

STATE WATER RESOURCES CONTROL BOARD PUBLIC WORKSHOP REVIEW OF STANDARDS FOR THE SAN FRANCISCO BAY SACRAMENTO-SAN JOAQUIN DELTA ESTUARY

TRIENNIAL REVIEW WORKSHOP APRIL 26, 1994 STATEMENT OF CALIFORNIA URBAN WATER AGENCIES

California Urban Water Agencies (CUWA) represents California's eleven largest urban water agencies, serving over 20 million consumers and three-fourths of the state's economic activity. The membership of CUWA is comprised of the following agencies:

- Alameda County Water District
- Contra Costa Water District
- East Bay Municipal Utility District
- Los Angeles Department of Water and Power
- Metropolitan Water District of Southern California
- Municipal Water District of Orange County
- Orange County Water District
- San Diego County Water Authority
- San Diego Water Utilities Department
- San Francisco Public Utilities Commission
- Santa Clara Valley Water District

CUWA is concerned about the decline of aquatic resources in the Sacramento-San Joaquin Delta and San Francisco Bay ecosystem (hereafter "Bay/Delta"), as well as the impact of Delta water quality degradation on reliable urban water supplies and on the State's \$800 billion economy.

The CUWA Board of Representatives strongly supports development of standards by the State Water Resources Control Board that protect Delta estuarine habitat. CUWA members have in the past supported efforts to address the causes of this decline and will continue to do so in the future. It is from this positive perspective that CUWA comments on the SWRCB Review of Standards for the Bay/Delta estuary.

In working with SWRCB on its Triennial Review, we will also focus on our concerns about outflow standards, flexibility, a multi-species habitat-wide approach, the importance of estuarine health factors other than outflow, and means for achievement of an

implementable long-term management plan which meets CEQA and NEPA requirements.

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In response to the January EPA proposal ("Water Quality Standards for Surface Waters of the Sacramento River, San Joaquin River, and San Francisco Bay and Delta of the State of California"), CUWA undertook an extensive review of the background and basis of the EPA proposal. This four-month scientific review was conducted by biologists, hydrologists, statisticians, engineers, and other professionals retained by CUWA or provided through its member agencies. The technical work was conducted in cooperation with consultants to the San Luis and Delta-Mendota Water Authority. The written products of the CUWA scientific review (listed on Attachment A), including our recommendations to EPA, are hereby submitted to SWRCB for this Triennial Review.

The experts of CUWAs team were not guided by policy considerations and the work was conducted under public scrutiny. Furthermore, the raw data supporting their conclusions has been made available to anyone to review. The recommendations by the experts and CUWA do not represent the final answer but rather build upon the work done by the U.S. EPA, the U.S. Fish and Wildlife Service, and others.

As a result of these studies, CUWA adopted the following alternative proposals which we believe are equivalent to, if not better than the EPA proposed standards:

- 1. CUWA recommends adoption of a Suisun Estuary Standard, to be measured at the Confluence of the Sacramento and San Joaquin rivers, and Chipps Island, which would provide a level of protection for the estuary which is as effective, if not more effective than the EPA proposal in protecting estuarine habitat and fishery resources and is fully consistent with EPA's stated goals, with lower water supply impacts. CUWA does not support extending the standard to include Roe Island/Port Chicago because: (1) at this location the correlation between flow and fishery abundance is very weak; (2) the "water cost" is very high; (3) the Chipps Island standard concentrates the fisheries in an environment which is more desirable for estuarine processes; and (4) as to some species, the standard may result in counterproductive environmental effects. [CUWAs specific recommendations, such as "sliding-scale" mechanisms, are contained in documentation previously submitted to SWRCB. We request that those documents be submitted into the record.]
- 2. The goals of EPA's proposed Fish Migration and Cold-Water Habitat Criteria are not met by the EPA proposal. The proposed criteria are not directly indicative of biological response because the indices are not valid over a wide range of hydrologic, hydraulic, and operational scenarios. Rather, criteria for salmon smolt survival are more appropriately addressed by a basin-wide management plan developed to control the full range of variables which affect salmon smolt survival.

3. A striped bass spawning standard should not be set as proposed by EPA. Action to improve striped bass spawning habitat would be better managed in a multi-species planning effort and should be consistent with USF&WS and NMFS recovery plans for threatened and endangered species. Such action should also be consistent with the State's program to regulate and control agricultural drainage.

