DWR-53

rights related activities and water transfers. My work in SWPAO includes investigating

26

27

28

opinion.

I have nearly 25 years of experience working with State Water Project (SWP) water

water rights related issues, extensive work evaluating water transfer proposals and requests to convey transfer water through SWP facilities. I also prepare the annual reports to the State Water Resources Control Board (State Water Board) for DWR's water rights permits related to operation of the SWP, evaluate proposals for compliance with or potential changes to DWR's water rights, coordinate water rights related activities with other offices within DWR, and participate in water rights related proceedings at the State Water Board. In October 2005, I was an expert witness on SWP water rights before the State Water Board during the hearing on the cease and desist order related to south Delta salinity objectives. I have also been directly involved in the negotiation of various settlement agreements executed by DWR with water rights holders and agencies within the Delta. My responsibilities also involve evaluation of proposals for consistency with DWR's water rights, water supply contracts, and settlement contracts. I evaluate petitions for change submitted to the State Water Board by other water users for potential impacts to SWP water rights and file protests and participate in State Water Board proceedings as necessary related to changes that may affect DWR's water rights.

Additionally, I prepare petitions to the State Water Board related to requested changes to DWR's water rights, including preparing the information on DWR's water right permits for the DWR and U.S Bureau of Reclamation Joint Petition for Change submitted in 2015 for this proceeding. Attached as Exhibit DWR-19¹ is a copy of my Statement of Qualifications.

II. OVERVIEW OF TESTIMONY

My testimony presents information relevant to water rights issues covered in Part 1 of this hearing. In the California WaterFix (CWF) Petition for Change, DWR proposes to add three new points of diversion to four SWP water right permits that would allow for the CWF. (Exhibits SWRCB-1; SWRCB-2.) The purpose of my testimony is to explain DWR's water right permits for the SWP and how the CWF will be operated consistent with these permits, that the proposed project does not change the diversion rate or season of use

¹ Exhibit DWR-19 is a true and correct copy of the document.

permitted under the permits, and how the information provided by DWR supports a conclusion by the State Water Board that the new points of diversion will not injure other legal users of water or in effect initiate a new water right² and to provide a general overview of DWR water supply and settlement agreements.

First, I describe the DWR's SWP water rights permits covered in the CWF Petition for Change, including a brief description of the permit terms and existing points of diversion. I then describe the change requested and provide information to demonstrate that the requested change does not represent a new water right because the proposed project does not change the diversion rate or season of use provided by the permits. Next, I briefly discuss how information provided in other DWR testimony on SWP operations, including Water Rights Decision 1641 objectives (D-1641) required by the State Water Board for the combined SWP and Central Valley Project (CVP) (collectively SWP/CVP), modeling information of operational criteria analyzed for this hearing, and historical salinity information support a decision by the Board that operating the CWF will not injure other legal users of water. Finally, I describe the SWP long-term water supply contracts and several settlement agreements between DWR and diverters on the Feather River and in the Delta.

In the State Water Board February 11, 2016, ruling on the CWF Project pre-hearing conference, the Board requested that DWR provide information required by its regulations for Change Petitions, Section 794(a), in a succinct and easily identifiable format. This information is attached to my testimony as Exhibit DWR-324.³

My testimony builds on the information of other testimony in Part 1 to provide additional information to the State Water Board to support a decision that, within the framework of DWR's water rights, regulations, and contracts, the CWF can be constructed and operated without injuring other legal users of water. This other testimony includes Mr.

² In my testimony I use terms-of-art that are commonly used in water rights related activities, such as 'injury to other legal users of water" or "beneficial use." This terminology is used in relation to my analysis of the facts and not intended to express legal conclusions.

³ Exhibit DWR-324, is a true and correct copy of the document.

Leahigh's testimony describing decisions on the timing and quantities of water deliveries based on projected and real time hydrologic and hydrodynamic information, and modeling testimony by Dr. Nader-Tehrani, and Mr. Munévar. Dr. Nader-Tehrani and Mr. Munévar provide information from CalSim II and DSM2 modeling under a range of modeled operations to evaluate the CWF's outer operational boundaries, demonstrating that even at an expanded range of operations the CWF can be operated to meet the regulatory requirements of D-1641 and the SWP water rights permits.

III. DWR WATER RIGHTS FOR THE SWP

In managing the SWP to provide water to its contractors, DWR operates its facilities to meet all statutory and regulatory requirements imposed on the SWP prior to satisfying delivery obligations. These requirements include those imposed by D-1641 as well as those contained in the 2008 U.S. Fish and Wildlife Service (FWS) Biological Opinion for the protection of Delta Smelt (Exhibit SWRCB-87), the 2009 National Marine Fisheries Service (NMFS) Biological Opinion for the protection of anadromous fish species (Exhibit SWRCB-84) (2008 and 2009 BiOps) and the 2009 California Department of Fish and Wildlife (DFW) Incidental Take Permit for long-fin smelt. (Exhibit SWRCB-65.)

DWR holds four water rights permits to divert from the Feather River and Sacramento-San Joaquin Delta channels (Feather River and Delta permits) that operate together to provide the primary water supply for the SWP. These Permits are 16478, 16479, 16481, and 16482 and are State Water Board staff exhibits for this hearing Exhibits SWRCB-6, SWRCB-7, SWRCB-8, and SWRCB-9, respectively. The authorized purposes of use in these permits include irrigation, domestic, municipal and industrial, recreation, salinity control and fish and wildlife enhancement purposes. A brief description of the currently authorized diversion amounts, season of use, purposes of use, place of use and

⁴ DWR also holds water right Permit 16483 for direct diversion of water from Lindsay Slough in the Delta, however, DWR has not requested that the new points of diversion be included in that Permit. DWR holds other permits and licenses to divert from watercourses upstream of the Delta, including a total of six permits for the diversion of water to Lake Davis, Antelope Lake and Frenchman Lake above Lake Oroville, several southern California watercourses including Houston Creek, Piru Creek and Castaic Creek, as well as many small permits and licenses associated with land owned by DWR throughout California. No DWR permits other than those specifically listed in the CWF Petition for Change are affected by the proposed change.

