February 15, 2012

Attention: Imported Water Committee

Bay-Delta Quarterly update. (Information)

Background
This quarterly update discusses activities that are taking place in the Bay-Delta region.

Discussion

Bay-Delta Principles
A set of principles relating to events and processes in the Bay-Delta is set forth in a separate board memo before the Imported Water Committee.

Delta Stewardship Council
The Delta Stewardship Council released a draft environmental impact report on its Fifth Staff Draft Delta Plan in December 2011. This draft EIR was addressed in a separate board memo before the Imported Water Committee at its January meeting. Water Authority staff prepared comments on the draft EIR and delivered them to the Delta Stewardship Council on February 2, 2012 (see attached). Although the final Delta Plan was due by January 1, 2012, it has been delayed. A sixth draft is scheduled to be presented for approval by the Delta Stewardship Council in the Spring of 2012.

Bay-Delta Conservation Plan
The effects analysis portion of the BDCP is scheduled for completion by April 2012. The California Natural Resources Agency and the federal Department of Interior have jointly announced that the BDCP will be substantially complete and ready for public review in June 2012.

Prepared by: Jeffrey Volberg, Government Relations Manager
Reviewed by: Dennis Cushman, Assistant General Manager

Attachment: SDCWA Comments on Delta Plan Draft EIR
February 2, 2012

Delta Stewardship Council
980 Ninth Street, Suite 1500
Sacramento, CA 95814

Attn: Terry Macaulay

Re: Comments on the Delta Plan Draft Environmental Impact Report

Dear Chairman Isenberg and members of the Delta Stewardship Council:

Thank you for the opportunity to comment on the Delta Plan Draft Environmental Impact Report.

The San Diego County Water Authority is a public agency serving the San Diego region as a wholesale supplier of water from the Colorado River and the Bay-Delta. The Water Authority's mission is to provide a safe and reliable supply of water to its 24 member agencies serving the San Diego region’s $186 billion economy and more than 3.1 million people.

The Water Authority and its member retail water agencies and cities have made billions of dollars of investments over the past 20 years to diversify San Diego County’s water supply and reduce its dependence on water imported from the Metropolitan Water District. In 1991, San Diego County was dependent upon the Metropolitan Water District of Southern California for 95 percent of all water used in the county. MWD’s sources of supply are the Colorado River and the State Water Project. Today, supplies from MWD account for less than 50 percent of the county’s water supplies. By 2020, supplies from MWD will represent 30 percent of the county’s water supply. The Water Authority will have invested $3.5 billion in capital improvements to improve its regional self-sufficiency through water supply diversification and investments in major, large-scale infrastructure.

Despite this supply diversification and infrastructure investments, the Water Authority will need to continue importing a portion of its water supplies from the Bay-Delta to meet demand. The Water Authority supports a reasonably sized and cost-effective Delta fix for which firm financial commitments have been secured from the water agencies expected...
to pay for the facilities and, in turn, from those water contractor's own member agencies. The Water Authority was strongly supportive of the Delta Vision Strategic Plan and worked for the passage of the Delta Reform Act of 2009.

The Delta Vision Strategic Plan and the Delta Reform Act establish as state policy the achievement of the coequal goals of improving water supply reliability and restoring the Delta ecosystem. During the debate and negotiation of the Delta Reform Act, the Water Authority's understanding of the coequal goal of improving water supply reliability was that it would involve the restoration of water supplies that have been lost through restrictions imposed under the Endangered Species Act, by removing threats to the listed species and recovery of those species. Restoration of the Delta ecosystem would involve addressing the numerous stressors that have put the listed species in jeopardy, including water quality problems, invasive species, introduced species, salinity, and reverse flows caused by operation of the Delta pumps.

The Proposed Project, however, appears to rely primarily on reduction of demands for water supplies from the Delta for water supply reliability and on increases in water flows through the Delta for ecosystem restoration. The Proposed Project envisions a regulatory role for the Delta Stewardship Council to direct local and regional efforts toward self-sufficiency to achieve the coequal goal of water supply reliability. The Proposed Project does not even appear to contemplate restoring water supplies lost through Endangered Species Act restrictions.

Over the past two decades, without the burden of such proposed additional regulations, the Water Authority and its 24 member retail agencies and cities have shown that they are fully capable of improving regional self-sufficiency through their own efforts. Rather than seeking to direct local affairs, the Water Authority believes the Delta Stewardship Council should integrate and coordinate efforts by state and local agencies in the Delta to restore listed species and to restore water supplies that have been restricted under the state and federal endangered species acts.

The Water Authority has a number of specific concerns with the draft EIR. Those concerns include the following:

1. The draft EIR is connected to the fifth staff draft of the Delta Plan. There is currently a sixth staff draft of the Delta Plan being drafted. The draft EIR is premature, because the Proposed Project will presumably be changed substantially from the current staff draft.

2. The draft EIR does not address how the Delta Plan will achieve the coequal goals of water supply reliability and ecosystem restoration. It merely states that it will.

