

Delta Counties Coalition

Contra Costa County · Sacramento County · San Joaquin County · Solano County · Yolo County
"Working together on water and Delta issues"

February 4, 2013

Secretary Ken Salazar
Department of the Interior
1849 C St, N.W.
Washington DC 20240

Secretary John Laird
California Natural Resources Agency
1416 Ninth Street, Suite 1311
Sacramento, CA 95814

Commissioner Michael Connor
Bureau of Reclamation
1849 C Street NW
Washington DC 20240

Deputy Secretary Jerry Meral
California Natural Resources Agency
1416 Ninth Street, Suite 1311
Sacramento, CA 95814

Dear Secretary Salazar, Secretary Laird, Deputy Secretary Meral and Commissioner Connor:

The Sacramento-San Joaquin Delta Counties of Solano, Sacramento, San Joaquin, Contra Costa, and Yolo, working together as the Delta Counties Coalition (DCC), write to express our support for a thorough analysis of the "Portfolio-Based Conceptual Alternative" recently outlined by a coalition of environmental and business organizations, and its inclusion in the Bay-Delta Conservation Plan (BDCP). The DCC has always promoted analysis of a broader range of alternatives, including but not limited to additional non-diversion through-Delta alternatives. The DCC believes strongly that a successful BDCP process must contemplate comprehensive alternatives that include water conservation, reuse and recycling, levee system improvements, surface water and groundwater storage, and other means to improve water supply reliability, rather than simply focusing on water conveyance and habitat restoration, as is the case for current BDCP alternatives.

We all agree that the status quo is not sustainable. At the same time, we firmly believe that the failure to equally, transparently and fairly analyze the broad spectrum of alternatives referenced above is a recipe for failure of the BDCP. It will result in an outcome that lacks credibility and will waste limited public resources and ultimately fail to significantly advance the co-equal goals of restoring the Bay-Delta ecosystem and fisheries, and improving water supply reliability for California.

A thorough investigation of the Portfolio approach, and a full range of comprehensive alternatives is imperative if the BDCP environmental review process is to be consistent with the state's policy to "reduce reliance on the Delta in meeting California's future water supply needs through a

ATTACHMENT C

statewide strategy of investing in improved regional supplies, conservation and water use efficiency" (Water Code Section 85021). The DCC recognizes the importance of the co-equal goals set forth in California law (Water Code Section 85054); however, any means of achieving these goals, including but not limited to the BDCP, must be implemented in a manner that protects the Sacramento-San Joaquin Delta and its communities and fully mitigates all short- and long-term project-related impacts. To the degree that the state's water supply challenges can be solved through water conservation, reuse and recycling, desalination, surface water and groundwater storage, or other means, the less likely the results of the BDCP will cause harm to the Delta.

We also believe the analysis must be based on the best available science and ultimately be affordable. The Delta Counties have repeatedly called for an independent peer-review of the scientific underpinnings of the BDCP, including a review of the development of flow criteria to preserve and enhance the Delta. Any BDCP must limit exports to water surplus to Delta needs, include water conservation and reuse measures, construct additional water storage facilities, respect and preserve the statutory protections established for the Delta, maintain the existing water rights priority system and area of origin rights, and not redirect water supply impacts upstream of the Delta.

The DCC also supports a transparent, independent, peer-reviewed, and economically sound cost-benefit analysis process that follows state and federal standards for benefit-cost assumptions and focus. Following the identification of viable alternatives, the BDCP should complete a detailed and comprehensive cost-benefit analysis of each alternative consistent with the requirements identified in DWR's Cost-Benefit Analysis Handbook. As the DCC has said in the past, the analysis should include all foreseeable direct and indirect economic impacts on the Delta and on Delta counties, including the impacts of any new water infrastructure and habitat conservation projects.

Thank you for your consideration of our views. We look forward to continuing to look for ways to work with you to achieve our respective objectives.

Sincerely,



Mary Nejedly Piepho
Supervisor, Contra Costa County



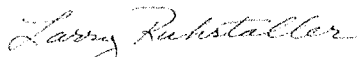
Skip Thomson
Supervisor, Solano County



Don Nottoli
Supervisor, Sacramento County



Mike McGowan
Supervisor, Yolo County



Larry Ruhstaller
Supervisor, San Joaquin County

January 16, 2013



The Honorable Ken Salazar
Secretary
U. S. Department of the Interior
1849 C Street, N. W.
Washington, DC 20240

The Honorable John Laird
Secretary
California Natural Resources Agency
1416 Ninth Street, Suite 1311
Sacramento, CA 95814

Dr. Jerry Meral
Deputy Secretary
California Natural Resources Agency
1416 Ninth Street, Suite 1311
Sacramento, CA 95814