⁵ Exhibit DWR-330, is a true and correct copy of the document.

point of diversion for each water rights permit is summarized in Table 1 marked as Exhibit DWR-330.⁵

The SWP water supply is primarily derived from unstored flow available in the Feather River at Oroville and the unregulated flow in the Delta channels as well as releases from Lake Oroville storage when unregulated flow is not sufficient to meet demands⁶. The water available to the SWP varies from year to year depending on hydrologic conditions. The unregulated flow that can be diverted, even during high flow periods, can be severely limited at certain critical times of the year due to the location of the south Delta export facilities and the restrictions on reverse flows in Old and Middle River (OMR) contained in the 2008 and 2009 BiOps.⁷

A. SWP PERMITS

Permit 16478 (Application 5630) authorizes the diversion of up to 1,400 cubic feet per second (cfs) by direct diversion January 1 through December 31 of each year from the Feather River and up to 380,000 acre-feet (af) to storage at Lake Oroville from September 1 through July 31 of each year. Permit 16479 (Application 14443) authorizes the diversion of up to 1,360 cfs by direct diversion January 1 through December 31 of each year and up to 3,500,000 af to storage at Lake Oroville from September 1 through July 31 of each year from the Feather River, as well as up to 6,185 cfs by direct diversion and 42,100 af to storage in the southern SWP reservoirs from the Sacramento-San Joaquin Delta channels. The authorized points of diversion for both permits include the Oroville/Thermalito facilities, Delta Water Facilities (Hood), the North Bay Aqueduct Intake, the Tracy Pumping Plant (Jones), and Clifton Court Forebay/ Banks⁸ Pumping Plant (Banks). Water available from the Feather River under the permits may be directly diverted or diverted to storage from the diversion points in the Delta to the extent the water is available for diversion at Oroville Dam.

⁶ See Mr. Leahigh's testimony, section III, for discussion of unstored and unregulated flow.

⁷ See Mr. Leahigh's testimony, section VIII.

⁸ Clifton Court Forebay is the listed point of diversion, but CCF is also the intake location for the Banks pumping plant.

Permit 16481 (Application 14445A) authorizes the diversion of up to 2,115 cfs by direct diversion and up to 44,000 af to storage from the Delta channels from January 1 through December 31 of each year. Permit 16482 (Application 17512) authorizes the diversion of up to 1,100,000 af to storage from Italian Slough, the Sacramento-San Joaquin River channels and San Luis Creek from January 1 through December 31 of each year. Authorized points of diversion include Hood, Jones, and Banks.

The Permits for the Feather River and Delta operate together to provide the primary water supply for the SWP. While each permit contains individual amounts, Condition 5 of each amended permit places a combined export limit on the Feather River and Delta Permits collectively limiting the maximum direct diversion rate, diversion to storage, and rediversion of stored water for export through the Hood, Jones, and Banks to 10,350 cfs. (Exhibits SWRCB-6 through SWRCB-9.) DWR has at times diverted water at the maximum rate allowed under the Feather River and Delta Permits. The maximum annual quantity of SWP water pumped at Banks to date is 4,042,851 af in 20059 which includes water directly diverted as well as water rediverted from Lake Oroville storage. DWR reports its annual diversion and use in Bulletin 132 each year which is available at http://www.water.ca.gov/swpao/bulletin_home.cfm and in the annual reports of diversion filed each year with the State Water Board.

DWR filed a Petition for Time Extension on December 31, 2009, with the State Water Board to extend the time for completion of construction and full beneficial use in the permits.

DWR also coordinates operations with Reclamation. The two agencies are currently jointly assigned responsibility for meeting certain Delta water quality and flow objectives contained in D-1641. (Exhibit SWRCB-21, p. 146.)

B. AUTHORIZED NORTH DELTA POINT OF DIVERSION

In addition to the diversion points in the south Delta and the North Bay Aqueduct, DWR's water rights permits include the Hood authorized point of diversion in the northern

⁹ http://www.water.ca.gov/swpao/bulletin_home.cfm, (see also Footnote 6).

Delta. This diversion location was included in the original applications approved in Water Right Decision 1275 (D1275) (available at http://www.waterboards.ca.gov/waterrights/board_decisions/adopted_orders/decisions/d12 50_d1299/wrd1275.pdf) and in the permits issued by the State Water Board on September 26, 1972, (Exhibits SWRCB-6 through SWRCB-9). The existing and proposed points of diversion for the SWP permits are shown in Exhibit DWR-331¹⁰. The currently authorized

Delta Water Facilities: California Coordinate System of 1983 in Zone 2, North 252,650 feet and East 2,137,200 feet; SW ¼ of NE ¼ of Section 22, T6N, R4E, MDB&M. (Exhibit SWRCB-7, Condition 2)

The Hood point of diversion represents the intake location for the originally planned northern Delta diversion to a through Delta facility. A northern Delta point of diversion and through-Delta conveyance facility were components of the original plan for the SWP conceived in the 1950's and 1960's (Exhibit DWR-312, pp. 185-187) and authorized in the Burns Porter Act. DWR and Reclamation have continued to evaluate diverting water from the northern Delta to the southern Delta export facilities since the SWP's inception (see Bulletin 132 beginning with Bulletin 132-64 pp. 60-63 (June 1964), available on DWR's website at link http://www.water.ca.gov/swpao/bulletin_home.cfm

While the Hood point of diversion specifies a location near Hood in the northern Delta, the specific facility location was not finalized. As stated in State Water Board Decision 1275 (p. 8 and Table II):

Plans for the Delta Water Facilities to transport water from the Sacramento River in the vicinity of Hood to the intake of the California Aqueduct ... have not been finally determined.... The applications state that when these systems have been selected, information will be filed with the Board describing the features associated with these systems.

