STATE OF CALIFORNIA STATE WATER RESOURCES CONTROL BOARD ---000---PUBLIC HEARING REGARDING WATER RIGHT APPLICATIONS FOR THE DELTA WETLANDS PROJECT PROPOSED BY DELTA WETLANDS PROPERTIES FOR WATER STORAGE ON WEBB TRACT, BACON ISLAND, BOULDIN ISLAND, AND HOLLAND TRACT IN CONTRA COSTA AND SAN JOAQUIN COUNTIES ---000---**TRANSCRIPT NOT SEQUENTIALLY NUMBERED** ---000---HELD AT 901 P STREET SACRAMENTO, CALIFORNIA THURSDAY, JULY 31, 1997 9:00 A.M. ---000---23 Reported by: ESTHER F. WIATRE CSR NO. 1564 APPEARANCES 03 BOARD MEMBERS: JAMES STUBCHAER, HEARING OFFICER JOHN CAFFREY MARC DEL PIERO MARY JANE FORSTER JOHN BROWN 07 STAFF MEMBERS: JAMES CANADAY JAMES SUTTON DAVID CORNELIUS 10 COUNSEL:

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08 being available on August 19th and 20th. 09 Delta Wetlands and Contra Costa Water District, and I 10 think we can make accommodations of those. 11 Are there any other parties who have problems with the 12 recross examination of the rebuttal testimony on August 19th 13 and 20th? 14 I see none. 15 I understand Mr. Forkel will not be available on those 16 dates, so the thought was that perhaps he could be crossed 17 today. 18 MS. SCHNEIDER: If possible, we would like to do that, 19 although he may have to come back anyway. He would, of 20 course, prefer not to. 21 HEARING OFFICER STUBCHAER: Mr. Denton I understand is 22 going to be away. 23 MR. MADDOW: Dr. Denton will be one of our rebuttal witnesses, but he will be away in August. What we have 2.4 25 arranged is that perhaps he could be cross-examined at the 0009 01 conclusion of all the rebuttal presentations by all parties. 02 HEARING OFFICER STUBCHAER: Yes. Then with regard to 03 your request, Mr. Maddow, that Delta Wetlands give you the 04 written rebuttal testimony, I don't think that would be fair 05 for just one party to do that. I think that one way to do 06 this in the future, just from my non legal perspective, 07 would be for everybody to exchange written rebuttal 08 testimony before any rebuttal begins so that nobody can 09 rebut other's rebuttal testimony of their rebuttal 10 testimony. 11 But the advantage of deferring the recross examination 12 to August is that an expedited transcript of rebuttal 13 should be available for you to prepare your recross 14 examination. 15 MR. MADDOW: Thank you, Mr. Stubchaer. 16 When the Board announced the arrangements that you were 17 suggesting yesterday, we agreed that that is entirely 18 appropriate. I withdraw the request for the written 19 statements, and we did make the arrangements for an 20 expedited transcript. 21 Thank you. 22 MS. SCHNEIDER: Thank you, Mr. Stubchaer. We were able 23 to provide a couple of witnesses' rebuttal testimony in 24 writing, and I will be making a motion to do that today, to 25 expedite the completion of our rebuttal case. 0010 01 HEARING OFFICER STUBCHAER: I understand. Those are 02 witnesses who have not yet testified? 03 MS. SCHNEIDER: That's correct. 04 HEARING OFFICER STUBCHAER: That is fine. One other announcement. The CUWA Exhibit 12, which 05 06 shows the division of the wetland in the three parts for the 07 Fischer Delta Model, is available. You can pick up copies 08 at the front table during the break, if you wish. 09 Anything else, staff, before we proceed? 10 All right, Ms. Schneider. 11 MS. BRENNER: Before we continue with our rebuttal, I 12 would like to request that an additional exhibit be

13 submitted into the record. It is Jones & Stokes' modeling efforts, which is on disk now, that staff requested that 14 15 these modeling, that the modeling exhibits be submitted, and 16 we now have them available. I would also like to know what 17 other parties would like copies. Its is 65 megabytes? 18 DR. BROWN: 65 megabytes of data files, and the 19 assessment models, basically all the information used for 20 the Jones & Stokes' analysis 21 HEARING OFFICER STUBCHAER: That is a lot of floppies. 