

Public Comments on Staff Draft Regulations

Comments Received:

1. Dale Widner, Private Citizen
2. Earle Cummings, Private Citizen
3. Joyce Dillard, Private Citizen
4. Friant Water Authority
5. U.S. Bureau of Reclamation Mid-Pacific Regional Office

Commenter	Comment #	Section	Text/Subject	Comment /Summary
Widner	A	§zz (1)	Ecosystem improvements, including changing the timing of water diversions, improvement in flow conditions, temperature, or other benefits that contribute to <u>restoration</u> of aquatic ecosystems and native fish and wildlife, including those ecosystems and fish and wildlife in the Delta.	Remove the word "restoration" - replace it with "improvement."
Cummings	A	§zz.2 (i)	"Monetized benefit" or "monetary benefit" means the dollar value of the estimated or expected level of public or nonpublic benefit provided by a proposed project. Monetized benefits include net cost savings, net revenues to sellers or producers, and willingness to pay above price actually paid by users or consumers.	I've become impressed by the often uncaptured economic value of aesthetic appreciation and enjoyment of waterways and water bodies that are surrounded by a functioning natural environment...The willingness of the public to pay for property in the vicinity of projects, or the willingness to accept compensation for losing access to a water body are appropriate considerations in prioritizing funding for projects that are in the State's interest.
Friant	A	§zz.2 (k)	"Panel" means the project evaluation panel appointed by the Commission to review applications and advise it on the projects' eligibility and quantification of public benefits.	While it may be appropriate for a panel of experts to review applications relative to the solicitation requirements, it is not appropriate for a panel to evaluate the proposals or to score or rank proposed projects. Such a ranking would usurp the authority of the Commission to weigh multiple considerations in their review of funding requests. The regulations do not specify how panelists will be identified and selected, or how the panel would be administered. What process will be used to identify, review, approve, and oversee expert panelists?
Friant	B	§zz.2 (p)	"Return on investment" means net public benefits for Californians in comparison to the public costs of obtaining the benefits. Net public benefits are monetized public benefits, less any unmitigated adverse effects on public benefits, <u>plus a consideration for non-monetized benefits</u> , as determined by the commission's review.	"plus a consideration for non-monetized benefits" is vague. Because all benefits and costs need to be quantified, it is not clear how this information would be considered in project reviews. Additional clarification should be provided.

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Dillard	A	§zz.3	All benefits must be monetized in terms of physical quantities such as population numbers, concentration, area, weight, or volume. Most benefits can also be expressed in monetary terms, such as cost savings or value of goods or services provided. All public benefits can be considered for funding, even if they cannot be expressed in monetary terms (monetized). However, benefits that cannot be monetized cannot be included in quantified return on investment.	Missing from the consideration for cost savings or value of goods and services is risk assessment toward any seismic or fracking activity and repair or replacement of infrastructure.
Dillard	D	§zz.3	See above.	There needs be to directed reporting, monitoring, and mitigation with sufficient data to make an assessment and not a guess.
Dillard	E	§zz.3	See above.	Drought conditions or reduced water availability should be taken into consideration. Weather and wave conditions and shoreline monitoring are missing.
Dillard	B	§zz.3 (a)(1)	Ecosystem improvement benefits must be the result of an expected contribution to restoration of aquatic ecosystems and native fish and wildlife.	Ecosystem must include birds, plants, trees, and wildlife assessments on information specific to the watershed.
Dillard	C	§zz.3 (a)(1)	See above.	There is no guidance on measurement of ecosystems and opinions should not count.
Friant	C	§zz.3 (a)(1)	See above.	Does not mention the Bay-Delta or connected ecosystems.
Widner	B	§zz.3 (a)(2)	Water quality changes that contribute to <u>restoration</u> of aquatic ecosystems and native fish and wildlife, including those ecosystems and fish and wildlife in the Delta, are classified as ecosystem improvement benefits. Any other benefits from water quality improvements may be considered water quality benefits under this section;	Remove the word "restoration" - replace it with "improvement."
Friant	D	§zz.3 (a)(2)	See above.	Should temperature improvements that result in ecosystem benefits be specifically noted as a water quality benefit? Should the phrase "fish and wildlife in the Delta" be revised to "fish and wildlife whose lifecycle in whole or in part is in the Delta?"
Friant	E	§zz.3 (a)(3)	Flood control benefits are reduction in flood damages, costs, and losses;	Lists only the monetary benefits of flood risk reduction; however this section addresses quantification of benefits, both monetary and non-monetary. In the case of flood damage reduction, non-monetary benefits can include reduced risk of loss of life or other improvements in public safety. How will non-monetary flood benefits be considered?