The Honorable Michael L. Connor
Commissioner
U. S. Department of the Interior
1849 C Street, N. W.
Washington, DC 20240

Dear Secretary Salazar, Secretary Laird, Deputy Secretary Meral,
and Commissioner Connor:

We are writing to you in advance of the planned release of the public review draft of the Bay Delta Conservation Plan (BDCP), out of a deep concern over the status of this effort. We are united in a desire for a successful project that can be supported by project proponents, Delta stakeholders, and the public. That chance for success is substantially diminished as a result of the alternatives analysis that we have seen thus far. Up to now, the BDCP process has been strongly focused on advancing a large capacity conveyance which, along with the suite of associated conservation measures, will be burdened with large uncertainties and for which a solid business case has not yet been made. These unquantified risks include impacts on listed species, impacts on the Delta landform, hydrology and water quality, open-ended costs to direct water users and to the public, political controversy, and potentially lengthy litigation.

Secretary Salazar, Secretary Laird, Deputy Secretary Meral,
and Commissioner Connor
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Absent so far has been a portfolio-based alternative that features a smaller conveyance facility with additional, complementary investments in local water supply sources, regional coordination, south of Delta storage, levee improvements, and habitat restoration (see attachment) as advanced in the coalition letter sent by other organizations today. We believe that it is critical to evaluate in detail a conveyance as small as 3,000 cfs, as it would provide considerable water supply benefits to the export community while better protecting broader interests in the Delta. Such a facility would also realize significant financial savings in comparison with a larger conveyance facility, face fewer legal and political challenges, and potentially be completed sooner. With accompanying investments in proven, cost-effective regional water strategies, this approach could increase export area water supplies and reduce the vulnerability of water supplies and Delta infrastructure to disruption from earthquakes and other disasters. We urge that this conceptual alternative be seriously considered in the BDCP process, including the required CEQA/NEPA analyses and the Clean Water Act Section 404 alternatives analysis.

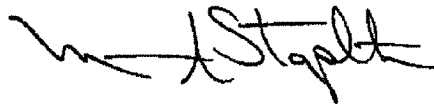
A portfolio approach could produce superior benefits at a similar or lower cost to water users and the public, and at reduced levels of environmental impacts. It has the potential to be consistent with the best available science and, as a result, may be more readily permittable and capable of delivering benefits more rapidly. It would appear that a solid business case can be made for such an alternative; in any event, the business case must be made before any project proceeds.

We fully appreciate the magnitude of the challenges facing the Delta, and urge a comprehensive solution that is both affordable and science-based. We recognize the enormous effort you have undertaken toward this end, and hope that this conceptual alternative will continue to advance the discussion.

Sincerely,



Jerry Brown
General Manager
Contra Costa Water District



Maureen A. Stapleton
General Manager
San Diego County Water Authority

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and Commissioner Connor
January 16, 2013
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Michael P. Carlin
Deputy General Manager
San Francisco Public Utilities Commission



Walter L. Wadlow
General Manager
Alameda County Water District



Alexander R. Coate
General Manager
East Bay Municipal Utility District



Mark Watton
General Manager
Otay Water District



Bob Filner
Mayor
City of San Diego

Attachment



Secretary Ken Salazar
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Deputy Secretary Jerry Meral
California Natural Resources Agency
1416 Ninth Street, Suite 1311
Sacramento, CA 95814

January 16, 2013

Re: A Portfolio-Based Conceptual Alternative for BDCP

Dear Secretary Salazar, Secretary Laird, Deputy Secretary Meral and Commissioner Connor,

We represent a coalition of business and environmental organizations. We are writing to request that the attached conceptual alternative be considered in the BDCP process, including as a stand-alone alternative in the required CEQA/NEPA analyses and Clean Water Act Section 404 alternatives analysis. Our constituents believe strongly in the need for a science-based, cost-effective BDCP plan to help achieve the co-equal goals of restoring the Bay-Delta ecosystem and salmon fishery, and improving water supply reliability for California. None of us believes that the status quo in the Delta is acceptable.

Although many stakeholders have recommended that BDCP consider certain elements that are included in the attached document, we thought it would be most helpful at this point in the BDCP process to offer a *package* of actions and investments that, taken together, represent an alternative that could attract support from a diverse coalition of interests. This is a conceptual alternative, not a proposed BDCP preferred project. We believe that analysis of this alternative will assist BDCP in developing the most cost-effective, environmentally beneficial final BDCP project with the best chance of implementation.

At the heart of the conceptual alternative are two simple principles. First, BDCP must be grounded in the best available science regarding ecosystem management. This approach is essential to designing a successful, long-term plan for a water supply system and ecosystem as complex and dynamic as the Bay-Delta. This approach is also essential to ensure that the BDCP plan can meet legal requirements and receive permits. We applaud Governor Brown and Secretary Salazar for emphasizing their commitment to a science-based approach to BDCP in their July 25, 2012 announcement.

