

Testimony of Dr. Timothy Quinn
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Before the
U.S. Senate Committee on Energy and Natural Resources
Subcommittee on Water and Power
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Chairman Lee and Ranking Member Hirono:

On behalf of the Association of California Water Agencies (ACWA), thank you for the opportunity to testify today. ACWA appreciates your leadership, along with the leadership of members of the subcommittee, to address the challenges confronting California and much of the Western United States during the ongoing historic drought. My testimony focuses on S. 2533.

My name is Timothy Quinn. I serve as the Executive Director of the Association of California Water Agencies. ACWA's highly diverse membership includes approximately 430 public agencies that supply over 90 percent of the water delivered in California for industrial, residential, and agricultural uses. Prior to coming to ACWA in July 2007, I was a Deputy General Manager at the Metropolitan Water District of Southern California for 21 years. For the record, this is my fourth drought as a professional water manager in California.

Drought: A West Wide Problem: While America has recently been captivated by headlines about the "California Drought," it is important to recognize such dryness also stretches throughout much of the West. Three other Great Basin states—Nevada, Oregon and Utah, have experienced extreme or exceptional drought. Along the Colorado River basin, Lake Mead has seen a record low water level. It is the first time since it was filled in 1936 that its surface has dropped under 1,080 feet. Drought has also painfully impacted the Southern Great Plains and parts of Texas, New Mexico and Oklahoma.

What are the conditions in California today? The good news is that El Nino rains, although less than some hoped for, have restored key Northern California reservoirs to historic averages. However, Southern California has largely missed out, and water storage south of the Delta remains low. Announced deliveries for some Central Valley Project contractors are as high as 100 percent for agencies in Northern California, but as low as 5 percent for major portions of our agricultural economy in the San Joaquin Valley. State Water Project (SWP) allocations of 60 percent are expected for SWP contractors in the Bay Area, San Joaquin Valley, and Southern California. Despite some improvement this year in hydrologic conditions, California continues

to suffer from drought conditions made worse by a broken water delivery system. This is why ACWA supports the drought relief provided by S. 2533.

Coequal Goals and the Challenge of Dealing with the Federal Government: If drought relief is one reason to support S. 2533, another no less compelling reason is the potential to redefine the relationship between the federal government and California as partners in water management. In California, the core tenet of state water policy is that we will manage this vital resource for the “coequal” goals of improving both water supply reliability and our environment. This policy was established in historic 2009 legislation, which codified a fundamental change in how we manage water in California. In the past quarter century, California water agencies and water users have invested tens of billions of dollars in conservation and local water supply resources to reduce demands for imported water. We have developed mechanisms to allow a voluntary water market to function. We have developed, and continue to develop, local storage projects to shift water deliveries from dry years when conflict between environmental and water supply uses are greatest to wetter periods when those conflicts are significantly reduced. In short, in California, state and local water managers have reinvented how we manage water to try and accommodate the needs of both our economy and environment.

The accomplishment of the coequal goals in California requires a partnership with the federal agencies that wield considerable power over water management in our state. Frankly, that partnership has not sufficiently developed. Federal regulatory agencies are approaching water management problems the same way today that they did decades ago. Despite recent attempts by the state to broaden water and ecological management tools in a manner that could achieve both environmental and water supply goals, the federal agencies cling to a single species-single tool approach that has a devastating impact on water supplies for our urban and agricultural economy. From ACWA’s perspective, S. 2533 provides a much needed statement from the Congress that both water supply and environmental protection matter.

Support for S. 2533: For both of these reasons – drought relief and moving federal policy in a more balanced direction – ACWA strongly supports S. 2533. On March 7, 2016, the ACWA Federal Affairs Committee voted unanimously to support S. 2533, “The California Long-Term Provisions for Water Supply and Short-Term Provisions for Emergency Drought Relief Act”. ACWA encourages you to quickly pass this legislation to enable a Senate –House conference committee to meet and negotiate a bipartisan bill which can be signed by the President. ACWA is urging our delegation to work together to include provisions from S. 2533, H.R. 2898 and other drought legislation to achieve this important result.

