DEPARTMENT
OF UTILITIES

ENGINEERING
SERVICES DIVISION

CITY OF SACRAMENTO
CALIFORNIA

1395 35th AVENUE
SACRAMENTO, CA
95822-2911

PH 916-808-1400
FAX 916-808-1497/1498

April 24, 2012

Mr. Charlie Hoppin, Chair
Ms. Francis Spivy-Weber, Vice Chair
Ms. Tam M. Doduc, Member

State Water Resources Control Board
P.O. Box 100
Sacramento, California 95814

SUBJECT: **SUPPLEMENTAL NOTICE OF PREPARATION AND NOTICE OF SCOPING MEETING FOR ENVIRONMENTAL DOCUMENTATION FOR THE UPDATE AND IMPLEMENTATION OF THE WATER QUALITY CONTROL PLAN FOR THE SAN FRANCISCO BAY/SACRAMENTO-SAN JOAQUIN DELTA ESTUARY: COMPREHENSIVE REVIEW**

Dear Chairman Hoppin and Members of the Board,

The Department of Utilities for the City of Sacramento (Sacramento) is pleased to provide scoping comments in response to the State Board's Supplemental Notice of Preparation (NOP) concerning the update and implementation of the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary (Plan). Sacramento provides its residents and businesses with wastewater, stormwater, and water supply services. Sacramento operates, and maintains its wastewater and stormwater systems in accordance with National Pollutant Discharge Elimination System (NPDES) permits and Waste Discharge Requirements issued by the State of California. These permits and requirements ensure protection of the beneficial uses of the Sacramento River, its tributaries and downstream waters, including the Sacramento-San Joaquin Delta. Sacramento also is the largest municipal water supplier in the Sacramento-San Joaquin Valley, providing municipal and industrial water supply to over 466,000 residents and 138,000 customer accounts, in addition to being a wholesale water supplier to a number of local water agencies. We have a strong interest in the health of the Delta, and have made significant investments in water conservation measures that have benefitted the Delta by reducing water usage in Sacramento, and will continue to do so.

1. Meet Instream Needs of Upstream Tributaries

Sacramento is a member of the regional Water Forum which is a stakeholder organization representing over 40 business, environmental, public, and water interests in the Sacramento region. Through execution of the Water Forum Agreement in April 2000, members agreed to a series of actions to achieve the following coequal objectives:

- Provide a reliable and safe water supply for the region's economic health and planned development to the year 2030; and
- Preserve the fishery, wildlife, recreational, and aesthetic values of the Lower American River.

As discussed in the letter sent separately by the Water Forum, any Delta Flow criteria need to take into account the resource needs of fish in the upstream tributaries. We are concerned that any flow allocations made to benefit the Delta may adversely impact upstream tributaries; for example, an approach that releases more water from upstream reservoirs in the spring, to benefit the Delta, would result in insufficient cold water being available to upstream tributaries for Salmon and Steelhead needs in the fall.

2. Respect Water Right Priorities and Provide Credit for Return Flows

The supplemental NOP states that the State Board will consider information developed as part of its August 3, 2010, Delta Flow Report. Any flow allocations or other implementation measures applied to existing senior water right holders within areas of origin, whether based on the Delta Flow Report or other information, must be implemented in accordance with the water right priority system, and the area of origin laws, as mandated by State law. In addition, any such allocations should not treat all surface water diversions the same, but should recognize that the net flow impact on the Delta of diversions that result in return flow, such as occurs in Sacramento and other upstream communities, is significantly less than the net flow impact resulting from diversions in areas with no return flow to the Delta.

3. Balance the Need for Planning, Operational and Financial Certainty

We understand that some proposals to manage Delta flow and tributary flows include adaptive management. It is not clear what adaptive management means in the context of Delta flows and by extension flows on the tributaries, but we have heard proposals to vary water supplies by plus or minus 10% or perhaps more on some tributaries[1]. While Sacramento understands that there may be the need to drastically cut back on demands in catastrophically dry years and potentially ration water, varying water supply availability on a routine basis could wreak havoc on the finances of water agencies, and threaten their ability to continue providing vital services.

[1] Recent testimony from Ms. Francis Spivy-Weber to the Senate Committee on Natural Resources and Water suggested the San Joaquin River Tributary Flow proceeding may have an adaptive management element where water supplies are varied +/- 10 percent.

Municipal water suppliers spend many years and make significant investments to develop water supplies to meet the needs of their customers. It can take a decade or more to plan, acquire the funding, design and construct a water treatment plant. After the construction, a stable revenue stream from water rate revenue is needed to fund this investment and to operate and maintain the utility. For many purveyors, the majority of these costs are fixed costs that are not reduced when less water is supplied. As a result, if the purveyor's water supply is reduced to any meaningful degree the purveyor may be unable to recover sufficient revenue to pay its costs of service. This is particularly problematic for a purveyor with a rate structure that obtains up to70 percent of the revenue based on variable volumetric rates, pursuant to the California Urban Water Conservation Council's Memorandum of Understanding Best Management Practice 1.4, because the purveyor's variable costs actually may be far less than 70 percent of the overall costs of service.