IV. REQUESTED CHANGE TO ADD POINTS OF DIVERSION

The current CWF recommendation for the Hood diversion contains three diversion

Hood point of diversion is described as:

¹⁰ Exhibit DWR-331, is a true and correct copy of the document.

¹¹ See Water Code section 12930 et seq.

28

intakes with a maximum capacity of 3,000 cfs each located in the vicinity of Hood rather than the single diversion facility as envisioned in the original permits. Consistent with Water Code Section 1701 and State Water Board regulations, DWR and Reclamation filed a joint petition with the State Water Board on August 26, 2015, supplemented by an Addendum and Errata on September 11, 2015, for a change in point of diversion to add the CWF intake locations in the listed water rights. (Exhibits SWRCB-1 and SWRCB-2.)

The CWF Petition for Change filed by DWR and Reclamation is limited to a change in point of diversion and rediversion only. As noted above, and in the CWF Petition for Change, all other existing permit provisions including sources of water, amounts of direct diversion and diversion to storage, maximum allowable combined diversion from the Delta, places of use, purposes of use and season of diversion, will remain unchanged. The diversion rates in the existing permits remain unchanged, however maximum annual diversions may increase consistent with what is authorized under the existing permits. As noted in Mr. Munévar's testimony, modeling conducted for the CWF with the Initial Operational Criteria indicates that the combined SWP/CVP average annual diversions may be the same as the NAA (scenario H4) or may increase up to approximately 500 thousand acre feet (TAF) (scenario H3). (Exhibit DWR-71.) Under the boundary analysis, Mr. Munévar's shows that average annual diversion would be increased by 1.2 maf (Boundary 1) or decreased by 1.2 maf (Boundary 2) as compared to the NAA. Mr. Munévar discusses the potential changes in streamflow associated with the operations of CWF. There will be no change in return flow associated with the change in point of diversion. Water diverted at the new intake facilities will be delivered to a modified Clifton Court Forebay and exported through Banks or Jones pumping plants. The SWP export location and place of use will not change.

As testified to by other witnesses, the CWF Petition for Change does not propose any changes to upstream operational criteria. (Exhibit DWR-51.) The proposed facilities and the rest of the SWP/CVP will be operated to meet authorized purposes, including flood control, water supply, and fish and wildlife purposes, in a manner that comports with

applicable water rights and contractual obligations. The CWF with Initial Operational Criteria would add additional constraints to current south Delta operations beyond those required in the 2008 and 2009 BiOps. (Exhibit DWR-116.) With the exception of Boundary 1, which does not include Fall X2, all scenarios include compliance with existing 2008 and 2009 BiOps and D-1641. The CWF with Initial Operational Criteria more restrictive OMR requirements and adds additional criteria for spring outflow and new minimum flow requirements at Rio Vista from January through August. (Exhibit DWR-116.)

V. THE PROPOSED CHANGE WILL NOT CHANGE THE PERMITTED RATE
OF DIVERSION OR SEASON OF USE

DWR testimony and supporting documentation provide evidence for the State Water Board to determine that the changes requested by DWR and Reclamation in their CWF Petition for Change do not constitute a new water right because the CWF Petition for Change does not include a request to change the source of water, allowable rate of diversion, maximum diversion to storage or season of use. It is my understanding that Water Code Section 1701 allows a permittee or licensee to change the point of diversion, place of use, or purpose of use specified in the water permit or license. The State Water Board analyzed the question of what distinguishes a water right change and a new water right application in order WR 2009-0061 (available at http://www.waterboards.ca.gov/waterrights/board_decisions/adopted_orders/orders/2009/w ro2009_0061.pdf). It is my understanding that in Order 2009-0061, the State Water Board stated that it is well established that an appropriator may change elements of a water right, including the point of diversion, as long as the change will not injure other legal users of water. The State Water Board clarified that:

A fundamental principle of water right law, however, is that a right cannot be so changed that it in essence constitutes a new right. (Cal. Code Regs., tit. 23, § 791, subd. (a).) For example, an appropriator cannot expand an existing right to appropriate a greater amount of water, to increase the season of diversion, or to use a different source of water. (Cal. Code Regs., tit. 23, § 699; Johnson Rancho County Water District v. State Water Rights Board (1965) 235 Cal.App.2d 863, 879.) (WR 2009-0061, p. 5-6)

It is my understanding that the State Water Board further stated the fundamental difference between an application for a new right or a change to an existing right is that the new right seeks to increase the diversion at a given time. (Id.) It is also my understanding that the State Water Board found that it could condition a water rights permit to make sure that it qualifies as a change petition.

The situation presented is no different than when a water right holder requests a change to a new point of diversion that has a larger capacity either due to the physical limitations of the diversion facilities or due to the amount of water physically available at the diversion point: while the capacity of the old point of diversion is no longer a limit on the diversion amount, it is possible to change to a new point of diversion and still maintain the prior limit on diversions as a result of conditions imposed on the approval of the change. (WR 2009-0061, p. 7)

As discussed earlier in my testimony, the Petition for Change does not request a change in or expansion of the quantity, timing or source of water beyond that currently authorized in the existing permits. As testified by Mr. Leahigh, DWR will continue to operate the SWP to meet it regulatory obligations including the limitations on source of water, the rate, quantity and season of diversion under its water rights permits.

