



Sustainable Conservation

February 24, 2016

Jennifer Marr  
California Water Commission  
901 P Street, Room 314  
Sacramento, CA 95814

***Re: Proposed quantification regulations for the Proposition 1 Water Storage Investment Plan***

Dear Ms. Marr:

Sustainable Conservation appreciates this opportunity to comment on the proposed quantification regulations for the implementation of the Proposition 1 Water Storage Investment Plan (WSIP), which the California Water Commission (Commission) will be considering at its March 16, 2016 meeting. We believe it is vital that the Commission adopt regulations and an implementation timeline that provide ample opportunities for the consideration and approval of a wide range of groundwater storage and conjunctive use projects, and we are concerned that the current proposals will not do so. Section 79750(b) of Proposition 1 establishes cost effectiveness as a fundamental requirement for acceptable water storage projects, and smaller projects, particularly groundwater and conjunctive use projects, can often provide significantly higher water storage and public benefits per dollar invested than larger, more expensive ones. The Commission must ensure that the voters who approved Proposition 1 get the highest value for their investment, and that the WSIP regulations properly provide for all classes of projects expressly authorized by the bond.

We are concerned that the proposed regulations do not provide adequate options for groundwater projects to meet the requirements for project approval. We are particularly concerned about overly restrictive or limited options for these projects to demonstrate ecosystem improvements and measurable benefits to the Delta or its tributaries. Increasing groundwater storage can provide opportunities for groundwater substitution to reduce pressure on surface water flows and thereby provide ecosystem benefits through avoided impacts. These indirect but real and measurable ecosystem benefits of groundwater storage should be clearly recognized as being capable of meeting flow and water quality priorities as set forth in Sec. 6005. The regulations should also make explicit provision for approval of “bundled” projects with both surface and groundwater components that provide ecosystem benefits as a whole, whether or not they meet the definition of a conjunctive use project.

Sustainable Conservation finds the definition of “conjunctive use projects” in the proposed regulations to be overly restrictive. We recommend that the Commission return to the substance of the definition of “conjunctive use” found in the 9/1/2015 version of the draft regulations, which places the primary emphasis on “projects that allow for the coordinated and planned management of both surface water and groundwater resources in order to maximize the efficient use of both resources.”

We are also concerned that the complexity of the draft regulations’ application requirements, particularly those concerning quantification and management of benefits, creates a *de facto* bias



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in favor of those proposing large projects, who can afford expert assistance needed to navigate the process quickly, over smaller project applicants facing the difficult task of quantifying public benefits. We recommend that DWR develop a quantification methodology that would guide all qualified applicants through this process in order to provide a level playing field.

The current staff proposal to hold only one funding round, in fall 2017, exacerbates the disadvantage smaller project proposals face in competing on an equal footing with large projects. This arbitrary restriction does not provide adequate time for many smaller projects, including groundwater storage and conjunctive use projects, to assemble all the necessary elements for a successful application.

As some of the Commissioners are aware, Sustainable Conservation has been engaged in an ongoing project to determine the potential of applying flood flows to active agricultural land as a means to increase the amount of groundwater recharge and storage in the San Joaquin Valley. We have identified significant capacity and potential for this form of recharge/storage. We and our partners have done a great deal of work to establish metrics, determine where the most appropriate soils are, and identify growers who would be willing to accept floodwater on their fields. We are hoping to use the opportunity presented by this year's El Niño rains to place water on a range of demonstration sites. Field experience and monitoring from these sites will allow us to develop needed scientific information about the acceptable timing and duration of water that can be captured on farmland, the amount of water recharged under different cropping systems and soil types, and the potential impacts, both positive and negative, of on-farm recharge on water quality in the underlying aquifers. The project findings will be used to develop decision-support tools to guide irrigation districts and groundwater sustainability agencies in assessing the local viability and suitability of lands and cropping systems for on-farm recharge projects. These highly effective and relatively inexpensive projects could be in a position to qualify for bond funds, either as part of a groundwater sustainability plan or on their own, well before 2022, but, given the amount of data we and our partners will have to process, combined with the identification of new sites and conveyance infrastructure needs and the completion of the application process, it is highly unlikely that they could meet the currently proposed mid-2017 deadline.

Our on-farm recharge projects are only one of a range of innovative and effective storage concepts that do not fall into the overly limited temporal categories the Commission staff appears to have created for groundwater storage projects. We urge the Commission not to foreclose on the WSIP funding prospects for the very real and valuable storage projects that could come to fruition between 2017 and 2022. The Commission should utilize the full amount of time allotted to it to disburse the \$2.7 billion for storage projects to ensure that the full range of projects approved by the voters can be funded.

Sustainable Conservation is grateful for the opportunity to comment on the draft WSIP quantification regulations, and we look forward to continuing to participate as the Commission moves forward with this important work.

Sincerely,

J. Stacey Sullivan  
Policy Director

