



Meeting: **Authority Board Agenda Item 3.1**

**November 21, 2022**

Subject: **Statewide Water Management Activities Relative to Sites**

---

**Requested Action:**

Review and comment on other water management activities across the state relative to Sites.

**Detailed Description/Background:**

There are a number of major water management activities across the state that are under consideration by others and may relate to the Sites Project. A description of a number of these activities, including their possible relationship to the Sites Project is provided below. Projects are provided in alphabetical order.

- 2021 Consultation on the Long-Term Operation of the Central Valley Project (CVP) and State Water Project (SWP) – On September 30, 2021, the Bureau of Reclamation (Reclamation) requested to reinitiate consultation on the long-term operation of the CVP and SWP under section 7 of the Endangered Species Act. Reclamation released a Notice of Intent to prepare an Environmental Impact Statement (EIS) in February 2022. Reclamation anticipates releasing a Draft EIS in 2023 and a Final EIS and Record of Decision (ROD) in 2024.

The 2021 CVP/SWP Consultation has the potential to affect the underlying operations of the CVP and SWP. Any changes to current conditions are speculative, so it premature to comment on specific scenarios. Fundamentally, Sites operations have been designed around being complementary to and not in conflict with CVP and SWP operations. Staff is staying apprised of the 2021 CVP/SWP Consultation efforts through coordination with Reclamation and Sites Participants and will make evaluations when possible changes to CVP/SWP operations, if any, are more certain.

- Bay-Delta Water Quality Control Plan (Bay-Delta Plan) Update – The State Water Resources Control Board (State Water Board) is updating the Bay-Delta Plan through two separate processes (Plan amendments). First, in December 2018, the State Water Board adopted the Plan amendments and Final Substitute Environmental Document establishing the Lower San Joaquin River flow objectives and revised southern Delta salinity objectives. San Joaquin River Plan amendments generally call for an unimpaired flow range of 30 to 50% with a starting point of 40%.

Unimpaired flow is the amount of water in the waterway that would occur naturally, absent diversions, storage, and use by humans. The San Joaquin River Plan amendments are now in effect. Second, the State Water Board is also considering Plan amendments focused on the Sacramento River and its tributaries, Delta eastside tributaries (including the Calaveras, Cosumnes, and Mokelumne Rivers), Delta outflows, and interior Delta flows. These second Sacramento River and Delta Plan amendments generally call for an unimpaired flow range of 45 to 65% with a starting point of 55%. The State Water Board is in a bit of flux with implementing the Sacramento River and Delta Plan amendments, pending the 2022 Voluntary Agreements (described below).

The Sacramento River and Delta Plan amendments to the Bay-Delta Plan Update, when finalized, have the potential to affect the amount of water available for diversion by the Sites Project. Fortunately, the upper Sacramento River watershed generally has fewer times when it would not meet a 55% unimpaired flow requirement as compared to other watersheds. The Authority estimated in its May 2022 water rights application that between 3 to 5 times the amount of water that is needed for the Sites Project to be available. This analysis included a qualitative review of a Bay-Delta Plan Update. The State Board has asked for additional analysis in its August 2022 letter and the Authority is in the process of preparing the requested materials.

- Delta Conveyance Project (DCP) – Delta conveyance refers to SWP infrastructure in the vast network of waterways comprising the Sacramento-San Joaquin Delta (Delta) that collects and moves fresh water to homes, farms and businesses throughout major regions of the state from the Bay Area to southern California. The California Department of Water Resources (DWR) is the owner and operator of the SWP and is responsible for all associated upgrades and maintenance, including the proposed DCP. The DCP would add new diversions in the north Delta. DWR released a Draft Environmental Impact Report (EIR) for the DCP in July 2022 and comments are due on December 16, 2022.

