

October 3, 2016

The Honorable Joseph Byrne, Chair
California Water Commission
P.O. Box 942836
Sacramento, CA 94236-0001

Submitted via e-mail: WSIPComments@cwcc.ca.gov

Subject: Comments on Water Storage Investment Program Proposed Revision to Regulations (9-2-16)

Dear Chair Byrne and Commission Members:

On behalf of Environmental Defense Fund I am writing to provide the following comments on the Water Storage Investment Program (WSIP) Proposed Revision to Regulations, dated September 2, 2016.

Flexibly managed environmental water

The current approach in the regulations requires each project to develop its own localized environmental benefits. Many of these benefits, while valuable, will be accrued through project operation, such that they occur at a fixed time and place. For example, routine deliveries of water generated by project storage to water users might increase downstream flows during delivery months and may improve freshwater habitat. The value of these improvements will be quantified and monetized based on with- and without-project future conditions in each location in order to evaluate the project.

While we support the robust evaluation framework currently proposed by the Commission, we suggest that the Commission consider modifying the regulations to allow for the concept of “flexibly manageable environmental water.” This approach would provide a means for project applicants to identify that portion of the environmental water generated by their projects that can be flexibly managed and commit that portion of environmental water to an environmental water manager. Once the project is operational, an environmental water manager could then determine the best way to use that water to provide the maximum environmental benefit. That determination could be made in an adaptive way in the future, contributing to a more flexible and resilient water system.

The flexibly manageable environmental water approach would recognize the added value of water that is available for a variety of purposes. Put another way, flexibly manageable environmental water is water that can be moved or held in storage over time independent of how a project is operated for non-environmental water supply and other purposes. We suggest that the Commission require project applicants to specify the quantity of environmental water generated by the project that could be managed flexibly, in what locations, and at what times of year. This water could be made available

to flexibly provide water for a range of environmental benefits as needs develop and change.

Of course, the full value of this flexibly managed environmental water would only be realized if an environmental water manager, or entity that can serve that function, were established. However, even in advance of the establishment of an environmental water manager, we think it is important to clearly identify the portion of water provided by a proposed storage project that can be managed flexibly.

Should an environmental water manager function be established, such an entity would necessarily work closely with the Department of Fish and Wildlife and the State Water Resources Control Board to evaluate the ecosystem and water quality needs across the state, and how those could be addressed by the potential water supplies available.

Benefits of groundwater in storage

Of the many environmental benefits that water storage projects can create, we would like to particularly emphasize their ability to support groundwater-dependent ecosystems. We appreciate that draft regulations already include some language that recognizes the unique benefits of groundwater storage projects; for example in Section 6001 the definition of “groundwater dependent ecosystem” includes the phrase “or on groundwater occurring near the ground surface.” And in Section 6007 Table 1 Ecosystem Priorities, priority (8) “maintain or restore groundwater and surface water interconnection to support instream benefits and groundwater dependent ecosystems” and priority (9) “enhance flow regimes or groundwater conditions to improve quantity and quality of riparian and floodplain habitat for aquatic and terrestrial species” include language that will allow the Commission to appropriately evaluate the important and unique benefits of groundwater storage projects.

In some cases, groundwater storage projects will rely on recharge systems to replenish groundwater levels. Recharge can result in benefits for groundwater-dependent ecosystems if it raises the water table enough to sustain these fragile environments. However, the benefit to groundwater-dependent ecosystem only lasts as long as the groundwater level remains at an elevation accessible by that system. Accordingly, some of the water stored in groundwater basins will necessarily need to be left in place – that is, not withdrawn – to continue supporting groundwater-dependent ecosystems. It is our hope that the water dedicated to creating and maintaining this be considered as environmental beneficial storage, even though it will not be withdrawn later. As such, we suggest that the Commission count all of the water used to achieve this benefit to ecosystem resiliency as part of the storage created in its evaluation of projects, even if that water will not be used in the future for water supply.

These approaches would help the state maximize the environmental benefits of the WSIP, and achieve the goals of Proposition 1 and the California Water Action Plan: more reliable water supplies, restoration of important species and habitat, and a more resilient and sustainably managed water system.

We very much appreciate the onerous task before the Commission and staff, and we also recognize the short timeline under which you are working. We wish to express our appreciation for the laudable efforts of the Commission and the Commission staff to execute this important program.

Thank you for the opportunity to comment on the WSIP regulations. Please don't hesitate to contact us if we can be of further assistance.

Sincerely,

Maurice Hall, Associate Vice President, Ecosystems – Water
Environmental Defense Fund