The second core principle is that the BDCP make fiscal sense. The final BDCP plan must be both affordable and financeable or it will ultimately fail. We believe it is imperative at this point in the BDCP process to avoid the economics and financing issues that plagued CALFED and contributed to its eventual failure.

This conceptual alternative was also developed with two practical realities in mind. First, the conceptual alternative has been developed based on the reality that many California water suppliers are looking closer to home to meet their long-term water supply needs and are planning to reduce their demand for water imported from the Bay-Delta. The second reality is that cities and water agencies, as well as federal, state and local budgets are facing significant financial constraints. We believe that it is critically important to balance the timing and need for investments in the Delta with a strategy that also advances continued water agency investments in local water supply development.

This “portfolio-based” approach reflects the real world desire of water suppliers and the public to evaluate the relative benefits of investments both within and outside of the Delta, and is consistent with the increased discussion in BDCP, over the past six months, of South of Delta water supply alternatives.

One of the cornerstones of the conceptual alternative is a proposal to evaluate a 3,000 cfs, single-bore North Delta diversion facility. This facility would produce significant financial savings, in comparison with a larger conveyance facility, while still providing water reliability benefits. In fact, we believe it could produce greater overall benefits at a lower cost, with some of the savings invested in local water supply sources, new South of Delta storage, levee improvements and habitat restoration. For example, investments in proven, cost-effective local water supply strategies can both increase export area water supplies and reduce the risk of disruption from earthquakes and other disasters. Southern California 2010 Urban Water Management Plans have already identified 1.2 MAF of potential additional local supply projects, only a small fraction of which have been factored into Delta planning.

Many of these local investments could provide significant, broad and long-term benefits. For example, a relatively small investment (in comparison with the cost of a new Delta facility) in Delta levees would provide significant water supply benefits beyond those achievable by the BDCP as currently conceived. The BDCP currently anticipates that, even with a large facility, on average, approximately half of the water exported from the Delta would still be pumped by the South Delta facilities (with more than three quarters of exported water pumped from the

South Delta in critically dry years). Therefore, reducing the vulnerability of Delta levees would provide significant water supply reliability benefits for South of Delta water users, particularly in dry years. Such an investment, in combination with local and public funds, would provide additional local benefits in the Delta. We believe that BDCP should include such “win-win” opportunities to collaborate with in-Delta interests.

It is essential not to delay an evaluation of the likely yield of a new Delta facility. The conceptual alternative also calls for the careful analysis of the best science available today regarding water project operations with a new facility. In particular, this approach calls for the analysis of an operations proposal developed by state and federal biologists to conserve and manage a full range of covered Delta fish species, including consideration of the need to protect upstream fisheries resources. We understand that state and federal biologists have undertaken an extensive effort to prepare such an operational scenario. The signatories to this letter have not endorsed these proposed operations. Rather, given that this operational scenario represents an important effort by state and federal biologists, it should be analyzed in the BDCP EIR/EIS, the Effects Analysis and the 404 analysis.

This conceptual alternative includes initial cost estimates that suggest that this approach could provide superior environmental results, increased water supply and greater reliability at a reduced cost. By expanding benefits and lowering costs, this portfolio approach could assist with project financing. We encourage BDCP to include this approach in its analysis of economics and financing issues, and to refine the cost estimates included in this conceptual alternative.

We sincerely believe that this conceptual alternative has the potential to produce superior benefits at a similar or lower cost to water users and the public. Because it is based on the best available science, we believe it would be more readily permittable. It also promises to deliver benefits more rapidly. And, finally, we believe that this approach will be helpful in attracting broader support for BDCP, both within and outside of the Delta.

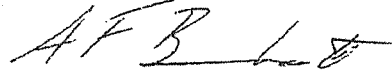
We request that this conceptual alternative be analyzed as a stand-alone alternative in BDCP’s environmental documents. In addition, we recommend that BDCP use this portfolio approach to compare the potential benefits and impacts of multiple alternatives, including a full range of different conveyance facility capacities. Such comparisons are needed so decision-makers can fully understand the choices they face and can select the optimum portfolio of actions that will best serve the state.

Thank you for your hard work to design an effective plan to meet the challenges we face in the Delta. We hope that this conceptual alternative will continue to advance the discussion. We look forward to an opportunity to discuss the conceptual alternative with you, including how it may best be incorporated into BDCP's analysis.