It is my understanding that Water Code Section 1701 does not limit an allowable change to a single new point of diversion, nor does it place a cap on the quantity of water that may be diverted at a new proposed point of diversion if it is within the quantities currently authorized in the existing water rights permits. The State Water Board can condition approval of the Petition for Change to maintain the prior water rights permits limits on diversion. Thus, the above State Water Board decisions and orders, and the limited change requested in the CWF Petition for Change support a determination by the State Water Board that the CWF Petition will not, in effect, initiate a new water right.

VI. THE PROPOSED CHANGE WILL NOT INJURE OTHER LEGAL USERS OF WATER

DWR testimony and supporting documentation provide evidence for the State Water Board to determine that the changes proposed in the petition can be approved without injuring other legal users of water. The State Water Board has assigned responsibility to

 the SWP/CVP for meeting certain D-1641 water quality and flow objectives when unregulated flow is insufficient to meet the requirements. When unregulated flow is insufficient to meet In-Basin demands, SWP/CVP operators adjust exports or increase storage releases as necessary to meet the requirements of D-1641. The SWP/CVP must continue making supplemental storage releases to meet the D-1641 requirements even after they have ceased appropriating unregulated flow, operating the SWP/CVP to meet D-1641 first before appropriations are made for SWP/CVP purposes. For this reason, operations both now and as proposed for the CWF will not affect the quantity of water available for other legal users within the watershed.

Although there may be changes in SWP/CVP storage levels or releases (see Exhibit DWR-71, section V.C.), this would not injure other legal users because it is my understanding that such water users do not have a right to stored water releases from the SWP/CVP. Therefore, the quantity of water available for diversion by In-Basin water users will not be affected by any changes in stored water releases that may occur as a result of the CWF. Additionally, DWR must maintain specific minimum releases from Lake Oroville to the Feather River under the terms of a 1983 agreement between DWR and the California Department of Fish and Game (now known as DFW) and as part of DWR's Federal Energy Regulatory Commission (FERC) license. (Exhibit DWR-307.) DWR will continue to meet the Feather River minimum flow requirements.

Further, as stated in the testimony of Mr. Munévar, "Boundary 1 and Boundary 2 scenarios result in the highest carryover storage levels due to greater flexibility in operations (Boundary 1) and substantially reduced export capability (Boundary 2), while scenarios H3 and H4 are more similar to the [No Action Alternative] NAA." (Exhibit DWR-71, section III.C.) The modeling demonstrates that changes in carryover storage levels from the four CWF scenarios would be higher or similar to storage levels in the NAA. This information demonstrates a continued ability to meet contractual obligations.

Also as stated in Mr. Munévar's testimony, "Water deliveries to CVP and SWP contractors, including Settlement Contractors, Exchange Contractors, Refuge Level 2, and

Feather River Service Area Contractors, are provided at the same level as the NAA under all CWF scenarios." (Exhibit DWR-71, section IV.) This modeling demonstrates that CWF operations would result in insignificant changes to water deliveries to these contractors and refuges and thus, would not cause injury to legal users of water.

The modeling conducted for this proceeding demonstrates that, at times, operating the proposed North Delta Diversion (NDD) facilities will result in some minor changes to water quality at some locations within the Delta. (see Exhibit DWR-66, sections IV-VI.) As stated by Dr. Nader-Tehrani, "Delta Water quality (based on EC and chloride) results are mixed. During the period which Agricultural D-1641 water quality objectives for Western and Interior Delta applies (April through August) water quality at most locations in the Delta are somewhat similar amongst all operational scenarios." (Exhibit DWR-66, section VIII.)

Results for all operational scenarios including the NAA show modeled exceedances in D-1641 water quality objectives (agricultural, municipal, and industrial). . . . However, . . . the exceedances are mostly a result of differences in model assumptions. . . . In reality, . . . SWP/CVP project operators have been able to meet their regulatory obligations to prevent most exceedances. (Exhibit DWR-66, section VIII.)

Dr. Nader-Tehrani also modeled changes in water levels in the Delta near the proposed NND to determine the extent of change and zone of influence. "The largest reduction in water levels is expected to occur in the vicinity of the three proposed NDD and mostly during high flow periods. However, during low flow periods, the expected reduction in daily minimum water levels is about 0.5 ft near the three intakes and is much smaller at other areas farther from the three intakes." (see Exhibit DWR-66, section VIII.)

Dr. Nader-Tehrani stated, "The modeling shows the expected changes to water quality and water levels within the Delta for the operational scenarios as compared to the NAA. Any changes that occur, either structurally or operationally, within the Delta affects areas throughout the Delta. Through careful planning and analysis, many areas of the Delta benefit and any negative water quality and water level changes have been minimized. The modeling cannot completely mimic operational decisions but it does show that D-1641

water quality objectives can be met." (see Exhibit DWR-66, section VIII.) Historical compliance was described by Mr. Leahigh when he stated, "Even though rare instances of water quality exceedances have occurred, these instances have been due to factors beyond the SWP/CVP's reasonable control." (Exhibit DWR-61, section V.)

Finally, as described in Mr. Bednarski's testimony, potential impacts to other legal users due to the construction of the CWF facilities will be mitigated. (Exhibit DWR-57.)

Under its authority to develop water quality control plans establishing standards for the protection of beneficial uses of the waters of the state, the State Water Board adopted a Water Quality Control Plan (WQCP) for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary. The State Water Board imposed obligations on DWR and Reclamation for meeting most of the objectives through D-1641.