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Friant	F	§zz.3 (a)(4)	Emergency response benefits include use of stored water to reduce water supply losses and water quality costs caused by Delta levee failures, and benefits from improved ability to maintain water supply following natural or <u>man-made disasters</u> ;	Uses the term 'man-made disasters' presumably to indicate potential acts of terrorism. Recommend rephrasing this criterion to address water supplies that could be used to address impacts from catastrophic damage to water delivery infrastructure, including Delta levee failures.
Friant	H	§zz.3(a)(5)	Only outdoor recreation benefits that occur on or adjacent to the project proposed for funding under this section, or that result from stream flow or reservoir surface area improvements caused by the project's operation, or system reoperation, are eligible.	Recreation referenced here is limited to on or adjacent to the proposed project or from stream flow or surface area improvements. What about fish actions that result in recreational fishing outside the immediate area, such as additional salmon as a result of the project's operation that are caught in the delta or ocean? How does this comport with the Guidelines section V.(C)(3) which is more general and states "for recreation benefits, outdoor recreation activities associated with natural water bodies such as rivers, streams, lakes, wetlands and the ocean are eligible for funding?"
Cummings	B	§zz.3(a)(5)	See above.	I am concerned that under Section zz.3.(5) that only outdoor recreation benefits that result from stream flow or reservoir surface area improvements will be quantified. This might preclude the quantification of aesthetic appreciation and willingness to pay simply to be in the vicinity of an attractive water feature, without actually undertaking water-based recreation.
Reclamation	15	§zz.3(b)(3-4)	(3) Cost savings enabled by the proposed project are calculated as the cost of other activities or projects that would be avoided or eliminated as a result of the proposed project. (4) Where possible, a feasible alternative must be identified that provides the same package of public benefits as the proposed project. The alternative cost to the proposed project is the estimated cost of the least costly feasible alternative.	Potential cost-effective alternative could demand new ways (more Public Benefit Corporation) to pay for California crippling infrastructure.
Friant	G	§zz.3(b)(5)	Where possible, the <u>monetized benefit corresponding to each public benefit's physical change must be quantified using avoided cost, alternative cost, or willingness-to-pay information.</u> If any benefit cannot be monetized, justification must be provided.	States that "monetized benefit corresponding to each public benefit's physical change must be quantified using avoided cost, alternative cost, or willingness-to-pay information." No guidance is provided on which method should be used if more than one method is available.

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Friant	I	§zz.5(a)	Ecosystem benefits associated with water storage projects prioritized by CDFW should achieve one or more of the following...	Does this mean CDFW will prioritize ecosystem benefits rather than water storage projects? If so, the sentence needs to be reconfigured.
Widner	C	§zz.5 (a)(4)	Protect or <u>restore</u> functional habitat types;	Remove the word "restore" - replace it with "improve."
Friant	J	§zz.5 (b)	Water quality benefits associated with water storage projects prioritized by the State Water Board should achieve one or more of the following...	Does this mean SWRCB will prioritize water quality rather than water storage projects? If so, the sentence needs to be reconfigured.
Friant	K	§zz.5 (b)(1)	Improve water temperature conditions in water bodies on California's Clean Water Act (CWA) Section 303(d) list that are impaired for temperature;	Temperature improvements listed here apply to impaired water bodies. Temperature improvements for ecosystem benefits should be mentioned in appropriate ecosystem sections.
Widner	D	§zz.5 (b)(5)	Result in Delta tributary stream flows that <u>more closely mimic natural hydrograph patterns or other flow regimes that have been demonstrated to improve conditions for aquatic life;</u>	Remove "more closely mimic natural hydrograph patterns or other flow regimes that" entirely.
Friant	L	§zz.5 (b)(7)	Water quality benefits associated with water storage projects prioritized by the State Water Resources Control Board should achieve one or more of the following: (7) Clean up or restore groundwater resources in high use basins.	How will the public benefits of restored groundwater be differentiated from the non-public benefits that result from additional groundwater supply?
Friant	M	§zz.5 (c)	Other characteristics specific to individual proposed projects may also be considered in the determination of relative environmental value. <u>CDFW and the State Water Board are responsible for providing a more detailed list of priorities and relative environmental value.</u>	It is not clear how this would be applied. Are project proponents expected to have that information to assist in valuations while completing feasibility studies? How will feasibility studies completed by federal standards that may not match CDFW/SWRCB valuations/priorities be reconciled? How will "priorities" be established; a project either provides public benefits and certain values or it doesn't. Where did this "prioritization" concept originate and how would it be administered?
Friant	N	§zz.7	The methods and process for the quantification of public benefits will be used in a <u>competitive process</u> by the Commission to rank proposed projects.	References a competitive process. The process is not described and leads to many questions. Will there be a definitive timeline for project submittal? If nothing is funded, will extensions be granted? If a deadline is missed, is a project no longer eligible? How many rounds of funding opportunity will be offered? Will all projects need to wait until the last project is submitted before funding decisions can be made?

