to participate in formal government-to-government consultation on the NEPA analysis and NPDES permit development for PAI's net pen Site #3. While no formal response was received from CCT leadership, the EPA and CCT staffs have been coordinating throughout the EA and NPDES permit development. Comments submitted by CCT on the preliminary draft EA were incorporated within the draft EA, and the EPA will respond to all

substantive comments received on the draft EA and NPDES permit. In addition, the EPA's invitation for formal government-to-government consultation remains open.

MITIGATION

In addition to the effluent limitations and monitoring requirements contained within the draft NPDES permit, PAI has proposed numerous mitigation measures to minimize the potential environmental impacts associated with construction and operation of the facility. A complete description of proposed mitigation measures can be found in Chapters 5 and 7 of the EA.

SUMMARY

Based on the EA and consideration of the NPDES permit conditions and mitigation measures, and in accordance with the guidelines for determining the significance of proposed federal actions (40 C.F.R. 1508.27) and the EPA criteria for initiating an Environmental Impact Statement (EIS) (40 C.F.R. 6.207), the EPA has concluded that issuance of an NPDES permit to PAI for operation of Site #3 within Rufus Woods Lake will not result in a significant effect on the environment.

The permit will not significantly affect land use patterns or population, wetlands or flood plains, threatened or endangered species, farmlands, ecologically critical areas, historic resources, air quality, water quality, noise levels, fish and wildlife resources, nor will it conflict with approved local, regional, or state land use plans or policies. The permit also conforms to all applicable federal statutes and executive orders. As a result of these findings, the EPA has determined that an EIS will not be prepared.

Additional copies of the EA can be obtained by calling Jamey L. Stoddard at (206) 553-6110 or toll-free in AK, ID, OR and WA at (800) 424-4EPA.



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Date