The DCP and the Sites Project are separate and independent projects. All of the Sites Project operations modeling, analysis, permitting and agreements assume through Delta conveyance (i.e., no DCP). If the DCP were not built, Sites would function as currently planned. There have been questions about availability of water for Sites with a DCP. All of Sites water availability analysis is being done assuming the full rights of the SWP are met and this would include SWP water that is being contemplated for diversion at the DCP. In all of the analysis, it is concluded that there is a reasonable likelihood of water being available for Sites. The Authority has reviewed the DCP EIR and does not expect to make any comments. The

Sites RDEIR/SDEIS analyzes the DCP qualitatively under Chapter 31, Cumulative Impacts.

- Other Proposition 1, Water Storage and Investment Program (WSIP) Projects – Among other funding, Proposition 1 of 2014 dedicated \$2.7 billion for investments in water storage projects. The California Water Commission has made maximum conditional eligibility determinations to seven water storage projects – Chino Basin Conjunctive Use, Harvest Water Program, Kern Fan Groundwater Storage, Los Vaqueros Reservoir Expansion, Pacheco Reservoir Expansion, Sites Reservoir, and Willow Springs Water Bank. Collectively these projects would boost California's water storage capacity by 2.77 million acre-feet (about the same capacity as Trinity Lake or New Melones Reservoir or about twice the capacity of Lake Almanor and Folsom Reservoir). The seven WSIP projects, including Sites are all in different stages of development, with all projects targeted to be in construction prior to 2026.

No conflicts are expected between Sites and the other WSIP projects. Staff continue to collaborate with the other WSIP projects on a regular basis on items of common interest, such as template contracts for WSIP benefits, refuge deliveries, etc.

- Other Water Infrastructure Investment Act (WIIN Act) Projects – Section 4007 of the WIIN Act authorized Reclamation to build new federally-owned or participate in locally-led water storage projects. As of 2021, Reclamation had allocated funds to ten projects in California and three projects in other states. Allocation of funds is subject to congressional action. The ten projects in California are mostly in the planning stages, with one in construction and two generally on hold.

No conflicts are expected between Sites and the other WIIN Act projects. Staff notes that with the incremental allocation of funds to the WIIN Act projects and the limited funding, all projects are inherently in competition for the same dollars, assuming Congress does not appropriate sufficient funds to cover all projects. Staff continues to collaborate with the other California WIIN Act projects on items of common interest.

- Voluntary Agreements (VAs) – VAs would be implemented in lieu of (for those agencies that voluntarily agree to participate) and in conjunction with (for those agencies that do not voluntarily agree to participate in the VAs) the unimpaired flow requirements in the Bay Delta Plan (discussed above). The VAs include contribution of water, funding and habitat restoration actions to restore and enhance fish and wildlife habitat. A group of 18 state, federal, and local agencies signed a Memorandum of Understanding and Term Sheet in March 2022.

An evaluation of VAs would be similar to the Bay-Delta Plan Update section noted above. In addition, staff is also considering how to work collaboratively with VA habitat enhancement projects to implement the Sites Project mitigation requirements, and thus, create larger habitat enhancement areas and/or more areas strategically placed for the benefits of species.

- Water Right Curtailments and Water Unavailability Tool – California’s water right system is generally based on first in time priority system, with those with more senior water rights having a higher priority to water in times when there is not sufficient supply to meet all demands. Considering this priority system and recent, severe drought conditions, the State Water Board has begun implementation of curtailments—curtailing or “shutting off” some water users when there is insufficient supplies to meet all demands. The State Water Board has developed a Water Unavailability Tool to compare water supply and demand data for the Sacramento and San Joaquin River watersheds at regional and watershed scales on a weekly basis. When demands exceed supply, junior water right holders are curtailed based on the priority system.

Staff expects the Project’s diversion criteria to be the “controlling” factor and any Board ordered curtailment of Sites water would not likely affect the Project’s ability to divert water.

While California water is a dynamic environment, staff along with the consultant team and legal team continue to track and participate in a number of activities throughout the state to consider opportunities and challenges for the Project. Staff also appreciates the updates provided by members that are actively involved in these activities.

**Prior Action:**

None.

**Fiscal Impact/Funding Source:**

None.

**Staff Contact:**

Ali Forsythe / Jerry Brown

**Primary Service Provider:**

None.

**Attachments:**

None.