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Dillard	F	§zz.7 (b)	In an effort to make sure the panel is free from bias the Commission will review potential appointments for conflicts of interest such as those proscribed under Government Code §1090.	The Commission should not review itself. That responsibility should be under the Fair Political Practices Commission. Forms 700 should be posted on the website.
Friant	O	§zz.7 (b)	The Commission will appoint a project evaluation panel (panel) composed of technical experts from DWR, CDFW, and the State Water Board. The panel will also include experts from other state or federal agencies, academic institutions, and/or private industry who have relevant expertise to evaluate the technical information and analysis of public and nonpublic benefits. <u>The panel shall review the information submitted in support of a proposed project and provide to the Commission an evaluation of how well the information addresses the eligibility and evaluation criteria provided in the solicitation package.</u>	While it may appropriate for a panel of experts to review applications relative to the solicitation requirements, it is not appropriate for a panel to evaluate the proposals or to score or rank proposed projects. Such a ranking would usurp the authority of the Commission to weigh multiple considerations in their review of funding requests. The regulations do not specify how panelists will be identified and selected, or how the panel would be administered. What process will be used to identify, review, approve, and oversee expert panelists?
Friant	P	§zz.7 ( c)(c )	Rank potential projects on the expected return for public investment as measured by the <u>magnitude of the public benefits provided.</u>	Is magnitude different than value? Does it take into account CDFW/SWRCB prioritizes and weighting (discussed later)?
Friant	Q	§zz.7 ( c)(e)	Prepare its final findings and funding recommendation for public benefits and provide them to the legislature.	Should it be made clear that no action is needed by or requested from the state legislature, assuming the continuous appropriations language survives?

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Friant	1	I. C.	<i>Benefit.</i> The net change in a good or service provided by a project. It may be expressed as a physical benefit or a monetary benefit. <u>The net change expressed by monetary benefits does not include project costs but does include any other costs imposed on or paid by Californians.</u>	What does this (underlined sentence) mean?
Friant	2	I. C.	<i>Panel.</i> The project evaluation panel appointed by the Commission to review applicants and advise it on the projects' eligibility and quantification of public benefits.	While it may be appropriate for a panel of experts to review applications relative to the solicitation requirements, it is not appropriate for a panel to evaluate the proposals or to score or rank proposed projects. Such a ranking would usurp the authority of the Commission to weigh multiple considerations in their review of funding requests. The regulations do not specify how panelists will be identified and selected, or how the panel would be administered. What process will be used to identify, review, approve, and oversee expert panelists? (Also noted in Regulations.)
Reclamation	13	I. D.	Definition and Scope of Public Benefits: "Public Benefit" means an ecosystem, water quality, flood control, emergency response, or recreation benefit as defined and qualified by the Act.	"Federal benefits" should also be considered in this guideline. For example, water supply, agricultural, M & I, and irrigation.
Reclamation	18	I. D.	See above.	Public Safety: Threats to people, including both loss of life and injury, from natural events should be assessed in the determination of existing and future conditions, and ultimately, in the decision making process. Alternative solutions, which include structural and nonstructural elements, must avoid, reduce, and mitigate risks to the extent practicable and include measures to manage and communicate residual risks.
Friant	3A	I. D. 2nd 2	Water quality changes that contribute to restoration of aquatic ecosystems and native fish and wildlife, including those ecosystems and fish and wildlife in the Delta, are classified as ecosystem improvement benefits. Any other benefits from water quality improvements may be considered water quality benefits under this section;	Should temperature improvements that result in ecosystem benefits be specifically noted as a water quality benefit? Should the phrase "fish and wildlife in the Delta" be revised to "fish and wildlife whose lifecycle in whole or in part is in the Delta?" (Also noted in Regulations, see Friant comment D.)