22 DR. BROWN: One C&D Rom. 23 HEARING OFFICER STUBCHAER: Which other parties would 24 like a copy? 25 We have Mr. Nomellini, CUWA, PG&E, Contra Costa, Fish 0011 01 and Game, and Department of Water Resources. MS. BRENNER: Five? Six? 02 03 HEARING OFFICER STUBCHAER: And of course, the hearing 04 officer would like one, too. 05 MR. CORNELIUS: How about documentation? Is it on 06 there or is a help menu, or what? Documentation for the use 07 of it? 08 DR. BROWN: There is Read Me File that tells you 09 briefly what is in each of the spreadsheet files. You'll 10 pretty much have to explore within each file. It is not 11 totally documented, but it is there. HEARING OFFICER STUBCHAER: Is Lotus required to run 12 13 the model? 14 DR. BROWN: Yes, these are all Lotus files. 15 HEARING OFFICER STUBCHAER: So everybody knows that. 16 If you switched to Excel, you are out of luck. Excel won't 17 do an adequate job on Lotus files. 18 Are there a lot of macros? 19 DR. BROWN: There is some macro. 20 MS. BRENNER: We would like to request that be 21 submitted as Delta Wetlands' Exhibit 63. I know the next in 22 order is 62, but I have that designated for a different 23 exhibit already. MR. SUTTON: You are quick. 2.4 25 MS. BRENNER: I would like to request that it be 0012 01 entered into evidence. HEARING OFFICER STUBCHAER: Are there any objections? 02 03 Seeing none, it is accepted. 04 MR. MADDOW: I wasn't quite certain whether we are 05 going to receive that today or sent to us in some way? Just 06 what? 07 DR. BROWN: They might be able to get it by today. 08 MS. BRENNER: I think it would be easier if we could just send it to you. I could arrange to get ahold of them 09 10 tomorrow, and we can Fed Ex them. Anybody that wants these, please give me your Fed Ex. 11 MR. MADDOW: Thank you very much. 12 13 MS. MURRAY: Fish and Game, they should be sent to Jim 14 Starr. 15 HEARING OFFICER STUBCHAER: We can't hear you. 16 THE COURT REPORTER: I got it. 17 ---000--

18 CONTINUED REBUTTAL EXAMINATION 19 BY DELTA WETLANDS PROPERTIES 20 BY MS. SCHNEIDER 21 MS. SCHNEIDER: We would like to begin with Mr. Forkel 22 and then Mr. Korslin this morning. 23 HEARING OFFICER STUBCHAER: Do we have a new witness? 24 MS. SCHNEIDER: Yes, that is Mr. Korslin. 25 HEARING OFFICER STUBCHAER: Did he take --0013 01 MS. SCHNEIDER: He did yesterday. 02 So, to begin with Mr. Forkel. 03 Starting off with yield issues. In your opinion, does 04 the Delta project yield calculations of 154,000 acre-feet 05 per year include replacement of evaporative losses? 06 MR. FORKEL: Yes. The project yield calculations that 07 were performed by Jones & Stokes for the draft and ESA and CESA analysis have always included the ability to replace 80 09 evaporative losses for periods of surplus availability. So, 10 during wetter years when the Delta is often still in excess 11 conditions during the summer months, the project will be 12 replacing evaporative losses. 13 MS. SCHNEIDER: Will the Fish and Game topping off 14 proposal provide additional yield for the Delta Wetlands 15 Project? 16 MR. FORKEL: No. The Fish and Game topping off 17 proposal will not add any additional yield to the project. 18 The replacement of evaporative losses, as I just said, has 19 already been included in the yield modeling. So, when the 20 Fish and Game proposal says that they can replace 21 evaporative losses, we have already included that in the 22 modeling. 23 The reservoirs would either already be full, so you 24 couldn't have any additional topping off, or the reservoirs 25 would be empty and we wouldn't be able to top anything off. 0014 01 The Fish and Game criteria includes a 50,000 acre-foot 02 minimum, or the Delta would be in balanced conditions. MS. SCHNEIDER: Moving to the topic of CUWA's water 03 04 quality proposed terms. Do the CEQA suggested water quality 05 terms for salinity and dissolved organic carbon affect the operational flexibility of the Delta Wetlands Project? 06 07 MR. FORKEL: Yes. The CUWA term would render the Delta 08 Wetlands Project operationally infeasible. The water 09 quality benefits of the Delta Wetlands Project are realized 10 because of the land changes, land use changes that will 11 eliminate agricultural discharges, and the impact of the 12 reservoirs' discharges during the remainder, or during the 13 few months that we would discharge, will be less than 14 significant and will, more often than not, represent an 15 annual average benefit. 16 What the CUWA term does is ignore the year round 17 benefits of the project's operation and focus only on the 18 isolated differential between the reservoir water quality 19 and the immediate channel ambient levels. When the Delta 20 Wetlands' reservoir water quality is even just slightly 21 above ambient channel levels at the time of discharge, the

