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A Quarter Century of CEQA Litigation Over the Monterey Agreement Comes to an End
Decision Paves the Way for Improved Water Management as Extended Drought Continues to Impact Millions of Californians

Sacramento, CA – On January 5, 2022, twenty-seven years of ongoing litigation challenging the validity of the Environmental Impact Reports (EIRs) for the Monterey Agreement came to an end when the California Supreme Court denied a petition to review the decision in [Central Delta Water Agency v. Department of Water Resources, 69 Cal. App. 5th 170 \(2021\)](#). The 1994 Monterey Agreement between the Department of Water Resources (DWR) and the State Water Project (SWP) contractors – the twenty-nine public water agencies that deliver water to 27 million Californians and 750,000 acres of farmland – helps to facilitate the transfers and exchanges of water between SWP public water agencies and allowed for the conversion of about 20,000 acres of farmland into the [Kern Water Bank](#). The original EIR was invalidated in *Planning & Conservation League v. Department of Water Resources*, 83 Cal. App. 4th 892 (2000), and under a subsequent settlement, DWR certified a new EIR in 2010 that covered the original amendments plus certain additions known as Monterey Plus. After a second round of litigation, DWR prepared a revised EIR to analyze impacts of operating the Kern Water Bank, which drew more litigation, resulting in appeals in three cases decided in DWR's and other defendants' favor in the most recent decision.

"The Monterey Agreement was a substantial improvement in the management of SWP supplies and we are grateful to finally put an end to this costly and unnecessary litigation," **said Jennifer Pierre, General Manager of the State Water Contractors.** "If there is a lesson to be learned in this, it is that California will benefit from actions that continue to provide flexibility in SWP water management, especially as the effects of climate change continue to impact our water supplies."

The impacts of drought and climate change have significantly reduced opportunities for the delivery of water from California's Sierra snowpack reservoir. By supporting the movement of water throughout California between SWP public water agencies and facilitating the development of the Kern Water Bank, the Monterey Agreement improved the State's drought resiliency by helping us move and store water under wet conditions so that it can be used in dry years when Californians need it most.

This crucial decision comes on the heels of the recently ratified [Water Management Tools](#) amendment to the long-term water supply contracts between DWR and the SWP public water agencies. Like the Monterey Agreement before it, the Water Management Tools amendment ensures greater supply reliability and flexibility among the SWP public water agencies to address climate realities threatening our essential SWP supply and helps SWP contractors better manage their SWP supplies in the context of their local water portfolios, particularly in times of drought.

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