It is my understanding that the State Water Board established the water quality objectives which, when implemented, will reasonably protect municipal, industrial, and agricultural beneficial uses. (Exhibits SWRCB-30, p. 14; SWRCB-27, p. 10.) The CWF Petition for Change does not request any modification of D-1641 obligations. While some minor changes may occur in Delta water quality, SWP/CVP will still be operated to meet the D-1641. The SWP/CVP will continue to operate to meet D-1641 consistent with its water rights permits protecting agricultural and municipal beneficial uses. A reduction in water quality that is within the objectives contained in D-1641 would not interfere with the ability of other legal users to put water to beneficial use.

When unregulated flows are insufficient to meet D-1641 requirements in the Delta, the SWP/CVP are often required to make storage releases to meet the objectives, resulting in water quality in large portions of the Delta better than what would exist without the SWP/CVP releases, providing an incidental benefit to in-Delta diverters. In-Basin users do not have a right to require supplemental storage releases to further enhance the water quality at their points of diversion above that required in the WQCP and above that which would otherwise exist without SWP/CVP operations. The SWP and CVP are not required

 $\frac{12}{25}$ Exhibit DWR-301, is a true and correct copy of the document.

to maintain incidental benefits to water quality or flows that may have previously resulted from a different SWP/CVP operation.

Prior to the SWP/CVP, salinity often intruded well into the interior Delta during the irrigation season. Two figures excerpted from the 1995 Sacramento San Joaquin Delta Atlas (Exhibit DWR-301) illustrate the extent of maximum salinity intrusion into the interior Delta for two distinct periods. Exhibit DWR-301 (Figure 2), excerpted from Exhibit DWR-301, shows the extent of maximum salinity intrusion of 1000 ppm (parts per million) or mg/l of chloride from 1921-1943, the years prior to SWP/CVP upstream reservoir construction. (Exhibit DWR-301, p 22.)¹²

Exhibit DWR-301 (Figure 3) shows the maximum salinity intrusion of 1000 ppm of chloride in the years 1944 through 1990, when Shasta (after 1944), Folsom (after 1952) and Oroville Dam (after 1967) began operating to help control salinity intrusion by providing stored water releases during the drier parts of the year. (Exhibit DWR-301, p. 23.)

A comparison of the two figures illustrates an incidental benefit to significant portions of the Delta provided by SWP/CVP reservoir storage releases. To compare the salinity measured as chloride with the value of Electrical Conductivity (EC)¹³ used in D-1641, I used conversion equations prepared by Mr. Bob Suits and Mr. Kamyar Guivetchi. (Exhibits DWR-311 and DWR-316.)¹⁴ Using the conversion equations for Clifton Court Forebay from the May 29, 2001 memorandum from Bob Suits (Exhibit DWR-311) and the1986 memorandum from Kamyar Guivetchi (Exhibit DWR-316), the equivalent EC of 1000 mg/I chloride would be 3.8 to 4.0 mmhos/cm, many times higher than the salinity objective in D-1641 in the southern Delta, which is 0.7 EC¹⁵ and in the interior Delta, which is 0.45 to 0.87 EC.¹⁶

¹³ Electrical Conductivity (EC) is expressed in units of mmhos/cm (milli-mhos per centimeter).

¹⁴ Exhibit DWR-311 and DWR-316, are true and correct copies of the documents.

¹⁵ D-1641 compliance locations for WQ Objectives for Agricultural Beneficial Uses in the Southern Delta are SJR at Vernalis, Brandt Bridge, Old River near Middle River and Old River at Tracy Road Bridge, see D-1641 Table 2.

¹⁶ D-1641 compliance locations for WQ Objectives for Agricultural Beneficial Uses in the Interior Delta are South Fork Mokelumne River at Terminous and SJR at San Andreas Landing, see D-1641 Table 2.

1 current conditions, particularly during drier periods, information available from the 2 Sacramento-San Joaquin Water Supervisor's Report for 1931 (DWR -322)¹⁷ documents 3 water quality in the Delta in 1931, a critically dry year. Based on the information listed in 4 Table 85 of that report, the maximum salinity at Emmaton was 10,000 ppm. (Exhibit DWR-5 322, p 159). Using the conversion equation found in Exhibit DWR-316, the equivalent EC 6 would be approximately 30 mmhos/cm. The current EC objective in the WQCP for 7 Emmaton is 2.78 mmhos/cm in a critical year. The Water Supervisor's Report for 1931 8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

VII. SWP CONTRACTS

(Exhibit DWR-322, p 201.)

The following sections provide an overview of the contracts executed by DWR for water developed through operation of the SWP as well as various settlement agreements executed with prior water rights holders on the Feather River and agencies within the Delta. The discussion is limited to agreements that are relevant to the current proceeding. The contracts are grouped into two general types of contracts or agreements: 1) long-term SWP water supply contracts; and 2) settlement agreements. As noted above, part of my job description includes evaluation of proposals for consistency with DWR's water rights, water supply contracts, and settlement contracts, and are included to help the hearing officers understand my testimony.

estimated crop losses to total over one million dollars due to: 1) curtailment of diversions

due to unsuitable water quality; and 2) actual losses due to applying high salinity water.

In addition, as further evidence that historical salinity was at times greater than

A. LONG-TERM WATER SUPPLY CONTRACTS

DWR provides water to 29 SWP contractors consistent with the long-term water supply contracts. Deliveries to one SWP contractor, Plumas County Flood Control and Water Conservation District, are made from Lake Davis upstream of Lake Oroville. The remaining 28 contractors receive water developed primarily through the Feather River and Delta Permits. The SWP contractors are located within the Feather River watershed, San

¹⁷ Exhibit DWR-322, is a true and correct copy of the document.