22 CUWA term would be triggered and this will ultimately kill

23 the Delta Wetlands Project. 24 MS. SCHNEIDER: Again, from the standpoint of 25 operational feasibility, does the Fish and Game Biological 0015 01 Opinion affect the operational feasibility of the Delta 02 Wetlands Project? 03 MR. FORKEL: Yes. The Fish and Game Biological Opinion 04 measures threaten the operational feasibility of the project 05 in several ways. 06 Several of the measures will significantly affect the 07 operations to such a magnitude that the project would become 08 operationally infeasible. The measures that primarily cause 09 concern are RPM Number 1.0, which states no diversions 10 during March. Diversions during March are very valuable to 11 the Delta Wetlands Project operations. Although we do not generally divert much water in March, the water that we get 12 is extremely valuable. We are generally already full during 13 14 March, or there is no water available. But when the water 15 is diverted, it's our last chance to pick up water. 16 In the last drought condition we had two miracle 17 Marches. This would provide important new water during a time of critical need. But there is never water in our 18 70-year hydrology after March. So once diversions are 19 20 prohibited from March, April, May, we are not likely to pick 21 up any additional water. There are no miracle Julys. 22 HEARING OFFICER STUBCHAER: Here. 23 MR. FORKEL: Here. 24 Also, the March operations are protected by the Final 25 Operations Criteria. There are very strict limitations 0016 01 during this period of time. And we never take much water 02 relative to the hydrology. Reviewing the 70 years of 03 hydrology, we picked up water five times in March. So over 04 70 years there were five miracle Marches. It wasn't very 05 large diversions. They ranged from about 700 to 1,100 cfs 06 and average around 900. 07 During this time, outflow in March was extremely high, 08 ranging from 24,000 to 43,000 cfs and it averaged around 09 36,000 cfs. So March is very important for the project. Ιt 10 picks up that critical dry or drought water that comes from 11 a miracle March. 12 Another measure that is very important is RPM Number 2, 13 the environmental storage. This measures is a clear taking 14 of Delta Wetlands' property without compensation. It is a 15 significant hit to the project yield, and it creates some 16 operational constraints that we are very concerned about 17 that the project may not be able to do. 18 The footnotes on Page 43 of the Biological Opinion 19 provide the Department of Fish and Game with the complete 20 discretion as to the timing of these discharges. But it 21 requires Delta Wetlands to contractually guarantee that the 22 state and federal projects would not export this water. 23 This type of contractual guarantee is giving us cause for 24 concern. 25 There are additional conservation measures, 2.1, 2.2, 0017 01 2.3, and 2.4, that are associated with water quality