In addition to our comments above, CUWA strongly believes that the following elements <u>must</u> be part of the implementation of Bay/Delta standards:

- Responsible Parties: All responsible parties, in-Delta and upstream, who create impacts in the estuary must contribute appropriately to mitigate their impacts in the Bay/Delta.
- <u>Biological Monitoring</u>: After adoption of the standard, the appropriate agency should develop a comprehensive monitoring and research program to measure how the standard is meeting its ecological objectives and how the standard is affecting estuarine health. The standard should be able to be updated in response to the results of these biological findings to ensure that the standard continues to meet its goal of protecting beneficial estuarine habitat uses. The triennial review process is one option the Board might consider for formalizing such a biological monitoring process.
- Phased Compliance: To avoid confusion and thus ensure orderly and prompt compliance, a compliance schedule should be established which would phase in requirements relative to a schedule for all Delta watershed users to appropriately share water supply impacts. Phasing is also appropriate to enable project operators to develop compliance procedures and for the State Board to address water allocation issues.
- Alternative Mitigation: Under some hydrologic conditions, some urban water
 agencies may be unable to meet their customers' demands without severely
 jeopardizing their operations or obligations, despite meeting Best
 Management Practices criteria, if supply reductions occur as a result of
 implementation measures. Therefore, the Board should formulate alternative
 methods for contribution to impact reductions, such as "mitigation credits" or
 water purchases.
- <u>Cross-Delta Transfers</u>: The standards and implementation program should assure that cross-Delta water transfers are feasible. The availability of voluntary transfers is a critical element in reducing the water supply impacts of any Bay/Delta standards.

The economic "stakes" of resolving the Bay/Delta crisis are high. Urban water agencies in the San Francisco Bay Area and the South Coast depend on the Bay/Delta for a substantial portion of their water supplies. To the extent these urban agencies are uncertain about their ability to meet residential and industrial demand for water or to meet increasingly stringent water quality standards, doubts about the State's economic infrastructure ripple through the business community.

A recent article in Standard & Poor's CreditWeek Municipal, an investment periodical, is just one example of this spreading "ripple" of economic doubt. The article states:

Problems faced by California water suppliers will have a generally negative impact on credit quality for years to come due to the economic impact and rising costs associated with water supply and reliability....[T]he allocation of water supplies for consumption in California remains in gridlock as both federal and state legislators try to achieve a workable solution to the conflicting interests in the Delta. (S&P CreditWeek Municipal, March 21, 1994, page 112)

If public water agencies in California experience a down-grading of their credit ratings -- at a time when agencies throughout the State are issuing billions of dollars of debt to finance ambitious infrastructure improvement projects -- the entire state will suffer as a consequence. Utility rates would increase, and more significantly, public agencies would find it more costly, or impossible, to obtain the underwriting necessary to finance economically vital capital improvement projects.

These facts make it clear that in order to ensure the future health of California's economy, we must begin to take <u>concrete steps</u> this year to resolve the environmental problems in the Bay/Delta. We believe the first step in this process is the adoption by the end of 1994 and early implementation of appropriate standards for the Bay/Delta.

We view immediate standards and implementation as the first of several steps necessary to restore the economic and environmental functionality of the Bay/Delta. As a practical matter, we recognize that in the near future, outflow and the operation of water projects are the convenient first line of defense for protection of Bay/Delta environmental resources. However, any standards adopted by the Board must explicitly recognize that measures other than narrowly focused outflow and operational requirements will contribute to the protection of Bay/Delta environmental resources.

There are a broad array of other measures which, when implemented, will provide protection to the Bay/Delta environment and reduce the amount of water needed for environmental protection. Among these measures are reduction of non-point discharges of salts and toxins that degrade habitat, reduction of direct entrainment of fish by

diversions, improvement of riverine habitat upstream of the Delta, control of the introduction of non-native species, and others.

In many cases, these non-flow alternatives may provide protection equivalent to outflow or water project operational standards. As these other actions are implemented and their benefits recognized, the outflow requirements and constraints on project operations should be reduced accordingly.

Therefore, we urge the State to take early action based on a comprehensive, inter-agency plan to address these various factors. Such a plan would require the adoption of an ecosystem-wide, multi-species approach to avoid the negative impacts of the *ad hoc*, species-by-species approach of ESA. This long-range approach also should include an environmental decision-making process guided by the requirements of CEQA and NEPA to develop a comprehensive water resources management plan for the estuary, addressing the many factors responsible for the decline of Delta resources including consideration of a wide range of alternatives.