Francisco Bay area, San Joaquin Valley, Central Coast and Southern California. The long-term water supply contracts outline how the water supply available each year is allocated among the SWP contractors and how the contractors will repay all SWP capital and operating costs in return for the state financing, constructing, operating, and maintaining the SWP. Table A of each contract lists the amounts that are used as the basis for allocating the total SWP water supply determined to be available for delivery each year (referred to as Table A amounts). The current combined maximum Table A amount for the 28 SWP contractors that receive water developed under the Feather River/Oroville permits is 4,172,786 af. Of that amount 4,056,205 af represents the contract supply for the SWP contractors downstream of the Delta that could receive some water through the proposed CWF facilities. (See DWR Bulletin 132-14 available at DWR website.)

It is my understanding that the long-term contracts contain provisions allowing SWP contractors to receive delivery of SWP water in addition to the annual allocated Table A amount in a particular year depending on SWP water availability and annual SWP operations. Consistent with Article 21 of the long-term contracts, water may be provided to a contractor in addition to the allocated Table A amount during specific periods when additional SWP water is available, sometimes referred to as surplus water. In addition, under certain circumstances the contracts allow an SWP contractor to store a portion of its allocated Table A amount for future use within its service area in non-Project facilities such as groundwater banking programs, or in SWP conservation facilities if capacity is available and SWP operations will not be adversely affected. Some provisions of the contracts allow SWP contractors to carryover a portion of their allocated Table A amount if the carryover will not adversely affect SWP operations. The maximum annual SWP water delivered to south of Delta SWP contractors to date is approximately 3.55 MAF (million af). (Bulletin 132-07, Table 9-4; available at DWR website below.)

The quantity that can be allocated to the SWP contractors varies substantially from year to year and is based on many different factors including the amount of water in storage in Oroville and San Luis Reservoirs, operational restrictions, end of year reservoir

storage targets, snowpack, forecasted runoff, regulatory requirements, water right settlement delivery obligations, expected Sacramento basin and Delta depletions, contractor delivery requests, available capacity of SWP facilities, and other demands for SWP water such as water quality and fish and wildlife purposes. DWR will continue to provide water to the SWP contractors consistent with the existing water supply contracts as those agreements may be amended in the future. (To view SWP water supply contracts that have been consolidated to include amendments, see DWR website http://www.water.ca.gov/swpao/wsc.cfm; see also DWR website http://www.water.ca.gov/swpao/bulletin_home.cfm to view DWR's Bulletins 132 for summaries of SWP operations and water deliveries under the contracts.)

B. EXISTING SETTLEMENT AGREEMENTS

i. Feather River Service Area

In addition to the SWP water supply contracts, DWR executed water right settlement agreements with six agencies on the Feather River downstream of Lake Oroville to resolve protests related to DWR's original applications to appropriate water from the Feather River. The six agencies diverted water prior to Lake Oroville's construction under claim of pre-1914, post-1914 and riparian water rights. These agencies include the Joint Water Districts Board (consisting of Biggs-West Gridley Water District, Butte Water District, Richvale-Irrigation District, and Sutter Extension Water District), Western Canal Water District, Garden Highway Mutual Water Company, Plumas Mutual Water Company, Tudor Mutual Water Company, and Oswald Water District. (The agreements are attached as Exhibits DWR-314; DWR-315; DWR-318; DWR-321; DWR-323; DWR-325; DWR-326; DWR-32918.)

It is my understanding that the Feather River settlement agreements contain similar terms and provide a defined water supply for each agency with specific deficiency provisions tied to hydrologic conditions at Lake Oroville. The settlement agreements contain no entitlement to SWP water stored in Oroville, storage of local water, or end of

 $^{^{18}}$ Exhibits DWR-314, DWR-315, DWR-318, DWR-321, DWR-323, DWR-325, DWR-326 and DWR-329 are true and correct copies of the documents.

DWR's water rights. The contractual entitlements contained in the settlement agreements are independent of Lake Oroville storage and DWR has sole discretion over operational decisions related to reservoir operations including water levels and storage releases. As discussed in Mr. Leahigh's testimony, DWR operations staff make decisions on how much water to release from Lake Oroville based on a number of factors including hydrology, storage levels, end of season target storage, in-stream requirements, contract requirements, SWP contractor demands and downstream regulatory requirements, among others. (Exhibit DWR-61.) Nothing in the Petition for Change proposes to alter the regulatory criteria governing releases from Lake Oroville or the terms of the DWR settlement agreements. (Exhibits SWRCB-1; SWRCB-2.) DWR will continue to operate the Oroville/Thermalito complex to provide water to the Feather River Settlement Contractors consistent with the terms and conditions of the existing settlement agreements, as it has done historically.

ii. Delta

As part of the original SWP water rights applications, DWR also engaged in settlement negotiations with a number of entities in the Delta. DWR currently has agreements with five entities in the Delta. The agreement terms vary significantly among the different Delta agencies based on the unique circumstances of each entity and were executed to address the specific concerns of each agency related to potential impacts associated with operation of the SWP in the Delta as proposed at the time the permits were issued which included the NDD and through Delta facility. These agreements are substantially different from those executed with diverters upstream on the Feather River. Certain agreements have a water supply component, others contain only water quality provisions, and some have a combination of both. The agreements described below were executed to address potential effects the SWP operation might have on each agency, including existing and planned facilities. Each agreement described below contains provisions consenting to the diversion of water by DWR based on the protections or

considerations provided in the agreements, as long as the agreements remain in effect.

Nothing in the Petition is intended to alter the terms and conditions of the existing Delta settlement agreements. DWR will continue to comply with the terms and conditions of each of the agreements.

1. Contra Costa Water District

In 1967 DWR entered into a settlement agreement with the Contra Costa Water District (CCWD) wherein DWR agreed to reimburse CCWD for any decrease in the availability of usable river water at Mallard Slough caused by SWP operations. (Exhibit DWR-303¹⁹.) It is my understanding that the contract identifies the number of days water of usable quality was available prior to the SWP's construction and the reimbursement for the purchase of an alternate supply by CCWD when sufficient usable water is not available. Article 7 of the agreement provides that in consideration of the payments made by the state, CCWD releases the State from liability for any decrease in the availability of usable river water at Mallard Slough.