3. The draft EIR does not define what would constitute achievement of the coequal goals of water supply reliability and ecosystem restoration.
4. The Delta Plan does not address, and the draft EIR does not analyze, construction of an infrastructure project to improve water supply reliability, other than to recommend completion of the Bay-Delta Conservation Plan and the Surface Water Storage Investigations and provide examples of similar projects. The Delta Plan does not provide an integrated, strategic plan for using the Bay-Delta Conservation Plan and the Surface Water Storage Investigations to achieve the coequal goals.

5. The Delta Plan does not include, and the draft EIR does not analyze, a contingency plan to achieve the coequal goals if the Bay-Delta Conservation Plan does not qualify under the Natural Communities Conservation Plan Act, other than to call for reduced local demand for Delta supplies.

6. The Delta Plan lacks an integrated, strategic approach to dealing with stressors on listed species, relying instead on flow criteria alone.

7. The draft EIR does not analyze how increasing freshwater flows through the Delta will achieve the goal of ecosystem restoration.

8. The draft EIR rejects alternatives proposed by stakeholders, including the ACWA Ag-Urban Alternate Plan, without adequate analysis. Without a definition of achievement of the coequal goals, it is impossible to analyze alternatives to the Proposed Project. The ACWA Alternate Plan lays out a process for achieving the coequal goals through the construction of water infrastructure based on the BDCP, and through habitat restoration using a combination of seasonal freshwater flows, wetlands restoration, and appropriate responses to other stressors based on science.

9. The draft EIR does not lay out in full the various alternatives as proposed by stakeholders. Some alternatives are paraphrased in ways that mischaracterize their content, although without prior knowledge of the proposals, it is difficult to determine whether the alternatives are properly characterized without the alternatives being laid out in full.

10. The draft EIR does not analyze the effects of several of the policies stated in the Delta Plan in terms of achieving the coequal goals, including the moratorium on new diversions, or the requirement of “transparency” in arranging water transfers. These policies could have real effects on water supply reliability and have to be analyzed.

The Water Authority makes the following recommendations to address the concerns outlined above:

1. First and foremost, the draft EIR must define what would constitute achievement of the coequal goals. These definitions should be included in Section 2A, “Proposed Project and Alternatives.” The definition of achieving water supply reliability should include a
science-based assessment of the amount of water that can be delivered to state and federal water contractors during dry, normal, and wet years while ensuring the recovery of species listed under the state and federal endangered species acts. The definition of achieving ecosystem restoration must define what would constitute recovery of listed species and include a science-based assessment of the actions necessary to respond to all stressors on listed species. To the extent possible, the draft EIR should quantify the achievement of the coequal goals. Most of all, the draft EIR must address how the Proposed Project and the alternatives will integrate, coordinate, and balance achievement of the coequal goals.

2. The draft EIR must include the full text of alternatives submitted by stakeholders. The full text can be included as an appendix to the draft EIR, but the analysis of alternatives in Section 2.3 must be consistent with the actual proposed alternatives and not be based on paraphrased versions of the alternatives. For example, in Section 2.3.1.4.2, the alternatives proposed by the state and federal water contractors and by the ACWA Ag-Urban Coalition respectively are described as proposing a “less aggressive approach to increase local and regional water supplies and reduce reliance on the Delta.” This mischaracterizes the proposed alternatives. The alternatives recognize that local and regional water suppliers are already investing billions of dollars in local and regional water supply reliability and are working toward compliance with SBX7-7, which requires a reduction in per capita demand for water of 20 percent by 2020. The alternatives propose that the proper role of the Delta Stewardship Council with respect to improving water supply reliability is to integrate and coordinate efforts to restore water supplies lost to Endangered Species Act restrictions. Without the full text of the alternatives as submitted by stakeholders, it is impossible to properly assess the real intent of the alternatives or to properly analyze the alternatives.

3. The draft EIR must analyze the Proposed Project and the various alternatives submitted by stakeholders against the definitions of achievement of the coequal goals. The various alternatives may only address parts of the Delta Plan, for instance, the water supply reliability aspect, the ecosystem restoration aspect, or the “Delta as a place” aspect. This partial coverage of the Delta Plan should not be a basis for rejection of an alternative. Instead, the alternatives should be analyzed with respect to the parts of the Delta Plan that they address.

4. The draft EIR must consider flow criteria in terms of the hydrologic characteristics of flows that fulfill the coequal goals of both water supply reliability and ecosystem restoration, and with proper consideration of other actions to address stressors.

5. The draft EIR must analyze each individual policy and recommendation in the Proposed Project in terms of the definitions of achieving the coequal goals.

In summary, the draft EIR must be revised to provide a proper basis of analysis of the Proposed Project and the alternatives. The proper basis of analysis must include definitions of achievement of the coequal goals of water supply reliability and ecosystem restoration,
quantified to the extent possible. The alternatives proposed by stakeholders must be properly
delineated in the draft EIR and the full text of the alternatives must be made available to the
public as part of the draft EIR. The individual policies and recommendations of the Proposed
Project must be analyzed against the definitions of achievement of the coequal goals. The
proposed alternatives must also be analyzed against the definitions of achievement of the
coequal goals.

Thank you for your consideration of these comments. Please address any questions or
concerns to Jeffrey Volberg, Government Relations Manager, at (916) 492-6074, or to
Dennis Cushman, Assistant General Manager, at (858) 522-6785.

Sincerely,

Maureen A. Stapleton
General Manager