





# **Irrigated Lands Regulatory Program Costs of Compliance**



April 9, 2013

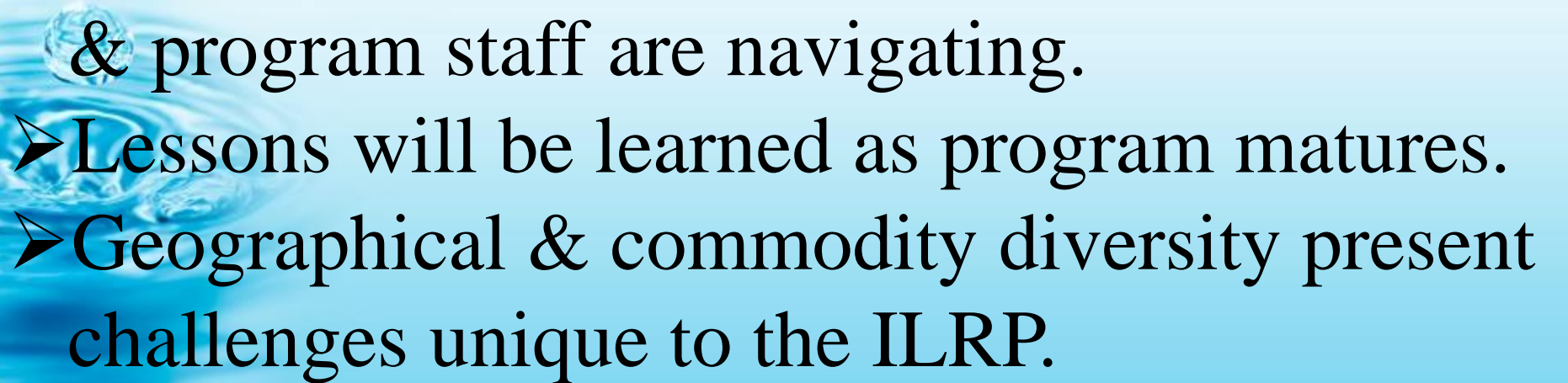


# Stakeholder Group Meetings

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- All stakeholder meeting held February 20<sup>th</sup>
  - Core group has met regularly & continues reaching out to larger Ag. community.
  - Continue to collect actual costs incurred by farmers.



# Overview

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- Evolving ILRP in multiple regions.
  - Significant changes to the Central Valley & Central Coast programs that both stakeholders & program staff are navigating.
  - Lessons will be learned as program matures.
  - Geographical & commodity diversity present challenges unique to the ILRP.



# Cost Impacts

➤ SWRCB fee from 12¢/acre to 56¢/acre.



➤ Coalition fee from \$1/acre to \$6/acre.

➤ Paperwork costs.

➤ Management Practices.




# Cost Impacts

- \$50 million in the Central Valley for monitoring.
- \$200,000 in the Central Coast to develop the agricultural proposals.
- Addition of groundwater is doubling costs.
- ESJWQC has doubled their per acre fee.
- \$4/acre to \$620/acre range in the Central Coast.
- Growers are hiring consultants to complete necessary compliance paperwork.



# Management Practices Costs

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- CVRWQCB noted “most of the estimated cost of \$30 to \$189/acre for farmers implementing the groundwater program in the Tulare Lake Basin will be due to investment in additional management practices.”

# Moving Targets

- New groundwater elements
- TST
- CV-SALTS
- Biological Objectives
- Nitrates in drinking water recommendations



# Recommendations

- ▶ Interpretation of Porter-Cologne and the Clean Water Act is inconsistent statewide on the ILRP.
- ▶ We support best mgmt. practices, treatment, and control pilot projects in determining if new regulatory standards are achievable.
- ▶ Is agency duplication necessary? Example would be DPR's Groundwater Protection Program and how their expertise helps.





# Recommendations

- Independent economic analysis should be incorporated in the ILRP regulatory process.
- Conflicts between water quality and food safety regulations and practices.
- SWRCB should prioritize common recommendations amongst the stakeholder groups.
- Develop implementation plan around those common themes.



# Economic Analysis Tools

## ➤ U.S. EPA

*EPA Tool Helps Estimate the Affordability of  
Water Pollution Control Requirements*

## ➤ Cal Poly

*An estimation of the regulatory cost on Ca. Ag. Producers*

## ➤ Economic & Cost Analysis of the Central Coast Ag Order & Ag Alternative

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# Questions?

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