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Friant	3B	I. D. 2nd 5	Only outdoor recreation benefits that occur on or adjacent to the proposed project, or that result from stream flow or reservoir surface area improvements caused by the project's operation, or system reoperation, are eligible.	Recreation referenced here is limited to on or adjacent to the proposed project or from stream flow or surface area improvements. What about fish actions that result in recreational fishing outside the immediate area, such as additional salmon as a result of the project's operation that are caught in the delta or ocean? How does this comport with the Guidelines section V.(C)(3) which is more general and states "for recreation benefits, outdoor recreation activities associated with natural water bodies such as rivers, streams, lakes, wetlands and the ocean are eligible for funding?" (Also noted in Regulations, see Friant comment H.)
Dillard	G	II. A.	§79714 of the Act: Eligible applicants under this division are public agencies, nonprofit organizations, public utilities, and mutual water companies.	Non-profit organizations must be accountable to the public including Open Meeting and Public Records Requests as any agency would be held accountable. There should also be audit conditions.
Reclamation	21	II. A.	Under §79749 of the Act, certain joint powers authorities may apply for and receive funds:...	Add (d) Such JPA(s) must demonstrate ability to secure and manage financing for acquisition, constructions, OMRR&R, permitting, and environmental compliance perpetuity.
Reclamation	16	II. B. 2. (d)	The package of public benefits provided by the proposed project cannot be provided by some other means at substantially lower cost.	Will the state bond support public health and safety? For example, providing safe drinking water in neighborhoods that can't afford it.
Friant	4	II. B. 2. (e)	The proposed project must, as determined by the Commission, restore ecological health and improve water management for beneficial uses in the Delta.	Has "and" in "restore ecological health AND improve water management for beneficial uses in the Delta." Should the "and" be "or"?
Friant	5	IV.	In consultation with CDFW, the State Water Board, and DWR, the Commission developed and adopted methods for quantification and management of public benefits by regulation. <u>The regulation includes the priorities and relative environmental value of ecosystem benefits as provided by CDFW and the priorities and relative environmental value of water quality benefits as provided by the State Water Board.</u>	Does this mean CDFW will prioritize ecosystem benefits rather than water storage projects? If so, the sentence needs to be reconfigured. Same for State Water Board and water quality benefits. (Also noted in Regulations.)
Friant	6	IV. A.	The general process for soliciting applications will include... <u>a presentation of final findings and a funding recommendation for public benefits to the legislature.</u>	Should it be made clear that no action is needed by or requested from the state legislature, assuming the continuous appropriations language survives? (Also noted in Regulations.)
Reclamation	19	IV. C.	Project Evaluation Panel: The Commission will appoint and maintain a project evaluation panel (panel) composed of technical experts from DWR, CDFW, the State Water Board, academic institutions, and/or private industry.	The Federal, State, regional, Tribal, and local governments, as well as stakeholders, share the responsibility of managing and protecting public water resources.

