

Buena Vista
EST. 1857 | CARNEROS

CALIFORNIA'S FIRST PREMIUM WINERY

CELEBRATING
150
YEARS

STATE WATER RESOURCES
CONTROL BOARD

2007 JUN -6 AM 11:40

DIV. OF WATER RIGHTS
SACRAMENTO

June 4, 2007

Ms. Tam Doduc, Chair
State Water Resources Control Board
P.O. Box 2000
Sacramento, CA 95812-2000

Re: Workshop Regarding Policy Direction on Water Right Enforcement

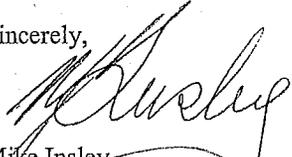
Dear Ms. Doduc:

We received notice of the upcoming referenced workshop regarding direction for potential water right enforcement actions to be taken by the State Water Resources Control Board. We hold three water right Permits for the diversion and use of water in Napa County. In 2002, we filed Petitions for extension of time on the three Permits, and a redistribution of storage on one Permit. The redistribution petition was required in order to eliminate an *onstream* reservoir, and redistribute the storage to three *offstream* storage reservoirs. One of the offstream reservoirs has been built and is being used to store recycled water. Development of the remainder of the reservoirs and the commingling of recycled water with surface water will reduce reliance on surface water resources. Additional time is needed to put all of the water to be stored in the new reservoirs to beneficial use; the redistribution of storage to an offstream reservoir will necessarily result in far fewer impacts to the environment and should be encouraged.

These petitions were filed in 2002 and have not yet been issued for public notice. Further, we have not been directed to start the preparation of an environmental document pursuant to the requirements of the California Environmental Quality Act. Since 2003 we have paid annual petition fees of \$4,000 for these pending actions. Each year that passes without action by your Board on our Petitions will require that we pay an additional \$2,000 in pending petition fees.

While we do not object to paying reasonable fees, the fact that you are not currently working on our Petitions and at the same time you are re-directing staff and budget resources to compliance and billing us for the time you are not processing the petitions is very troubling. Are all of the pending actions that are awaiting approval being billed while there is no work being done on them? Should not your staff resources be directed at the existing pending work load, before you tackle a much larger issue of compliance and enforcement? We respectfully request that until your staff has proceeded diligently to process our projects, you suspend the annual fees that we are assessed. We would also like to see your Board adopt a meaningful policy of reducing its currently backlog before it adopts a policy aimed at enforcement and compliance.

Sincerely,


Mike Insley
Vice President Vineyard Operations and Grower Relations
Beam Wine Estates