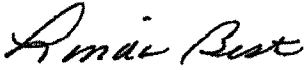
Sincerely,



Barry Nelson, Senior Policy Analyst
Natural Resources Defense Council



Tony Bernhardt
Environmental Entrepreneurs



Linda Best, President and CEO
Contra Costa Council



Gary Bobker, Program Director
The Bay Institute



Kim Delfino, California Program Director
Defenders of Wildlife



Jonas Minton, Water Policy Advisor
Planning and Conservation League

Congress of the United States
Washington, DC 20515

February 21, 2013

The Hon. Ken Salazar
Secretary
U.S. Department of the Interior
Washington DC

The Hon. Rebecca Blank
Acting Secretary
U.S. Department of Commerce
Washington DC

Dear Secretary Salazar and Acting Secretary Blank:

We are writing you regarding the process that your agencies are using to consider alternatives for the Bay Delta Conservation Plan (BDCP) to protect the Bay Delta and to meet water needs. We urge you to provide full consideration to a portfolio-based conceptual alternative for the BDCP from a coalition of Northern and Southern California water agencies, and business and environmental groups.

The alternative proposed by these groups represents an effort to integrate many recommendations into an alternative that includes actions both in the Delta and in the communities that rely on exported Delta water. As you know, over the past several years, we have urged your agencies to explore just such an approach.

The portfolio approach has two advantages. First, it can provide a more comprehensive and cost-effective solution that could be superior from both an environmental and economic perspective. Second, this approach was developed by and has united a diverse coalition. It also includes many recommendations offered by the Delta community, which has regrettably been largely ignored in the BDCP process. Your agencies should aggressively explore the potential for this alternative to bring together a wide cross-section of California's competing water interests.

We understand that BDCP is already planning to analyze a 3,000 cubic feet per second conveyance facility. An alternative with that facility size alone, however, is not enough. This conceptual alternative includes a small facility, scientifically-based flow and pumping rules, and a broad, integrated package of actions that, together, represent a promising approach. The BDCP's alternative that includes a small facility must be designed to be as successful as possible. A small facility, considered in isolation, is not a reasonable approach. An alternative with a small facility must include the integrated approach described in this conceptual alternative.

As we have discussed many times, it is essential that the BDCP incorporate strategies outside of the Bay-Delta as part of a portfolio-based alternative in order to efficiently and effectively protect the Delta and meet water demands. As such, these strategies must be analyzed in at least

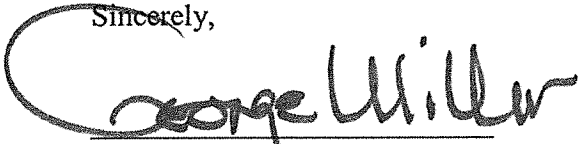
one stand-alone alternative, rather than, for example, an analysis in an appendix to a NEPA document.

In particular, we urge you to include, in this alternative, the operations proposal developed by state and federal biologists over the past year, based on the best available science. This should include all analyses and subsequent refinements that have shown the achievement of spring outflow targets with protections for tributary reservoir and biological operations. This will help to ensure that BDCP's final project operations requirements meet environmental needs, including for California's salmon fishery, both in the Delta and upstream.

For the BDCP to be successful, it must yield a plan that can be permitted, that meets legal requirements, that provides a more reliable water supply for California and that protects, restores, and enhances the Delta ecosystem. In short, the BDCP should actively seek -- and fully evaluate -- credible comprehensive alternatives like this one.

Thank you for your consideration of our request.

Sincerely,



GEORGE MILLER
Member of Congress



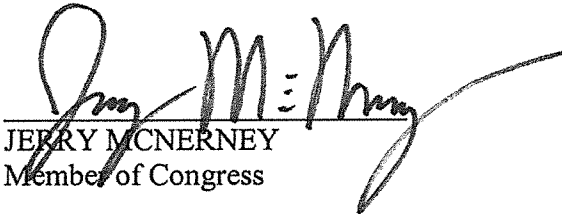
DORIS O. MATSUI
Member of Congress



MIKE THOMPSON
Member of Congress



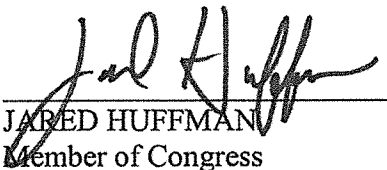
JOHN GARAMENDI
Member of Congress



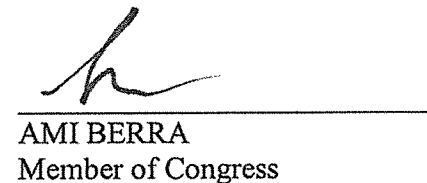
JERRY MCNERNEY
Member of Congress



JACKIE SPEIER
Member of Congress



JARED HUFFMAN
Member of Congress



AMI BERRA
Member of Congress