ACWA is pleased to recognize Senator Feinstein for her outstanding leadership and dedicated hard work to produce S. 2533. Her legislation provides short-term remedies for the ongoing drought as well as long-term direction to prepare western states for future droughts. Most important, Senator Feinstein’s bill contains provisions that can help California and other

western states move federal agencies to embrace the coequal goals of providing both reliable water supplies and needed ecosystem protections.

Summary of S. 2533: S.2533 contains short-term provisions to provide immediate drought relief through use of real-time monitoring, temporary operational measures, and water transfers. The bill does so within the boundaries of existing law and biological opinions – it essentially directs the federal agencies to place more weight on water supply reliability when they apply their considerable discretion in implementing powerful federal laws on the ground. S. 2533 also contains long-term provisions such as assistance for rural and disadvantaged communities, storage projects, desalination, water recycling, including needed changes to the Title XVI Recycling program, Reclamation Infrastructure Financing Improvement Act (RIFIA), WaterSMART authorization, WaterSense authorization, and fish protections (predators, invasive species, refuges). Additional provisions include language to protect water rights and more than \$700 million in authorizations for key projects funded by project deauthorizations.

While ACWA believes most of the provisions within S. 2533 can help Congress move federal agencies to embrace the coequal goals, the following deserve special mention.

An important feature of S. 2533 is its emphasis on better monitoring on a real-time basis to understand the abundance and location of important fish species such as salmon and smelt in the Delta. There have been missed opportunities to safely capture water supplies within the confines of the existing biological opinions that could be regained if the agencies had better information – and a desire to protect water supply when they can while applying their discretion. Good monitoring and good measurement, using sound science, will lead to better management. A number of opportunities to safely capture water were lost earlier this year. With even better monitoring and information, the agencies could make better decisions about storing water.

The bill's section on "Temporary Operational Provisions" contains measures that will help federal agencies increase water supplies. These include: use of improved data to operate the pumps at higher levels when no fish are present; allow agencies to keep the additional water they are able to pump during winter storms; require agencies to explain reductions in pumping under the Delta-Smelt Biological Opinion; require agencies to maximize water supplies consistent with applicable laws and biological opinions; open the Delta Cross-Channel Gates more often to help Delta farmers and South of Delta communities; extend the time period for water transfers by five months; allow a 1:1 transfer ratio so more water transfers can be accomplished.

S. 2533 also contains a section on "Reservoir Operation Improvement." This provision seeks to utilize better science and weather forecasting, such as for atmospheric rivers, to update reservoir operations.

In general, ACWA supports funding and incentives for improved water conservation, water reuse and both seawater and brackish water desalination. S. 2533 contains provisions to address these needs as well as needed improvements to Reclamation's Title XVI program.

Implementation of the Endangered Species Act: Implementation of the Endangered Species Act in California illustrates how federal fish agencies are not utilizing the discretion provided for in the ESA as a priority policy direction. The ESA did not cause the drought, but the manner in which the ESA has been implemented by the federal government has made the impacts of the drought much worse. Too often, ESA regulators impose rules and regulations on water users that have enormous costs but negligible benefits for the environment. Especially during droughts, environmental regulators must learn to be as efficient with the water that they use for their purposes as are urban and agricultural water managers. We believe that provisions of S. 2533 move federal policy in this direction.

UNPRECEDENTED STATE AND LOCAL AGENCY RESPONSE: ACWA recognizes that addressing West-Wide drought conditions is a major imperative for state and federal governments. To help provide perspective on that endeavor, the following focuses on ongoing activities in California.