4. Redirected Impacts Should be Identified and Analyzed

The Supplemental NOP states that the State Board may consider information produced as part of the Bay Delta Conservation Plan (BDCP) currently being developed. Any consideration of the BDCP should recognize that the goal of the BDCP, for purposes of water supply, is to improve the reliability of water deliveries exported from the Delta watershed. This gives rise to a significant concern that improved water supply reliability for areas that receive water exported through the Delta may be achieved at the expense of water supply reliability for areas that do not import water, such as the Sacramento region, and that water supply reductions imposed to address impacts to covered species will be redirected to upstream areas that are not covered by the BDCP. Any such redirected impacts, including any measures necessary to mitigate such impacts, should be indentified and analyzed.

5. Beneficial Use Definitions

Beneficial uses are currently defined based on water quality, and do not directly account for the flow-related beneficial uses. Storm runoff events may increase some pollutant loads for periods, but flood protection is oftentimes a higher priority for public health and safety that is not always recognized in discussions of water quality. The Plan's consideration of beneficial uses should be expanded to include flood management beneficial uses.

6. Habitat Restoration Projects

The Plan should clarify that planning and implementation of projects in the Sacramento-San Joaquin Delta should include mitigation for any impacts to water quality and biological resources caused by restoration projects. For example, projects that are intended to create additional wildlife habitat, restore wetlands, prevent or reverse subsidence, sequester carbon, or manage flood control risk all have the potential to increase conditions that favor in-Delta methylmercury generation and other non-conservative pollutants such as organic carbon. A validated water

quality model should consider these potential effects so that the impacts for specific actions can be quantified relative to all sources prior to implementation.

We encourage coordination with knowledgeable affected local entities to ensure that all projects, including habitat restoration projects, be evaluated for impacts to water quality. This will help ensure that any necessary tradeoffs are understood and documented, and that associated mitigation costs are not borne by upstream stormwater and wastewater agencies.

7. Delta Methylmercury TMDL

In-Delta generation of methylmercury could substantially change the Delta Methylmercury TMDL approach, especially considering the long-term timescale for attainment of the TMDL fish tissue target. In addition to some of the proposed restoration projects, modifications to flow standards would also modify the loads of methylmercury to the Delta and San Francisco Bay. Any policy change with regards to flow criteria should analyze the resultant impacts to current TMDLs and TMDLs under development.

8. Potential new water quality objectives for protection of municipal and industrial beneficial uses

The potential effects of water quality constituents on the Delta are being addressed in other scientific and regulatory venues and do not need to be included in the Plan. The Central Valley Regional Board already incorporates primary and secondary maximum contaminant levels (MCL) into Basin Plans. This approach effectively requires point discharges to meet drinking water standards, including those for taste and odor, without considering downstream fate and transport, including existing water treatment facilities. In the case of carcinogen-based human health water quality objectives, existing California Toxics Rule objectives, applicable to NPDES point discharges, are more stringent than the analogous Safe Drinking Water Act requirements.

Regional efforts such as the Central Valley Drinking Water Policy address drinking water constituents of concern without specific numeric objectives, such as organic carbon and pathogens. The recently released Central Valley Drinking Water Policy Workgroup Synthesis Report[2] summarizes the lengthy source identification and water quality modeling program that specifically considered numeric water quality objectives. That Workgroup concluded that numeric objectives for organic carbon were not necessary and that projected future urbanization of the Central Valley would likely not increase organic carbon concentrations such as to require additional treatment by drinking water agencies drawing water from the Delta. The Central Valley Regional Board staff is now developing narrative objectives for organic carbon and pathogens that specifically consider water supply beneficial uses.

---

2 <http://www.waterboards.ca.gov/rwqcb5/water_issues/drinking_water_policy/dwp_wrkgrp_synthesis_rpt.pdf>

9. Pelagic Organism Decline

The pelagic organism decline (POD) research to date has considered numerous "stressor" conditions in isolation from each other and from their original sources. With regard to pesticide sources from urban runoff and agriculture, although toxicity effects may be evident close to the sources (e.g., stormwater outfalls), further downstream in the Sacramento River and Delta, the effects are not as evident. Although these sources may contribute to stress on certain species, the downstream nexus needs further study, especially in relation to other identified stressors.

Sacramento appreciates the opportunity to submit these comments. If you have questions or desire additional information, please call Jim Peifer, Senior Engineer, at (916) 808-1416.

Sincerely,

Bill Busath
Interim Engineering Division Manager
City of Sacramento Department of Utilities

cc:

Mr. Tom Howard, State Water Resources Control Board
Ms. Pamela Creedon, Regional Water Quality Control Board, Central Valley Region
Mr. John Woodling, Regional Water Authority
Mr. Tom Gohring, Water Forum