Even before we worked to improve the EPA proposals, the member agencies of CUWA supported the biological objectives of draft Decision 1630, but believe that the standards and the implementation mechanisms could have been more sensitive to the potential water supply impacts and economic costs.

The Bay/Delta is not an issue pitting environmental values against the State's economic interests. Rather, the two considerations are inextricably linked -- solving the environmental problems in the Bay/Delta is absolutely necessary to protect the economy.

We will support the State Board fully in developing the types of standards discussed above. However, we will not support standards which are overly sweeping and rigid, and which unreasonably reduce the reliability of water supplies to the urban sector.

CALIFORNIA URBAN WATER AGENCIES TECHNICAL REFERENCE DOCUMENTS FROM CUWA SCIENTIFIC REVIEW OF EPA PROPOSED BAY-DELTA WATER QUALITY STANDARDS

Reference Number 1:

Dr. Jud Monroe

A DESCRIPTION OF U.S. EPA PROPOSED: "WATER QUALITY STANDARDS FOR SURFACE WATER OF THE SACRAMENTO RIVER, SAN JOAQUIN RIVER, AND SAN FRANCISCO BAY AND DELTA OF THE STATE OF CALIFORNIA" and THE U.S. FISH AND WILDLIFE SERVICE BIOLOGICAL OPINION FOR THE DELTA SMELT

Reference Number 2:

Randy Bailey

A REVIEW OF INFORMATION USED AS THE BASIS FOR THE U.S. ENVIRONMENTAL PROTECTION AGENCY'S PROPOSED WATER QUALITY STANDARDS

Reference Number 3:

Randy Bailey

A REVIEW OF THE SALMON SMOLT SURVIVAL INDEX AS PROPOSED BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY AS WATER QUALITY STANDARDS FOR THE SAN FRANCISCO BAY ESTUARY

Reference Number 4:

Dudley W. Reiser, Ph.D.

REVIEW AND EVALUATION OF FOUNDATIONAL LITERATURE AND DATA RELATED TO THE PROPOSED EPA SALINITY STANDARD

Reference Number 5:

Dudley W. Reiser, Ph.D.

EVALUATION OF POTENTIAL EFFECTS OF THE PROPOSED EPA SALINITY STANDARD ON THE BIOLOGICAL RESOURCES OF THE SAN FRANCISCO BAY/SACRAMENTO-SAN JOAQUIN ESTUARY

Reference Number 6:

Dudley W. Reiser, Ph.D.

EVALUATION OF FACTORS POTENTIALLY LIMITING AQUATIC SPECIES ABUNDANCE AND DISTRIBUTION IN THE SAN FRANCISCO BAY/SACRAMENTO-SAN JOAQUIN ESTUARY

Reference Number 7:

J. Phyllis Fox, Ph.D.

EVALUATION OF THE RELATIONSHIP BETWEEN BIOLOGICAL INDICATORS AND THE POSITION OF X2

Reference Number 8:

J. W. Buell, Ph.D.

RELATIONSHIP BETWEEN AVERAGE LOCATION OF X-2 AND ANNUAL ABUNDANCE INDICES OF VARIOUS ESTUARINE ORGANISMS

Reference Number 9:

Greg D. Sullivan, Ph.D. Richard D. Denton, Ph.D.

REPORT ON CLEAN WATER ACT X2 WATER QUALITY STANDARDS

Reference Number 10:

B.J. Miller, Ph.D.

WATER COST OF THE EPA STANDARDS

Reference Number 11:

Steve Arakawa

POTENTIAL REFINEMENTS & ALTERNATIVES TO THE ENVIRONMENTAL PROTECTION AGENCY'S PROPOSED SAN FRANCISCO BAY/DELTA WATER QUALITY STANDARDS

Reference Number 12:

Daniel B. Steiner

REVIEW AND ANALYSIS OF EPA PROPOSED SAN JOAQUIN RIVER SALMON SMOLT SURVIVAL CRITERIA AND STRIPED BASS SALINITY CRITERIA

Additional Reference Reports:

A SLIDING SCALE FOR THE EPA SALINITY STANDARD Wim Kimmerer, Ph.D.

X2 AND THE X2/NET DELTA OUTFLOW RELATIONSHIP John List, Ph.D.