02 criteria. 2.1 prohibits Delta Wetlands' discharges based 03 upon a temperature criteria. This temperature criteria 04 would be an operational nightmare for the project. It 05 requires that Delta Wetlands' discharges for export to be 06 limited from September to June, based upon a criteria that 07 is normally within one degree and is often reduced down to a 08 zero degree tolerance. 09 Now, the historical temperature in the Delta you see 10 frequently under natural variability during this time of 11 five degrees, and often as high as ten degrees. This means 12 that the project would be starting and stopping based upon 13 the natural variability in the channels. 14 On an incoming tide, arrival of fog, anything, could 15 trigger the channels' temperatures to move, and this would 16 cause the Delta Wetlands to have to stop. Attaching such 17 tight temperature requirements to the project will almost certainly make it operationally infeasible by itself. 18 19 The other water quality variables have a similar tight 20 constraint. These are dissolved oxygen, pH, and turbidity. 21 Like temperature, these are associated with a great deal of 22 natural variability and could often trigger the Delta 23 Wetlands' operations to start and stop throughout the day. 24 Additional conservation measure 5.1 prohibits 25 diversions -- I mean, prohibits diversions to storage in 0018 01 June and July. 02 As I've talked about earlier, the June and July are 03 extremely important times for the project because it allows 04 us to replace evaporative losses, especially during some of 05 the wetter years when the Delta Wetlands Project is filed and held the water over the spring months and we get into 06 07 the summer. During wetter years, there are still often 08 available surplus water during this time, and it allows us 09 to replace this evaporative water. 10 Also, the Fish and Game measure seems to be inconsistent with its previous topping off measure where it 11 12 did allow diversions during June and July to top off the 13 reservoirs. There seems to be some inconsistency here. 14 The next measure in the Biological Opinion is 15 additional conservation measure 5.2. This limits Delta 16 Wetlands' diversion as a function of San Joaquin River 17 inflows. The Fish and Game San Joaquin diversion limits are 18 extremely restrictive, and they'll affect the project 19 operations. 20 The San Joaquin River inflows are often very low during 21 the late fall and early winter when the Delta is otherwise 22 in excess conditions. This was recognized and included in the federal biological opinions, but they recognize the 23 24 limitation and included a 15- or 30-day criteria to allow 25 the fishery agencies a powerful adaptive management tool to 0019 01 invoke the San Joaquin River limit when it was important, 02 but still allowed the Delta Wetlands some flexibility to 03 operate the rest of the time. 04 Now, since the reservoirs would generally fill in about 05 a month, the 15 days was picked as a criteria that would 06 limit the diversions during half of the time of our normal

07 diversion period. And then, when the Delta smelt index was 08 greater than 239, that limitation is expanded to 30 days. 09 This San Joaquin River limit, like the cross channel 10 closure for fisheries, like our Delta smelt monitoring plan and like the fall midwater trawl index, provide a powerful 11 12 collection of adaptive management tools for the Delta 13 Wetlands Project which are being threatened by the Fish and 14 Game Biological Opinion. 15 MS. SCHNEIDER: Some of these measures can be modeled 16 and some can't, in terms of determining yield. In your 17 view, how does the Fish and Game Biological Opinion affect 18 the average annual yield of the Delta Wetlands Project? 19 MR. FORKEL: The average annual yield of the project 20 was analyzed in Jones & Stokes' March 25th memo that is 21 Exhibit DW-5. They were only able to model a portion of the 22 Fish and Game measures, but their estimate of average annual yield at this time was 106,000 acre-feet. This was a 48,000 23 24 acre-feet reduction in our annual yield and doesn't even 25 include all of the measures. And as I have just said, a lot 0020 01 of these measures are going to create operational problems 02 that could, although they are unquantifiable, provide 03 additional yield hits and perhaps could take the yield of 04 the project down close to zero. MS. SCHNEIDER: You have heard testimony about the 05 06 percentage of yield that the Fish and Game measures would 07 result in. 08 Can you give us an estimate of the percentage yield 09 impact? 