

April 26, 2017

Delivered via email

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Ms. Susan Tatayon, Vice-Chair
Mr. Frank C. Damrell, Jr., Council Member
Mr. Mike Gatto, Council Member
Mr. Patrick Johnston, Council Member
Mr. Skip Thomson, Council Member
Mr. Ken Weinberg, Council Member
Delta Stewardship Council
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Dear Council Members:

The State Water Contractors (SWC) look forward to engaging with the Delta Stewardship Council during the development of the Revised Delta Plan. As background, the SWC represents 27 of the 29 agencies that have contracted for water supplies from the State Water Project (SWP). Since the SWP relies, in part, on conveyance of water through the Sacramento-San Joaquin Delta, several components of the Delta Plan have the potential to affect our water management.

The SWC supports the Delta Reform Act, including the need to manage the Delta to achieve the coequal goals of providing for a more reliable water supply for California and protecting, restoring, and enhancing the Delta ecosystem. The SWC and the regions we serve have made considerable investments in system reliability including water conservation, water use efficiency, groundwater banking, recycling, desalination, new technologies, and improved regional planning, in addition to investments made in the SWP itself. We have also made substantial investments in Delta research, monitoring, and planning efforts that allow for better understanding and management of Delta resources.

We believe the Delta Plan can be used to set an appropriate pathway for achieving the coequal goals, and that policies, principles, strategies, and performance measures within the plan should be developed in a way that are consistent with these goals. The SWC looks forward to continued engagement with the DSC as the development of the revised Delta Plan and its associated CEQA review proceed, and offer the following broader concepts to ensure the integrity and success of the revised plan.



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1. The Delta Plan should acknowledge that the Delta status quo is unsustainable and that the coequal goals are State goals, applicable to all those with activity in the Delta.

The Delta Reform Act is meant to address the fact that the Delta, as it is managed today, is unsustainable for water supply and the ecosystem. Many factors affect species' health in the Delta, and the Delta is also threatened by continuing land subsidence, seismic risk, and effects of climate change. The reliability of Delta water supply is in large part, linked to the health of the Delta. Ongoing farming on peat soils has led to substantial land subsidence in the Delta and increased pressure on levees, resulting in a severely altered and unsustainable system of artificial islands.

Reclamation and farming related subsidence have rendered the state's water system vulnerable to earthquake-induced supply disruptions. With the current water supply infrastructure, large earthquakes in and around the Delta region may cause numerous levees to fail, and multiple islands to flood. This would cause seawater to be pulled into the Delta, potentially disrupting SWP/CVP water deliveries for an extended period of time. During this recovery period, urban and agricultural water consumers may experience significant water shortages.

Climate change effects are increasingly being expressed in the system, and current modeling predicts warming water temperatures, changes in the frequency and timing of precipitation and snow, and increasing sea level. Our current infrastructure is ill-equipped to accommodate these changes, which are likely to result in more rain, less snow, more frequent droughts, more intense floods, increased seawater intrusion, and greater pressure on levees.

The condition of native species that use the Delta has been declining for decades, and increased restrictions on SWP/CVP south Delta operations have not reversed that trend. Additional information and detail concerning the various stressors on the Delta ecosystem are included in Chapter 2 of the Draft BDCP (DWR 2013), which provides a comprehensive description of why the status quo in the Delta is unsustainable for water supply and the ecosystem.

All of these risks will continue to some extent into the future, but careful planning can minimize them. Actions in many areas are needed to flexibly accommodate both anticipated and unexpected changes and their associated variability. The DSC should look holistically at the specific projects and actions that can together provide this flexibility, without constraining the ability to implement projects and actions that contribute to achievement of the coequal goals.

All parties with an interest in the Delta have an interest in helping to achieve the coequal goals. The Delta Plan should provide a pathway for various projects and actions to be implemented that together achieve the coequal goals, rather than every project needing to demonstrate that it contributes to both a more reliable water supply for California and protecting, restoring, and enhancing the Delta ecosystem.

2. The Dual Conveyance concept is an option supported by a large body of evidence that may help achieve the coequal goals.

The development of the dual conveyance concept stems from reports from the Public Policy Institute of California (PPIC), the National Research Council, the Blue Ribbon Task Force, and numerous other experts, which reflect broad agreement that the Delta is dysfunctional in its current state. As was concluded in the PPIC report in 2008 (Lund et. al 2008, conclusion 4), "a peripheral canal is a necessary component of a long-term solution that serves economic and ecosystem objectives co-equally." The report goes on to recommend that we "initiate a

planned transition away from through-Delta pumping to other export strategies,” and that “the most promising strategy for meeting coequal long-term state environmental and economic objectives is a peripheral canal.” The report also notes that “the dual conveyance option has the potential for more flexible management than does a pure peripheral canal.”