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Friant	7	IV. C. (1)	The panel will review the information provided by each applicant and advise the Commission on... <u>the relationship of the public benefits to the priorities and relative environmental values provided by CDFW and the State Water Board.</u>	Does this mean CDFW will prioritize ecosystem benefits rather than water storage projects? If so, the sentence needs to be reconfigured. Same for State Water Board and water quality benefits. (Also noted in Regulations and above.)
Friant	8	IV. D. (5)	For each application the Commission will... <u>Provide its final findings and a funding recommendation for public benefits to the legislature.</u>	Should it be made clear that no action is needed by or requested from the state legislature, assuming the continuous appropriations language survives? (Also noted in Regulations and above.) And why is it repeated here?
Friant	9	V. A. (1)	A description and quantification of public benefits associated with the proposed project in compliance with §zz.3.	Quantification of public benefits noted, yet no correlation to role of DWR/SWRCB in determining valuation/priority of public benefits.
Friant	10	V. A. (4)(f)	A complete <u>benefit-cost analysis</u> showing benefits and costs to the State and its residents. A benefits-based allocation of costs sufficient to demonstrate that the project and the request for funding of public benefits comply with Water Code §79746 and §79747.	References cost benefit analysis with no correlation to role of DWR/SWRCB determinations.
Friant	11	V. A. (5)	A statement that the proposed project is cost-effective in that the proposed package of <u>public benefits cannot be provided by any other means at a substantially lower cost.</u>	How many options need to be considered and is comparison to be equal or partial as to public benefits? Seems quite exhaustive, potentially.
Reclamation	17	V. C.	Further Guidance on Categorizing and Counting Benefits	It's important to analyze Sustainable Economic Development: Alternative solutions for resolving water resources problems should improve the economic well-being of the Nation for present and future generations.
Friant	12	V. C. (3)	For recreation benefits, outdoor recreation activities associated with natural water bodies such as rivers, streams, lakes, wetlands, and the ocean are all eligible for funding.	Recreation benefits are more broadly defined which seems inconsistent with I. D. second 5. (See Friant comment 3.)
Friant	13	V. C. (4) (a)	Stored water is released for ecosystem improvement, and the released water incidentally increases <u>urban water supply</u> relative to the without-project condition. In this case, the <u>urban water</u> must be assigned to water supply benefit, not to ecosystem improvement.	Is the reference to “urban water” supposed to be “urban water supply benefit”?
Friant	14	V. C. (4) (b)	Stored water is released for Delta water quality improvement, but additional Delta exports enabled by the water quality improvement leave Delta water quality at without-project levels. The additional exports are a water supply benefit and cannot be assigned as a water quality benefit.	If a project results in a water quality improvement in a river system connected to the delta, that improvement should still count as water quality benefit even if such benefit is diminished when flows integrate into the delta.
Friant	15	V. D. (5)	In general, to support a public benefit claim for a proposed project, an applicant shall...Estimate willingness to pay values for each public benefit.	Has no reference to CDFW/SWRCB determination of public benefit valuation/priority as to determine willingness to pay values.

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Friant	16	V. D. Step 1. (e)	The real discount rate for the California analysis must be 6 percent...	Why is the discount rate set at 6%?
Friant	17	V. D. Step 2. (b)	For water quality, the types (constituents) and amounts of water quality improvement provided, and the amount of water treated or improved; for example, mg/l of salinity per acre-foot (AF), for the total AF per year treated.	Water quality should explicitly include temperature.
Friant	18	V. D. Step 2. (c)	For an ecosystem or water quality improvement that <u>also saves or enables water supply</u> , the amount of water supply saved per year on average.	The phrase "...also saves or enables water supply" is unclear as to what that means relative to ecosystem/WQ improvement.
Reclamation	20	V. D. Step 2. 2nd (a)	The documentation of physical benefits should: (a) Provide a list of project objectives including the public and private benefit categories that the project provides and showing a breakdown of benefit subtypes and possible measures for each subtype within each category.	Be sure to show all public and nonpublic benefits, beneficiaries, funding services (100 years +)."
Friant	19	V. D. Step 3.	If the proposed project will cause another project to be reduced in size, the cost savings relative to costs in the without-project condition are a benefit. In general, all avoided project costs such as construction, operations, repairs, maintenance and replacement costs should be valued using market prices for materials, energy, and labor, and these prices should also be used to estimate alternative costs and proposed project costs in Steps 4 and 8, respectively, below. Wholesale or retail water prices will generally be accepted as appropriate unit benefits for water supply savings as long as these prices reflect cost of service. Monetary benefits must be net of total costs, not just private costs, of providing the water supply.	Prices accepted as long as these prices reflect cost of service. Cost of service is unclear as to what's included and certainly current water supplies may have a cost different than future water supplies or market pricing.
Reclamation	22	V. D. Step 5.	Step 5. Estimate willingness to pay values for each public benefit.	Add: And ability to pay/repay/financial plan and capabilities to ensure constructability and long term O&M.
Reclamation	12	V. D. Step 5. (a-e)	Develop and show, if possible, the following values for each public benefit type for each remaining amount of public benefit from Step 3. If not possible, explain why.	Insert "ability to pay values" for each public benefit.
Friant	20	V. D. Step 5. (a)	For <u>water quality</u> and recreation benefits caused by ecosystem improvements, see 5b. and 5c. below. (Note: these can be classified as "ecosystem improvement" even though water quality and recreation methods are used to quantify them.	Water quality reference to include temperature?