Conservation and Water District Response: On April 1, 2015 Governor Brown released an unprecedented Drought Executive Order. This action ordered California's urban water suppliers by February 2016 to reduce use of potable water by 25% on average compared to 2013. Between June 2015 and March 2016, 1.3 million acre-feet of water has been conserved. On May 9, 2016, the Governor issued a revised order that provided more discretion to local water managers. The Brown Administration has also made it clear that conservation and water use efficiency must become a way of life in California.

Education: State and local agency drought outreach efforts are playing important roles in securing public cooperation in managing California's drought. "Save Our Water", administered by ACWA in partnership with California's Department of Water Resources, is the official statewide consumer water conservation education program.

State Funding: On November 4, 2014, California voters passed Proposition 1, a \$7.545 billion Water Bond, with 67 percent of the voters supporting the measure. Components of the Water Bond that will provide short- and long- term funding for drought management include \$810 million for water conservation, stormwater capture and reuse and other programs that increase local and regional water supplies; \$2.7 billion to allocate dollars on a competitive basis to partially fund water storage projects such as the CALFED surface storage projects, local and regional surface storage; groundwater storage and reservoir reoperation; \$725 million for water recycling and salt-removal projects; \$900 million for groundwater sustainability – with most of this funding targeted for groundwater cleanup programs; and \$1.89 billion for habitat and watershed programs. Because of the drought, the Brown Administration is seeking to accelerate distribution of these funds wherever practical to generate new supplies that could reduce impacts if this drought persists for a few more years.

In 2014, 2015, California passed into law Emergency Drought Relief legislation. The 2014 package contained \$687.4 million and the 2015 one \$1.1 billion. Among many other items, each year's package includes funding for safe drinking water and water recycling projects, and funding to support emergency food aid to 29 counties impacted by the drought.

Storage: The California Water Commission is charged with allocating \$2.7 billion from the recent Water Bond through a competitive public process to help fund water storage projects. These projects, which will be matched with other local and regional funds, will be critical to improving the operation of the state's water system and achieving the coequal goals of water supply reliability and enhanced ecosystem health. They also will be essential to meeting groundwater sustainability goals and enabling other regional and local water supply strategies. While storage projects funded by Proposition 1 will not help during this drought, they demonstrate California's commitment to better manage droughts in the future.

Several surface water projects that could provide broad benefits in the areas of water supply, water quality and ecosystem restoration have been studied extensively. These projects, known as the "CALFED projects" because they were identified in the CALFED Record of Decision in 2000, would contribute significant operational flexibility toward achieving the coequal goals. In addition to these CALFED projects, ACWA members around the state are preparing to compete for some of the storage funds in Proposition 1 with projects that would increase storage capacity, both above and below ground, in a manner that can improve the operations of California's statewide water system.

Governor Brown's California Water Action Plan: This plan embraces an "every tool in the toolbox" approach which ACWA strongly supports. With conservation happening at record rates, the plan also recognizes the need to modernize California's water systems. It includes above and below ground storage and supports planning at local, regional and state levels to innovate and provide safe reliable water supplies in ways that also protect the environment.

Additional Legislation: Headwaters/Forest Management: Because nearly all of the state's water supplies originate in California's headwaters, more effectively managing these areas is integral to optimizing the water supplies that nature provides. Adapting to climate change and improving watershed resiliency to reduce the likelihood of catastrophic wildfires and increase water yield and quality will require substantial investments. In addition to drought legislation, Congress should pass legislation to address these needs.

MOVING FORWARD: ACWA appreciates this opportunity to testify in support of S. 2533 and encourage its swift passage. The bill can complement needed congressional efforts to move federal agencies towards making balanced decisions to provide reliable water supplies while still protecting the environment.

In battling drought, the importance of enhancing State-Federal partnerships cannot be overemphasized. A key building block for better partnerships includes passage of west wide federal drought legislation that complements states' abilities to move forward with their

comprehensive plans, promote regional self-sufficiency through use of Integrated Water Management Plans and provide incentives and investments for water related projects at local, regional and state levels.

Thank you for the opportunity to submit these comments.

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