



IN REPLY
REFER TO:

MP-700
PRJ-1.10

United States Department of the Interior

BUREAU OF RECLAMATION
Mid-Pacific Regional Office
2800 Cottage Way
Sacramento, California 95825-1898

MAR 23 2004

Ms. Victoria Whitney
Chief, Division of Water Rights
State Water Resources Control Board
P.O. Box 2000
Sacramento, CA 95812-2000

Dear Ms. Whitney:

In response to your January 21, 2004 letter, the Bureau of Reclamation (Reclamation) reviewed the current status of the recirculation studies, as provided in the Plan of Action (POA) approved by the State Water Resources Control Board (SWRCB) on March 21, 2001. Reclamation has been unable to complete any final studies or reports on the recirculation plan, due primarily to budget shortfalls and staffing constraints. Reclamation has been remiss in keeping the SWRCB informed as to the progress and obstacles to completion of the recirculation study. This letter will provide the detailed update on the recirculation study that you requested in your letter.

Progress on Recirculation Study

In 2001, Reclamation contracted with Montgomery Watson Harza for completion of the first three tasks in the POA, as identified in your letter. At that point, Ken Yokohama served as the project manager. Ken and other Reclamation staff coordinated with you and Nick Wilcox as to that part of the study. Reclamation completed the following tasks: identification of alternatives, modeling assumptions, and study priorities to be used in the recirculation studies; CALSIM and DSM studies of two alternatives consistent with the POA and SWRCB direction; and an assessment of fisheries issues.

Due to subsequent funding and staffing constraints, Reclamation has not completed a full review and final summary report on the results of this initial phase of study. Reclamation's initial progress is reflected only in draft reports, which are not ready for submission to the SWRCB.

When Reclamation proposed the POA, full funding and authorization for the CALFED Bay-Delta Program studies and projects was anticipated. Congress has approved neither the authorization nor full funding for CALFED. Reclamation has not received legal authority for a Delta-Mendota Canal Recirculation Feasibility Study. Reclamation therefore has not completed the remaining POA tasks. At this point, further work on the POA is on hold.

Other San Joaquin River Activities

Reclamation has been following the efforts of various State Water Project (SWP) and Central Valley Project (CVP) contractors, in-Delta water users and the Department of Water Resources (DWR) to develop a water quality improvement plan that may eventually be associated with the South Delta Improvement Program. Those efforts include analysis of potential water quality benefits of a recirculation project that is substantially different from the project described in the POA and studied by

Subject: Response to January 21, 2004 Letter

2

Reclamation. We understand that D-1641 requires that Reclamation, not these other parties, implement the POA.

We also note that the Central Valley Regional Water Quality Control Board (RWQCB) has several pending actions regarding water quality standards for the San Joaquin River. It is expected that the RWQCB may complete these actions in late spring or early summer. In that the purpose of the recirculation study is to evaluate the benefits and impacts of a recirculation project, we are concerned that the benefit/impact assessment may vary significantly if the San Joaquin River standards change.

Reclamation also recently requested a change in its New Melones permit conditions to allow for some relaxation of the Vernalis fishery flow objectives under certain conditions. We also have supported the SWRCB reconsidering the Vernalis fishery flow objectives in its planned review of the 1995 Delta Water Quality Control Plan. Both of these activities also may affect any recirculation study.

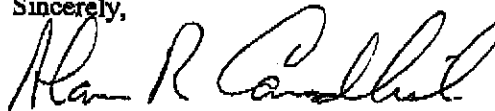
Finally, the recirculation studies will need to address the appropriate analysis and representation of the Vernalis flow standards in modeling of CVP and SWP operations. Reclamation is currently updating CALSIM2 with a focus on improving many aspects of San Joaquin River hydrology and water supply facility operation. This update is scheduled for completion in July 2004.

Revised Plan of Action

Reclamation proposes to prepare a revised Plan of Action for the SWRCB's approval once the new and/or revised water quality standards for the San Joaquin River have been determined. This new POA will be based upon the traditional Federal planning process, beginning with an appraisal study of alternative measures and actions to meet the Vernalis flow objective, including recirculation. If the results of the appraisal study indicate there is a potentially feasible alternative, the study will provide the basis for requesting feasibility study authority and associated appropriations.

Considering all the related activities now proceeding on the San Joaquin River, it may be helpful for representatives of our two organizations to meet and discuss how we address these many issues, including the recirculation plan.

Sincerely,



Alan R. Candlish
Regional Planning Officer