10 MR. FORKEL: I think if you look at the 106 to 154, 11 that is a 30 percent reduction in yield. 12 MS. SCHNEIDER: I want to turn to an item that relates 13 to PG&E's case and their direct testimony. They provided us 14 with copies of easements. 15 Mr. Forkel, have you reviewed the copies of easements that were provided by PG&E to us during the course of this 16 17 hearing? 18 MR. FORKEL: Yes, I have. 19 MS. SCHNEIDER: Did any of the easements include a 20 prohibition against construction or operation of a reservoir 21 on Webb Tract? 22 MR. FORKEL: No, none of the easements prohibited 23 construction or operation of the reservoir on Webb Tract. 24 MS. SCHNEIDER: Finally, would you comment briefly on 25 why Delta Wetlands Project does not have an identified buyer 0021 01 at this time? 02 MR. FORKEL: The Delta Wetlands Project team has had 03 preliminary discussions with several potential buyers 04 throughout our planning process. A common theme among the 05 potential buyers has been the requirement to understand 06 permit terms and conditions so they have a complete 07 understanding of what the Delta Wetlands Project can do. 80 Our further marketing efforts will require that the 09 project either have a permit or a clear understanding of the 10 terms and conditions associated with a permit. I think this 11 position was confirmed during cross-examination of the

12 Department of Water Resources when you heard Mr. Ed Huntley 13 say that the Department of Water Resources has not -- he 14 said that any discussion with Delta Wetlands would be 15 premature at this time. For the project to proceed further with any sort of 16 17 effective marketing program, we need to have a water rights 18 permit and a clear understanding of the terms and conditions 19 so that we can insure the project will have an adequate 20 yield and can produce water at a competitive unit price. 21 MS. SCHNEIDER: Thank you, Mr. Forkel. 22 Our next witness is Mr. Korslin. 23 HEARING OFFICER STUBCHAER: Excuse, Ms. Schneider, did 24 you say that you have his testimony in writing? 25 MS. SCHNEIDER: No, I don't. I have several other 0022 01 witnesses' testimony, but I need Mr. Forkel and Mr. Korslin 02 to testify orally. 03 HEARING OFFICER STUBCHAER: Okay. 04 MS. SCHNEIDER: Mr. Korslin, can you please state your 05 name for the record? 06 MR. KORSLIN: It's Robert J. Korslin. 07 MS. SCHNEIDER: Would you briefly describe your 08 education and work experience? 09 MR. KORSLIN: I received a Bachelor's degree in 10 construction administration and a Masters in real estate 11 finance in investment analysis from the University of 12 Wisconsin at Madison. I worked for three years for Northwestern Mutual 13 14 Insurance Company in their real estate investment office. 15 And I have spent the last eight years working for Kemper 16 Insurance in various real estate subsidiaries that they 17 have. 18 From 1989 to 1992, I was vice president of their 19 Chicago office. From '92 to '95, I was the chief financial 20 officer of Kemper Real Estate Management Company in 21 Lafayette, California. And from 1995 to the present, I have been a senior vice 22 23 president and principal of ZKS Real Estate Partners, which 24 is an entity that has been formed to manage Kemper's real 25 estate assets. 0023 01 In my eight years at Kemper I have been involved in the 02 sales of approximately \$3,000,000,000 worth of real estate 03 properties and businesses. I secured approximately 04 \$400,000,000 worth of third party financing for our 05 projects, and I have originated or extended approximately a 06 billion and a half dollars of real estate investments for 07 Kemper related entities. 08 MS. SCHNEIDER: Would you describe your involvement 09 with the Delta Wetlands Project? 10 MR. KORSLIN: I represented the Kemper interests as 11 the financial partners in this project as both the owner and 12 the lender for the last eight years. 13 MS. SCHNEIDER: Could you describe the ownership 14 structure of Delta Wetlands? MR. KORSLIN: Yes. Delta Wetlands is a partnership 15 16 between Delta Wetlands, Inc., which is a California

