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Water Commission's white paper on groundwater trading programs emphasizes safeguards for vulnerable water users

The California Water Commission today approved a [white paper](#) that contains its findings and the potential next steps for State engagement in shaping well-managed groundwater trading programs with appropriate safeguards for vulnerable water users: natural resources, small- and medium-size farms, and water supply and quality for disadvantaged communities. The white paper will be shared with the Secretaries for Natural Resources, Environmental Protection, and Food and Agriculture, who requested the Commission's engagement on this topic. The paper will guide the continued work on [Water Resilience Portfolio Action 3.6](#) by the California Departments of Water Resources, Fish and Wildlife, and Food and Agriculture, and the State Water Resources Control Board.

Through extensive outreach and input that involved learning from the experience of others around the state, country, and world, the Commission's paper frames the basic elements of well-functioning, protective groundwater trading programs. Those elements start with trust, access to accurate data, and a sound, well-implemented groundwater sustainability plan that fully considers all beneficial groundwater users when setting sustainable conditions.

"It is the Commission's hope that this white paper provides a wide-ranging overview of how to maximize the potential of groundwater trading while avoiding possible negative impacts," said Commission Chair Matt Swanson. "If done correctly, groundwater trading programs can be a tool that helps alleviate some of the economic burdens that are a result of using less groundwater. No trading system will be perfect at the beginning – it will take time and considerable care for groundwater sustainability agencies to develop programs that meet the needs of their communities, while including the necessary protections for vulnerable users."

With California currently immersed in a third consecutive year of drought, the need to bring groundwater basins into sustainable conditions becomes more vital than ever. Groundwater trading can help achieve sustainable groundwater management in areas that have capped groundwater use; that have a system for tracking and accounting for groundwater levels, quality, and use; and that have allocated how much groundwater can be used by individual pumpers to reach a sustainable groundwater condition while avoiding undesirable results. With good governance in place and a careful, thoughtful approach, groundwater trading programs can meet their goals without creating negative, third-party impacts.

The State can use its resources to support well-managed groundwater trading, helping local water managers and users attain good outcomes. The Department of Water Resources will put together a workplan for implementing Water Resilience Portfolio Action 3.6 based on the Commission's white paper.

“Well-managed groundwater trading programs within a basin can be an important tool for managing groundwater pumping allocations,” said Paul Gosselin, Deputy Director of Sustainable Groundwater Management for the Department of Water Resources. “In partnership with local agencies and stakeholders, we will help further groundwater trading programs that protect vulnerable communities and the environment.”

As the Commission embarks on Water Resilience Portfolio Action 26.3 – to develop strategies to protect communities and fish and wildlife in the event of drought lasting at least six years – it will utilize some of the key concepts in this white paper to help guide its investigation of how to manage more frequent, more prolonged, and more intense drought conditions.

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The nine-member California Water Commission uses its public forum to explore water management issues from multiple perspectives and to formulate recommendations to advise the director of the California Department of Water Resources, and as appropriate, the California Natural Resources Agency, the Governor and Legislature on ways to improve water planning and management in response to California’s changing hydrology. For more information regarding the California Water Commission visit cwc.ca.gov.