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MEMORANDUM

TO: SLDMWA Water Resources Committee Members and Alternates

FROM: Scott Petersen, Water Policy Director

DATE: March 6, 2023

RE: Update on Water Policy/Resources Activities

Background

This memorandum is provided to briefly summarize the current status of various agency processes regarding water policy activities, including but not limited to the (1) Reinitiation of Consultation on Long-Term Operations of the Central Valley Project and State Water Project, including environmental compliance; (2) State Water Resources Control Board action; (3) San Joaquin River Restoration Program; (4) Delta conveyance; (5) Reclamation action; (6) Delta Stewardship Council action; (7) San Joaquin Valley Water Blueprint and San Joaquin Valley Water Collaborative Action Plan.

Policy Items

Reinitiation of Consultation on Long-Term Operations of the Central Valley Project and State Water Project

In August 2016, the Bureau of Reclamation and California Department of Water Resources (DWR) requested reinitiation of consultation with NOAA Fisheries, also known as National Marine Fisheries Service (NMFS) and the U.S. Fish and Wildlife Service (FWS) due to multiple years of drought, low populations of listed species, and new information developed as a result of ongoing collaborative science efforts over the last 10 years.

On Jan. 31, 2019, Reclamation transmitted its Biological Assessment to the Services. The purpose of this action is to continue the coordinated long-term operation of the CVP and SWP to optimize water supply delivery and power generation consistent with applicable laws, contractual obligations, and agreements; and to increase operational flexibility by focusing on nonoperational measures to avoid significant adverse effects to species.

The biological opinions carefully evaluated the impact of the proposed CVP and SWP water operations on imperiled species such as salmon, steelhead and Delta smelt. FWS and NMFS documented impacts and worked closely with Reclamation to modify its proposed operations to minimize and offset those impacts, with the goals of providing water supply for project users and protecting the environment.

Both FWS and NMFS concluded that Reclamation's proposed operations will not jeopardize threatened or endangered species or adversely modify their critical habitat. These conclusions were reached for



Importance to the Authority

This bill would establish Reclamation as the lead agency for permit processing for water storage projects on federal lands owned by the Departments of Interior or Agriculture.

Pros:

- The bill, if enacted, would establish a single lead federal agency responsible for coordination and permit processing for water storage projects, which is anticipated to expedite the permitting process for these projects.

Cons:

- None identified.

Committee Options

Option 1

Recommend that the Board authorize the Executive Director and delegated staff to express support to H.R. 186, Water Supply Permitting Coordination Act.

Fiscal Impact: Unknown. Reduce costs associated with environmental permitting compliance for CVP projects advanced under Reclamation law or the WIIN Act.

Business Analysis: Reduce costs associated with environmental permitting compliance for CVP projects advanced under Reclamation law or the WIIN Act.

Option 2

Take no action.

Fiscal Impact: Unknown. SLDMWA may be subject to additional costs associated with environmental permitting compliance for CVP projects advanced under Reclamation law or the WIIN Act.

Business Analysis: SLDMWA and its member agencies could be subject to additional costs associated with environmental permitting compliance for CVP projects advanced under Reclamation law or the WIIN Act.

[A.B. 30 \(Ward\), Atmospheric Rivers: Research, Mitigation, and Climate Forecasting Program.](#)

RECOMMENDATION: SUPPORT

OBJECTIVE: Restore Central Valley Project Water Supply for Member Agencies

Summary

AB 30 would rename the Program the Atmospheric Rivers Research and Forecast Improvement Program: Enabling Climate Adaptation Through Forecast-Informed Reservoir Operations and Hazard Resiliency (AR/FIRO) Program (Program). The bill would require DWR to research, develop, and implement new observations, prediction models, novel forecasting methods, and tailored decision support systems to improve predictions of atmospheric rivers and their impacts on water supply, flooding, post-wildfire debris flows, and environmental conditions.

The bill would require DWR to take all actions within its existing authority to operate reservoirs in a manner that improves flood protection in the State and to reoperate flood control and water storage



facilities to capture water generated by atmospheric rivers, thereby increasing water supply, hydropower availability, and the reliability of water resources in the State, and to consider refined climate projections of extreme weather and water events and changes in Sierra snow.

Status

A.B. 30 was introduced on December 5, 2022, and has been referred to the Assembly Committee on Water, Parks, and Wildlife.

Importance to the Authority

This bill would improve atmospheric river research and the improved forecasting enabled by that research has the potential to improve reservoir operations and flood protection.