Subsequent studies related to ecosystem benefits, economic costs, and water quality effects on the interior Delta suggest that a dual conveyance concept would be the most effective conveyance option for furthering the coequal goals, because it affords flexibility in managing the point of diversion based on environmental, hydrologic, water quality, and other factors. Alternative proposals put forth by others, including the portfolio-based conceptual alternative put forth by NRDC, include a dual conveyance concept as well.

The Legislature recognized in the Delta Reform Act that providing a more reliable water supply includes new and improved Delta conveyance facilities. The Delta Reform Act established the Delta Stewardship Council and directed it to promote options for new and improved infrastructure relating to the water conveyance in the Delta, storage systems, and for the operation of both to achieve the coequal goals. Dual conveyance and isolated facility alternatives are consistent with the Delta Plan and the Governor’s Action Plan and support the Delta Reform Act’s coequal goals of improving statewide water supply reliability and protecting, restoring and enhancing the Delta Ecosystem. Alternatives must consider anticipated effects of climate change and acknowledge that climate conditions will be more variable in the future. Conveyance systems, storage projects, and operations should be able to capture water available during wet periods to reduce shortages and lessen water demand during dry years, even if that dry-year water needs to be conveyed through the Delta. This concept should not be impeded by also imposing reduced reliance standards that may render efficient planning of conveyance, storage, and operations impractical.

The Delta Plan outlines the Council’s authority to recommend options. *“Implicit in the Council’s regulatory authority relating to conveyance (that the Delta Plan shall promote options for improving conveyance) (Water Code §85304) is its authority to recommend to other agencies conveyance options it views as meeting the coequal goals. This authority can be exercised through making Recommendations about conveyance in the Delta Plan.” (Delta Plan, Appendix A, p. A-2)* The revised Plan principles for Conveyance, Storage, and Operation should clarify if these principles are intended to be recommendations, not policies, and to clarify how they will be applied to specific projects.

While our member agencies have yet to make a decision on any particular conveyance project, including CWF, we feel it's important for the Delta Plan to include the dual conveyance concept for reasons described above.

3. Substantial local investments in water use efficiency and conservation, recycled water and groundwater management are essential but cannot cost-effectively replace imported water.

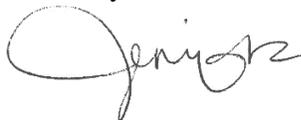
The SWC have made significant investments in developing local supplies. More can, should, and is being done; however, these local investments cannot replace imported water in many areas. In addition, imported water is critical to support the continued development of local resources by leveraging the benefits of imported water supply and water quality benefits to better manage regional supplies. For example, recycled water projects can only be successful if there is a reliable supply of water in a region that can be recycled. These investments should be considered when evaluating the efficiency of water use within various regions, and the Delta

Plan should acknowledge that imported water will remain a cornerstone of many water suppliers' respective portfolios.

4. Standards for Reduced Reliance should be connected to the coequal goals described in the Delta Reform Act and should acknowledge that Delta exports are essential for water supply and water quality benefits that support continued development of local programs. The SWC have implemented projects to lessen the demand for water during dry years and take advantage of water available during wet years, which may not result in an average reduction in the amount of or percentage of water in every water supplier's water supply portfolio. Other projects have been implemented to improve regional and local self-reliance. As such, it is important to address reduced reliance such that performance measures account for the complexity in efficient water management across years and regions, and the DSC should carefully craft the reduced reliance component of the plan to ensure that:

- It does not preclude water users from making investments in dry year supplies, including north-of-Delta storage or conveyance, which are related components of the revised Delta Plan. This concept is explicitly described in the CSO Principal 12.
- It does not discourage efficient water management projects such as transfers among water users from north to south or among south-of-Delta contractors. This concept is explicitly described in the CSO Principal 14.
- It does not ignore the realities of SGMA implementation, but rather facilitates the effective co-management of surface and groundwater, recognizing the role surface water can play in managing groundwater basins to recharge basins, protect against land subsidence, and create a local source of water. This concept is explicitly described in the CSO Principle 16.
- It accounts for previous investments in regional and local water supply development and management, and investments already made in the SWP.
- The baseline, targets, and definition of 'reduced reliance on the Delta' are defined in a way that allows the DSC to demonstrate how these standards contribute to achieving the coequal goals.
- It expressly includes improved regional self-reliance through continued investment in measures that enhance local supplies and stretch existing supplies further, including conservation, water use efficiency, groundwater banking, recycling, desalination, new technologies, and improved regional planning.

Sincerely,



Jennifer Pierre
General Manager

cc: Jessica Pearson