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Reclamation	23	V. D. Step 8.	The separable costs-remaining benefits (SCRB) method of cost allocation is a widely used approach that satisfies these <u>characteristics</u> . It is the standard approach that has been used for federal water projects and for the allocation of State Water Project costs. It is expected that any proposed project that has followed federal or state guidelines for cost allocation as part of its feasibility study can use that information directly for the purposes of this step.	Add: "and is required for Federal multiple purpose water storage projects" following "characteristics."
Reclamation	14	VI. D.	The operations plan should show how the proposed project will be operated to provide benefits, especially public benefits. The plan should include how operations would vary under different hydrologic conditions, how operations might change as a result of adaptive management rules if conditions fall outside the range of anticipated conditions, and how operations will be coordinated with operations of other facilities, if applicable. The operations plan must be consistent with the methods and process used to quantify benefits.	Will this project require re-operating upstream reservoirs as well as CVP water operation system?
Friant	21	VIII. B.	The Panel described in Section IV.C will review all technical aspects of each application and provide a written summary and <u>scoring</u> for each evaluation criterion. The consensus evaluation and <u>scoring recommendation</u> will be provided to the Commission for its consideration and decision.	Scoring concept introduced. Scoring, prioritization, etc. unclear as to how established and why necessary.
Friant	22	VIII. C. (1) and (2)	(1) The level of quantified public benefits relative to assigned costs is used to assess the return on public investment, defined as net public benefits for Californians in comparison to the public funding provided to obtain the benefits. The criterion has a weight of xx. (2) The priorities and relative environmental values are included as a key consideration in the quantification of public benefits in Section 79744 of the Act. The criterion has a weight of yy.	Introduce weighting of public benefits - why necessary? Valuation should be considered for what it is, why weights? Or is this for comparative purposes between the projects? Who establishes weights - CDFW/SWRCB, Panel, Commission?

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Reclamation	1	Comments reflect Reclamation/Federal concerns	<p>Reclamation has been cooperating with the California Department of Water Resources (DWR) in conducting a series of feasibility studies (aka: investigations) for potential water storage projects since the mid-1990s, with formal partnering established pursuant to the CALFED Bay-Delta Program's Water Storage Program Element, and consistent with the related Programmatic Record of Decision (ROD) and Programmatic Environmental Impact Statement/Environmental Impact Report (PEIS/EIR) of 2000. Because these are the same and/or related potential storage projects that are the subject of the Act and emerging legislation and guidelines, we respectfully offer our comments in a manner that clearly and fairly reflects the Reclamation/Federal perspectives and concerns. It is in the spirit of cooperation that we offer these comments and suggestions. Further we would be happy to meet with us and assisted in refining these documents to affectively address potential benefits to the Nation as well as Californians.</p>
Reclamation	2	Potential Shasta Project modifications	<p>In 2000, the CALFED "Preferred Alternative" identified five potential surface water projects for further site-specific study, including enlargement/expansion of the existing Shasta Dam and Reservoir Project and Los Vaqueros Reservoir Projects, additional new storage in the Upper San Joaquin River Basin (aka: Temperance Flat), and new off-stream storage North-of-the-Delta (aka: Sites Reservoir) and in the Delta. In 2006, DWR suspended the In-Delta Storage Investigation, and in 2012, a 60,000 acre-foot expansion project at Los Vaqueros Reservoir was completed by the Contra Costa Water District. While certain constraints are in place that limit State participation in potential Shasta Project modifications (i.e., California Public Resources Code 5093.542), it is possible that one or more of these potential projects are ultimately recommended and approved for implementation and related funding, and therefore may affect or be affected by the subject draft documents.</p>

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Reclamation	3	Cost-effectiveness of public benefits	<p>Because of their current definitions and assumptions in the subject documents, we are very concerned that, if left unchanged, it will likely be extremely difficult to determine that any of the five "public benefits" will be cost effective (benefits greater than costs) based on our experience of economic analyses for large storage projects. To be specific, Reclamation and others typically water supply benefits and improved water supply reliability to be "public benefits." Thus, when considered as part of the whole benefit picture, water supply benefits (for urban, M&amp;I, agricultural, and environmental purposes) typically have the bulk of "public benefits," largely because of established methods of assessing their monetary values. Conversely, ecosystem benefits, water quality improvements, flood control, emergency response, and recreation benefits will likely not have the proportionate monetary and/or non-monetary benefits in comparison to those benefits attributed to water supply and reliability. The point is: while there may be acceptable metrics and methods for these five benefits of concern, it will be challenging to demonstrate their relative values and cost effectiveness, which is a primary requirement of the subject documents. Further, to date, none of the ongoing surface storage investigations have included "Flood Control" as a primary objective. Thus, while flood damage reduction benefits are assumed to be incidental by improving operational flexibility of reservoirs, current alternatives do not have specific designs or cost estimates for flood control features or related benefit/cost analyses.</p>
Reclamation	4	Definition of "public benefits" and "non-public benefits"	<p>The subject documents' definitions and treatment of "Public Benefits" and "Non-Public Benefits" need to be revised to clarify and put those definition/terms in perspective and proportion for all other prospective benefit types, etc., because they are ambiguous and contradictory to other recognized definitions. For example, other federal, regional, and local agencies and stakeholders have different definitions for "Public Benefits" and "Non-Public Benefits." Therefore we recommend replacing "Public Benefits" with "SBX7-2 Public Benefits" or some other acceptable distinguishing descriptor throughout the documents. Similarly, we recommend replacing "non-public benefits" with "other public benefits" or some other acceptable distinguishing descriptor throughout the documents.</p>