2. City of Antioch

In 1968, DWR and the City of Antioch (Antioch) entered into a Settlement Agreement (1968 Antioch Agreement). It is my understanding the 1968 Antioch Agreement mitigates water quality effects to Antioch from SWP operations by reimbursing Antioch for substitute water purchases when water is unusable due to its quality at its San Joaquin River diversion. (Exhibit DWR-304²⁰.) Article 7 of the 1968 Antioch Agreement provides that in consideration of the payments provided under the agreement, Antioch releases DWR from any liability due to any change in regimen of flows in the Delta or the San Joaquin River and the effects of any such changes caused by SWP operations.²¹

It is my understanding that the 1968 Antioch Agreement applies to DWR's operation of the NDD just as it applied to diversions at the North Bay Aqueduct and the South Delta

¹⁹ Exhibit DWR-303, is a true and correct copy of the document.

 $^{^{20}}$ Exhibit DWR-304, is a true and correct copy of the document.

²¹ The release of liability did not include, however, "liability resulting from the utilization by the State of any facilities for removal of drainage water from the San Joaquin Valley," which is not an issue in this proceeding.

facilities that were in various stages of construction, but not complete, in 1968. (Exhibit 1 DWR-303, pp.5-6; DWR website http://www.water.ca.gov/swp/history.cfm.) In October 2013, DWR and Antioch amended the 1968 Antioch Agreement (2013 Antioch 3 Amendment) to adjust certain terms related to computing the volume of water used in the 4 formula defining Antioch's deficiency of suitable water, the timing for measuring water 5 quality, and adjusting Antioch's service area. (Exhibit DWR-310²².) As in the 1968 Antioch Agreement, the 2013 Antioch Amendment continues until either party gives written notice to 7 the other party of termination at least 12 months prior to the effective date of termination. 8 Under the 1968 Antioch Agreement, such notice could not be effective prior to September 9 30, 2008. The 2013 Antioch Amendment updated this date to be September 30, 2028. All 10 other terms of the 1968 Antioch Agreement remain in full force and effect. (Exhibit DWR-11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

310, ¶ 4.)

3. North Delta Water Agency

In 1981 DWR and the North Delta Water Agency (NDWA) entered into an agreement, titled "Contract Between the State of California Department of Water Resources and North Delta Water Agency for the Assurance of a Dependable Water Supply and Quality." (1981 NDWA Agreement) (Exhibit DWR-306²³.) In 1998, DWR and NDWA executed a Memorandum of Understanding in which they stipulated that the 1981 NDWA Agreement relates to the D-1641 water rights hearing and it is my understanding that DWR will be responsible for meeting the NDWA obligations implemented through D-1641, if any, to contribute to the WQCP objectives. (Exhibit DWR-308²⁴.) The 1981 NDWA Agreement is in effect and is implemented to address changes in water quality and supply based on formulas in the Agreement. Under the 1981 Agreement, DWR is obligated to assure specified water quality and supply for use within the NDWA. (Exhibit DWR-306, Articles 2-8.) It is my understanding that in consideration for these assurances, NDWA

²² Exhibit DWR-310, is a true and correct copy of the document.

²⁶

²⁷²⁸

²³ Exhibit DWR-306, is a true and correct copy of the document. ²⁴ Exhibit DWR-308, is a true and correct copy of the document.

annually pays DWR a specified sum, subject to adjustment. (Exhibit DWR-306, Articles 8-10.) Under the 1981 Agreement, NDWA and DWR agree to defend the provisions of the agreement related to water quality, diversion, and use. (Exhibit DWR-306, p. 3.) In addition, NDWA consented to DWR's export of water from the Delta so long as the agreement is in effect and DWR is in compliance with it. (Exhibit DWR-306, p.3.)

4. Byron-Bethany Irrigation District

Byron-Bethany Irrigation District (BBID) diverts water from the intake channel to Banks. DWR executed a right-of-way agreement with BBID in 1964 providing for the construction of new pumping facilities at the Banks intake channel. (Exhibit DWR-302²⁵.) In 2003 DWR executed a settlement agreement with BBID (2003 BBID Agreement) regarding the diversion of water from the Delta. (Exhibit DWR-309²⁶.) It is my understanding that the 2003 BBID Agreement acknowledges, but does not define, BBID's pre-1914 right to divert water from the Delta and describes the nature and extent of BBID's right to divert as between DWR and BBID up to a specified amount. The 2003 BBID Agreement also provides that DWR shall not be liable for the quality of water diverted by BBID.

5. East Contra Costa Irrigation District

On January 7, 1981, DWR executed an agreement with East Contra Costa Irrigation District (ECCID) for the assurance of a dependable water supply of suitable quality (1981 ECCID Agreement). (Exhibit DWR-305²⁷.) It is my understanding that the 1981 ECCID Agreement, as amended, also includes a water supply component. The 1981 ECCID Agreement specifies that DWR will operate the SWP to provide water quality in Old River at Indian Slough from April 1 through October 31 each year at least equal to the water quality standards adopted by the State Water Board or those provided in the 1981 ECCID Agreement (with special provisions during periods of drought emergency).

²⁵ Exhibit DWR-302, is a true and correct copy of the document.

²⁶ Exhibit DWR-309, is a true and correct copy of the document.

²⁷ Exhibit DWR-305, is a true and correct copy of the document.

