Public Comment
2016 Bay-Delta Plan Amendment & SED
Deadline: 3/17/17 12:00 noon

February 17, 2017

Jeanine Townsend, Clerk to the Board
State Water Resources Control Board
Cal/EPA
1001 I Street, 24th Floor
Sacramento, CA 95814-0100

RE: Comment Letter – 2016 Bay-Delta Plan Amendment & SED

Dear Ms. Townsend:

On behalf of the signatories to this letter, we appreciate the opportunity to comment on the State Water Resources Control Board's 2016 Bay-Delta Plan Amendment and SED released September 15, 2016.

The business community supports a comprehensive solution to address the water supply and quality challenges in the San Francisco/Sacramento-San Joaquin Delta Estuary. Unfortunately, a comprehensive solution for California is now being jeopardized by the "unimpaired flow" approach proposed by the State Water Resources Control Board (Board) in the above referenced proposal. "Unimpaired flow" refers to the concept of a theoretical percentage of all runoff occurring in real-time in a watershed over the course of a year.

More specifically, the "unimpaired flow" approach will release critical water in storage and prevent the diversion of water throughout California, which will significantly affect precious water supplies for businesses, local communities and the environment throughout California. This is particularly true in dry years like the last five.

The proposal will have a devastating impact on drinking water, sanitation needs, food production, the economy and jobs for people stretching from the upper Central Valley throughout the Bay Area. The San Francisco Public Utilities Commission predicts "significant" job and other economic losses as well as "more severe and more frequent water rationing" for its 2.6 million customers. It will also have serious implications in drought years and in post drought years when districts and landowners are trying to refill their systems and replenish groundwater. The Tuolumne River alone accounts for 85 percent of San Francisco's drinking

water and 55 percent of the drinking water used overall in the Silicon Valley and by the Alameda County Water Agency. A 30 percent to 50 percent reduction in water supplies from the San Joaquin River would be extremely difficult to replace unless more groundwater is pumped. However, the Sustainable Groundwater Management Act will restrict how much water can be pumped based on basin sustainability.

According to an economic study prepared for the Merced Irrigation District, losses in the agricultural sector would range from $127 million to $231 million, decline in employment from between 587 and 970 full and part-time jobs, and a reduction in labor income ranging from $37 million to $59 million in the Merced area.[1] The proposal underestimates the degree of economic distress that it will have on the agricultural industry dependent on the San Joaquin River for their water supplies. Main street businesses will suffer a loss of revenue and nonfarm jobs as well as local governments who will see a significant decline in revenues that support essential services.

The state's Department of Water Resources (DWR) offered testimony at the January 3, 2017 public hearing indicating some of the shortcomings of the proposal. Amongst other comments, DWR pointed out that the proposal contains out of date and incomplete scientific information, contains erroneous information on water quality within the South Delta, makes unverified assumptions about its effects on groundwater sustainability and uses unimpaired flow standards not suited for real-time operations. The facts and science used to develop the proposal are unsupported and therefore should be set aside.

We believe the Board should abandon this flawed approach and instead encourage parties to develop voluntary agreements as called for in the California Water Action Plan and reiterated by the Governor in a September 19, 2016 letter to Chairwoman Marcus.

Should you have any questions, please feel free to contact me via email (Valerie.nera@calchamber.com) or at (916) 444-6670.

California Chamber of Commerce
California Building Industry Association
California Business Properties Association
California Forestry Association
California League of Food Processors
Family Winemakers of California
Fresno Chamber of Commerce
Greater Bakersfield Chamber of Commerce
NAIOP Commercial Real Estate Development Association – Southern California Chapter
Orange County Business Council
Ripon Chamber of Commerce
Western Growers Association

cc: Catalina Hayes-Bautista, Office of the Governor
The Honorable Adam Gray
The Honorable Vince Fong
The Honorable Cathleen Galgiani
John Kennedy, Assembly Republican Caucus
Todd Moffitt, Senate Republican Caucus

[1] Cardno and Highland Economics, 2016. Estimated Economic Impacts of Reduced Water Availability on the Merced Irrigation District. Cardno, Sacramento CA; Highland Economics, Portland Oregon.