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Reclamation	5	Use of the term "benefits to Californians"	We find the term "Benefits to Californians" in the subject documents to be problematic. While we recognize the intent and appropriateness in view of its context in State documents, we also suggest that you carefully review and revise its use and application to recognize that "Benefits to the Nation" must also be established as a basis for receiving federal funds for the potential surface storage projects. Thus, we recommend to search and replace the term, "Benefits to Californians" with "Benefits to California and the Nation" throughout the subject documents.
Reclamation	6	Non-monetary benefits and federal requirements	While the subject documents emphasize that monetary benefits must be displayed, it should be recognized that non-monetary benefits may also be considered as part of the process to identify, assess, compare alternatives and their estimated costs, to ultimately identify and recommend the alternative with the greatest net benefits. This would be consistent with existing Federal Principles & Guidelines (WRC 1983), newly approved Principles and Requirements (CEQ 2013), and emerging Federal agency-specific guidelines to implement the Federal P&Rs. These requirements must be met if Federal funds are used to cost-share the construction and/or operation of any new surface storage projects.
Reclamation	7	Clarification regarding types of public benefits	Because any project that may be eligible for funds by virtue of their potential "public benefits" it is imperative to better describe the potential construction and other related benefits and costs in a complete and comprehensive manner, including but not limited to ownership scenarios, project purposes, funding sources, and implementation responsibilities. This would help clarify and avoid confusion regarding various types of "public benefits" by distinguishing those that are required by the subject documents from those that may also be pertinent to a proposed project.
Reclamation	8	"Beneficiaries Pay" requirements	Discuss "Beneficiaries Pay" requirements of the CALFED ROD where appropriate in the subject documents. Explain that the requirements are expected to be met by various combinations of funds from a variety of Federal, State, JPA, CVP, and SWP water contractors, and other potential public and private stakeholders and taxpayers.

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Reclamation	9	CWC role in reviewing potential projects	While the subject documents are focused on certain public benefits that may establish eligibility for specified State funds, it is unclear whether the CWC is also included in the process of reviewing and approving any of the potential proposed surface storage actions/projects. This begs the question of when the CWC would act in considering applications and approving funding grants/provisions - before or after other decisions by State, Federal, and/or other entities - and would CWC decisions affect or be effected by the determination and approval of the "best alternative."
Reclamation	10	Criteria for review, screening, approval, and ranking	Define and/or clarify the CWC's criteria for review, screening, approval, and rankings of proposed projects as the basis for considering the applicant's proposals for funding of projects affecting the Delta and/or its tributaries.
Reclamation	11	Consider the following with regard to potential Shasta Project enlargement	While we recognize that draft language in these two documents intend to preclude the State from participating in potential Shasta Project enlargement, we respectfully ask the CWC to consider the following and then revise the documents if possible.