Pros:

- AB 30 would appropriately update the name and description of this program and delete the reference to funds coming from "special funds." (Special funds do not include the General Fund.)

Cons:

- Potential to divert additional state General Fund dollars to this program.

Committee Options

Option 1

Recommend that the Board authorize the Executive Director and delegated staff to express support to A.B. 30 (Ward), Atmospheric Rivers: Research, Mitigation, and Climate Forecasting Program.

Fiscal Impact: Unknown. Reduce costs associated with flooding mitigation under some water year types or certain atmospheric river conditions.

Business Analysis: Potential to more effectively manage reservoir operations to generate improved water supply reliability in some year types.

Option 2

Take no action.

Fiscal Impact: Unknown. SLDMWA may be subject to additional costs associated with flood mitigation or additional water purchases due to inefficient reservoir operations.

Business Analysis: SLDMWA and its member agencies could be subject to additional costs associated with water supplies or lost water supplies resulting from less efficient reservoir operations or flood impacts.

A.B. 62 (Mathis) – Statewide water storage: expansion.

RECOMMENDATION: FAVOR, IF AMENDED

OBJECTIVE: Improve Water Infrastructure Affecting Authority Member Agencies

Summary

This bill would establish a statewide goal to increase above- and below-ground water storage capacity by a total of 3,700,000 acre-feet by the year 2030 and a total of 4,000,000 acre-feet by the year 2040. The bill would require the state board, in consultation with the Department of Water Resources, to design and implement measures to increase statewide water storage to achieve the statewide goal. The bill would

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require the state board, beginning July 1, 2027, and on or before July 1 every 2 years thereafter until January 1, 2043, in consultation with the department, to prepare and submit a report to the Legislature on the progress made in designing and implementing measures to achieve the statewide goal, consistent with Governor Newsom's Water Supply Strategy.

Status

A.B. 62 was introduced on December 6, 2022, and has been referred to the Assembly Committee on Water, Parks, and Wildlife.

Importance to the Authority

This bill would establish Reclamation a statewide water storage target by date certain and require agencies to report out on implementation.

Pros:

- The bill, if enacted, would establish a statewide goal to increase water storage capacity by 3.7 million acre-feet by 2030 and 4 million acre-feet by 2040.

Cons:

- The legislation requires the State Water Resources Control Board to "design and implement measures" to "increase statewide water storage" by the amounts detailed in the bill. This has the effect of placing the State Water Resources Control Board in primary position for implementing a document that has been delegated by the Governor to the California Natural Resources Agency.

Suggested Amendment

Recommend that staff work with the author to place the responsibility of meeting the goal on the California Natural Resources Agency (Agency) and require the State Water Resources Control Board to work with the Agency to implement the goal.

Committee Options

Option 1

Recommend that the Board authorize the Executive Director and delegated staff to express a position of favor, if amended to AB 62 (Mathis), Statewide water storage: expansion.

Fiscal Impact: Unknown. Depending on the participation of various member agencies or the Authority in projects that are implicated in the Water Supply Strategy, there could be increased costs for timeline shifts associated with meeting the statutory goal.

Business Analysis: Improved storage has demonstrable benefits to year over year operations and provides increased water supply reliability.

Option 2

Take no action.

Fiscal Impact: Unknown. SLDMWA and/or its member agencies could face increased costs of water storage project development and/or implementation absent the establishment of a statutory statewide storage goal and potential associated policy streamlining.



Business Analysis: SLDMWA and its member agencies could be subject to reduced water supply reliability without improved storage in California.

Guidelines for Taking Positions on Legislation

A number of controversial bills are introduced each year in the Congress and in the California Legislature. It is important to understand how the Authority takes positions on legislation.

Policy

By Agenda Item 9, dated December 8, 2022, the Board adopted the Fiscal Year 2024 Objectives.

Water Authority's Positions on Legislation

The Water Authority takes positions on legislation that, if enacted, would impact Water Authority members, consistent with Water Authority Board adopted Goals and Objectives. The Water Authority may take the following positions on legislation: Oppose, Support, Oppose Unless Amended, Support if Amended, Not Favor, Favor, Not Favor Unless Amended, Favor if Amended, and Watch (neutral). The Water Authority's staff and consultants testify and advocate with legislators and staff through meetings and member agency contacts on all positions except Watch, Favor and Not Favor. For Favor and Not Favor positions, written communication of the Water Authority's position is provided to the legislator. Nothing in this section should be read to preclude the Executive Director or his or her delegee from taking an informal support or informal oppose position on behalf of the Water Authority that is consistent with adopted legislative or policy objectives, or to preclude the Executive Director from communicating a position on emergency legislation after obtaining the concurrence of the Chair, or the Chair's designee, provided that the Executive Director informs the Board regarding such positions on emergency legislation no later than the next regularly scheduled Board meeting.