328) provid

Article 6(a) of the 1981 ECCID Agreement (as amended on February 7, 2000) (DWR 328) provides:

This contract, as amended, shall constitute the full and sole agreement between DWR and ECCID as to (1) the rights of ECCID to divert water from Indian Slough, the Contra Costa Canal intake at Rock Slough, or the Los Vaqueros Project intake at Old River; and (2) the quality of water which shall be in Old River at Indian Slough; and (3) the payment for the assurance given that water of such quantity at the three intake locations and quality at Indian Slough shall be available for reasonable and beneficial uses on District lands as defined in Article 1(c) of this contract, as amended. Said uses shall not be disturbed or challenged by DWR and ECCID shall not claim a right against DWR in conflict with the provisions hereof so long as this contract, as amended, remains in full force and effect.

Article 6(e) further provides:

The District consents to the State's export of water from the Delta so long as this contract remains in full force and effect and the State is in compliance herewith.

DWR executed an agreement on April 11, 1991 (DWR 327²⁸), subsequently amended on February 7, 2000 (Exhibit DWR 328²⁹), with ECCID and CCWD, which I believe allows CCWD to divert a portion of the water available under the 1981 ECCID Agreement at CCWD's diversion facilities in order to provide water for municipal and industrial uses within the ECCID service area (1991 DWR-ECCID-CCWD Agreement). It is my understanding that the City of Brentwood receives water from CCWD under the provisions of the 1981 ECCID Agreement, as amended, and the water quality standards and protections governing the delivery of water to the City of Brentwood are provided for in those agreements. Article 2 of the 1991 DWR-ECCID-CCWD Agreement, as amended, provides that the water quality criteria at Indian Slough alone shall govern under this contract, as amended. Nothing in this contract, as amended, or the 1991 DWR-ECCID-CCWD contract, as amended, obligates DWR to maintain any water quality standards at either the Contra Costa Canal intake at Rock Slough, or the Los Vaqueros Project intake at Old River which may differ from those at Indian Slough.

²⁸ Exhibit DWR-327, is a true and correct copy of the document.

²⁹ Exhibit DWR-328, is a true and correct copy of the document.

3

4 5

7

8

6

9 10

11 12

1314

15

16

17

18

19 20

21

22

23

24

25

2627

28

The 1981 ECCID Agreement and the 1991 DWR-ECCID-CCWD Agreement, as amended, remain in effect.

C. CWF SETTLEMENT AGREEMENT

i. Contra Costa Water District

DWR and CCWD signed a settlement agreement on March 24, 2016 (2016 CCWD Agreement) to address potential CEQA effects of CWF on CCWD. (Exhibit DWR-334.30) It is my understanding that the 2016 CCWD Agreement provides that CCWD will receive specific quantities of water diverted through the NDD depending on the portion of the Sacramento River inflow to the Delta diverted by the SWP/CVP and the proportion diverted through the NDD. The quantity of water diverted for CCWD under the agreement will vary from 2,000 af to 50,000 af depending on the total quantities of water diverted by DWR and Reclamation. The water provided to CCWD will be water diverted under CCWD's water rights, CVP contract supply, or water acquired by CCWD from other sources. It is my understanding that the deliveries to CCWD under the 2016 CCWD Agreement will not result in an increase in total CCWD diversions from the Delta or the maximum quantities diverted through the CWF facilities. No water will be delivered under the agreement until all necessary approvals are in place. As discussed in the testimony of Dr. Nader-Tehrani and DWR Exhibit-512, a modeling analysis of two possible worst case scenarios representing two extreme implementations of the CCWD Agreement were done to demonstrate possible changes in water quality. (Exhibit DWR-66, section V.) The analysis shows the changes in monthly average EC, and for scenario A show the largest increase in EC of about 2 percent and for scenario B the largest increase of about 4-5 percent, mostly in the Western Delta. However, on average there is a reduction in EC of up to 3 percent. The actual changes in water quality are expected to be lower and would not affect the ability to meet D-1641 objectives. (Exhibit DWR-512.) The 2016 CCWD also requires that CCWD withdraw its protest of the CWF Petition for Change. (Exhibit DWR-334.)

 $^{^{30}}$ Exhibit DWR-334 is a true and correct copy of the document.

VIII. CONCLUSION

DWR and Reclamation have requested a change in their respective water rights permits to add the CWF facilities to each of the listed permits. Information provided in my testimony supports a decision by the State Water Board that the requested change does not in effect initiate a new water right. In addition, the information provided by DWR and Reclamation with the CWF Petition for Change, additional information developed since the time the petition was filed and the information provided by DWR and Reclamation in their testimony for the State Water Board hearing on the CWF Petition for Change supports a decision by the State Water Board that the Petition can be approved without injuring other legal users.

The information provided by DWR and Reclamation demonstrates that there will be minimal impacts to water levels in the immediate area of the proposed CWF facilities, and those changes will not adversely affect the operation of existing diversion facilities in the sphere of influence of the CWF facilities. Construction-related potential adverse effects to existing legal users of water, including impacts to existing any diverters with existing facilities within the footprint of the CWF facilities, will be mitigated. The CWF does not include changes to upstream operational criteria and the SWP will continue to meet its upstream contractual obligations, and instream flow requirements.

In managing the SWP to provide water to its contractors, DWR operates its facilities to meet all statutory and regulatory requirements imposed on the SWP prior to satisfying delivery obligations. These requirements include those imposed by the State Water Board on the SWP water rights in D-1641, including water quality objectives and diversion limits, as well as those contained in the 2008 and 2009 BiOps, and the DFW Incidental Take Permit. These existing protections will remain in effect. In addition, no water will be diverted at the CWF facilities prior to receiving a Biological Opinion and an Incidental Take Permit for CWF and an order from the State Water Board approving the Petition.

Testimony submitted for Part 1 of this hearing supports a conclusion by the Board that approval of the CWF will not injure other legal users of water.