General Comments Received During Review Process

Commenter	Comment #	Topic	Comment
Reclamation	11A	California Public Resources Code 5093.542, the McCloud River, and potential Shasta Project enlargement of up to 18.5 feet	California Public Resources Code, Section 5093.542, was written and enacted in the late 1980s to amend the California Wild and Scenic Rivers Act to protect the McCloud River's free-flowing condition and the river's fishery below McCloud Dam at a time during which Reclamation was conducting a Feasibility Study of potential alternatives to raise the existing Shasta Dam up to 200 feet higher. The potential effects of inundation from a 200-foot raise would likely have adversely impacted the flow conditions below the McCloud Dam and the downstream premiere fishing areas and related resources eligible for listing as "Wild and Scenic," which were highly valued then, as they are now, by the legislation's authors and affected stakeholders. When Reclamation completed those feasibility studies, we concluded that there was no non-Federal sponsor interested or able to support and/or provide required cost sharing for any enlargement and thus no action was taken by the Federal government to implement a project modification at that time. Further study was suspended until efforts resumed in the late 1990s pursuant to the Bay-Delta Accord and culminated in the CALFED Bay-Delta Programmatic ROD and PDEIS/EIR in late 2000. As explained below, subsequent planning and feasibility studies have abandoned further study of large raises ranging to 200 feet and instead focused on alternative raises ranging up to only 18.5 feet, which would not significantly impact flow conditions below the McCloud Dam or the related trout fishery, or wild and scenic resources, or the potential future eligibility for listing as a wild and scenic river under pertinent Federal and State Acts.
Reclamation	11B	Alternative dam raise up to 18.5 feet and CALFED Programmatic ROD	Studies conducted in the late 1990s to assess the effectiveness of alternative dam raises of up to about 18.5 feet would be reasonable and cost effective (Appraisal of the Potential for Enlarging Shasta Dam and Reservoir, 1999). These limited alternative raises were carried forward into CALFED planning and included in the CALFED Bay-Delta Programmatic ROD and PDEIS/EIR, as part of the Storage Program Element and "Preferred Alternative," in late 2000. In fact, the ROD includes the specific language regarding the proposed expansion of Shasta Lake, stating: "Resolve legal issues to allow State agency cooperation by the end of 2000."

General Comments Received During Review Process

Commenter	Comment #	Topic	Comment
Reclamation	11C	Mitigation of impacts to McCloud River and fisheries	<p>While segments of the McCloud River have been determined eligible for listing under the Federal WSRA and are protected under the State PRC, the river has not been formally listed as wild and scenic under the Federal WSRA or State PRC. The California Natural Resources Agency (Resources Agency) evaluated the McCloud River in the late 1980s (Jones &amp; Stokes Associates 1988) to determine whether it was eligible for listing under the State PRC. The Resources Agency study found it eligible, but the California legislature declined to add the river to the California wild and scenic river system. The legislature instead passed an amendment to the California Wild and Scenic Rivers Act to protect the river's free-flowing condition and the river's fishery below McCloud dam through the State PRC. As addressed in the Draft Feasibility Report (2012) and Draft EIS (2013) for Shasta Enlargement, Reclamation would make every reasonable effort to avoid and/or mitigate for any significant impact to such resources to the extent practicable.</p>
Reclamation	11D	Potential for State participation in Shasta Project enlargement	<p>As addressed in the foregoing paragraphs, Reclamation respectfully requests that the CWC reconsider the opportunities, interests, and responsibilities of State agencies with respect to potential modifications to the Shasta Project in light of current planning assumptions, objectives, constraints, and alternative plans limited to 18.5-foot dam raises, consistent with the DEIS, particularly Chapter 25 therein. We believe that such consideration today would provide the State with a fresh look at the pros and cons of potential enlargement of the Shasta Project along with contemporary conditions and related trade-offs which would offer opportunities for State participation in providing up to 634,000 acre-feet of new storage capacity as additional cost-effective water supply storage and reliability for urban, agricultural, and environmental purposes, including a dedicated cold water pool of more than 378,000 acre-feet for the benefit of downstream fisheries.</p>

General Comments Received During Review Process

Commenter	Comment #	Topic	Comment
Dillard	H-K	Funding of agencies without jurisdiction for watersheds, plus examples.	The Act specifically funds agencies without legal jurisdiction for watersheds and/or water bodies (local, state and federal), such as the Santa Monica Mountains Conservancy, without a named watershed area. Los Angeles River Revitalization Master Plan LARRMP is codified for the Los Angeles River and San Gabriel River watersheds. This leaves out the cities and agencies with jurisdiction over the Lower Los Angeles River. LARRMP is a City of Los Angeles project only. Santa Monica Bay Watershed refers to an area which includes the City of Los Angeles, while the IRWMP planning area is North Santa Monica Bay. Other watersheds are omitted such as Ballona Creek and Dominguez Channel.
Dillard	L	Conflict with NPDES Permitting	This bill is in conflict with NPDES Permitting and Enhanced Watershed Management Plans as well as the statewide Integrated Regional Watershed Management Plans.