Amendment Development Process

If the Water Authority takes an Oppose Unless Amended or Support if Amended position, the Water Authority will typically discuss the concepts for the amendments at the meeting. Then Water Authority staff, in consultation with Committee and/or Board Members as needed, will develop the amendments after the meeting.

Information Sharing

To provide adequate information to the entire Water Authority membership, the Water Authority provides legislative updates, posts positions and other information on our website, and sends out advisories and alerts on key legislation.

The Water Authority's legislative department is available to provide specific information on bills on request and Board Members are encouraged to communicate Water Authority positions on priority legislation in meetings with legislative staff, consistent with Water Authority policy. The Water Authority's Water Policy Director appreciates being informed by Water Authority members of positions taken by Water Authority members on legislation.

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- 1. Tracked Legislation
 - a. Federal Legislation

Bill Number(s)	Sponsor(s)	Bill Title	Summary	Position	Status
H.R. 94	Andy Biggs (R-AZ-05)	American Sovereignty and Species Protection Act	H.R. 94 would prohibit the Secretary of the Interior from listing a species as threatened or endangered under the Endangered Species Act if the species is not native to the United States.		Introduced and referred to the House Committee on Natural Resources (1/09/2023)
H.R. 186	McClintock (R-CA-05)	Water Supply Permitting Coordination Act	To authorize the Secretary of the Interior to coordinate Federal and State permitting processes related to the construction of new surface water storage projects on lands under the jurisdiction of the Secretary of the Interior and the Secretary of Agriculture and to designate the Bureau of Reclamation as the lead agency for permit processing.		Introduced and referred to House Committee on Natural Resources (1/09/2023)
H.R. 189	McClintock (R-CA-05)	Action Versus No Action Act	H.R. 189 would mandate that an environmental assessment or environmental impact statement prepared under the National Environmental Policy Act specific to federal actions on forest management can only consider alternative actions of "forest management activity" and "no action."		Introduced and referred to the House Committee on Natural Resources and the Committee on Agriculture (1/09/2023)
H.R. 289	LaMalfa (R-CA-01)	Protect Our Water Rights Act	To update requirements for the operation of the Central Valley Project and Klamath River Basin Reclamation Project by the Bureau of Reclamation.		Introduced and referred to House Committee on Natural Resources (1/11/2023)
H.R. 250	Garamendi (D-CA-8)	Clean Water SRF Parity Act	To amend the Federal Water Pollution Control Act to make certain projects and activities eligible for		Introduced and referred to House Committee on Transportation & Infrastructure (1/10/2023)



H.R. 215	Valadao (R-CA-22)	WATER for California Act	financial assistance under a State water pollution control revolving fund. Reauthorizes the successful surface water storage project program and coordinated operations of the CVP and SWP established by the WIIN Act, Provides eligibility for funding for the Shasta Enlargement Project, and promotes water conveyance through the Sacramento-San Joaquin River Delta.	Introduced and referred to House Committee on Natural Resources (1/09/2023)
S. 63	Barraso (R-WY)	Water Rights Protection Act of 2023	Prohibits the Department of the Interior and Agriculture from mandating water users transfer water rights to the U.S., or purchase water rights in the name of the U.S. as a condition of any permit, lease, or other use agreement. Also recognizes state water law and requires coordination with the states.	Introduced in the Senate (1/25/2023)
H.R. 178	Levin (D-CA-49)	Public Land Renewable Energy Development Act of 2023	Requires the Department of the Interior to establish priority areas on its land for geothermal, solar, and wind energy projects. The bill also establishes the Renewable Energy Resource Conservation Fund to make funds available to federal, state, and tribal agencies for distribution in regions in which renewable energy projects are located on federal land for (1) restoring and protecting natural water bodies and fish and wildlife habitat and corridors, and (2) preserving and improving recreational access to federal land and water in an affected region.	Introduced in the House. Referred to the Committee on Natural Resources and Agriculture (1/9/2023)