17 corporation and KLMLP. KLMLP is a partnership of various 18 Kemper Corporation subsidiaries and Lumbermen's Mutual 19 Casualty Company. The Delta Wetlands' partnership is 20 financed by a loan from Kemper Industrial Life Insurance 21 Company and Lumbermen's Mutual Casualty Company. 22 MS. SCHNEIDER: Does Delta Wetlands have any other 23 significant source of funding? 2.4 MR. KORSLIN: No. 25 MS. SCHNEIDER: Do you believe that Delta Wetlands 0024 01 could be financed by a third party? 02 MR. KORSLIN: No. Given, the unique nature of this 03 project, the continued permitting delays, and the reduction 04 in yield that we have been experiencing over the life of the 05 project, I don't believe that any alternative source of financing could be found for Delta Wetlands. 06 07 MS. SCHNEIDER: Could you describe the process by which 08 Kemper and Lumbermen's approve additional funding for the 09 Delta Wetlands Project? 10 MR. KORSLIN: Yes. Each lender has either a real 11 estate investment committee or an individual who is 12 authorized to make new or extend existing real estate investments for the various entities. For the existing 13 14 management agreements, ZKS, which is the company that I work 15 for, is authorized to act as an agent for the lenders in 16 their dealings with Delta Wetlands. 17 So, when additional funding is required, Delta Wetlands 18 will submit a proposed budget and a loan extension request 19 to ZKS, and ZKS will review, make any changes that might be 20 required and then use that to submit a formal request to the 21 lenders. 22 If the lenders are satisfied that they have enough 23 information and that the continued investment is justified 24 and economically feasible, they will continue to fund the 25 project. 0025 01 MS. SCHNEIDER: Do Kemper and Lumbermen's place any 02 conditions on their continued funding of Delta Wetlands? 03 MR. KORSLIN: Yes. Kemper and Lumbermen's hold regular 04 meetings with Delta Wetlands and ZKS to review the continued 05 progress of the permitting and economic feasibility of the 06 project. 07 Kemper and Lumbermen's can withhold further funding if 08 they believe that the project is either not making progress 09 or is becoming, has become economically infeasible. In a 10 meeting that we had last year, Kemper and Lumbermen's 11 determined that an average annual yield of this project of 12 approximately 160,000 acre-feet, calculated on a monthly 13 basis, would be an index number that they would use to, 14 basically, say that they will not go below this amount, 15 approximately this amount, and then continue funding the 16 project. 17 This analysis is consistent with the Federal 404 18 alternatives analysis that was completed the year before. 19 MS. SCHNEIDER: How does average annual yield affect 20 feasibility from your perspective of the Delta Wetlands 21 Project?

22 MR. KORSLIN: Kemper and Lumbermen's have determined 23 that their Delta Wetlands' investment should be underwritten 24 with the assumption that the economic feasibility of the 25 project is going to be primarily determined by its ability 0026 01 to produce average annum yield. And that is the way that 02 the project has been modeled and operated, really, since we 03 began. 04 Basic economic principles will tell us that the 05 marginal unit price of Delta Wetlands' water will rise as 06 the yield goes down because there are certain fixed costs 07 associated with the project that existing costs that are in 08 and cost to build it that will not change. For each 09 acre-foot of yield that is lost, the remaining yield becomes 10 much more expensive. 11 When we began this project ten years ago, it was a 12 four-island project. We expected a yield of approximately 13 235,000 acre-feet, and we expected to have a permit within 14 three to five years. Six years later, in 1993, we agreed 15 that it would make sense to go to a two-island project in 16 order to mitigate for a number of terrestrial items and 17 devote two islands, 9,000 acres, to a habitat management 18 plan. At this point, in 1993, we believe that this was a good 19 20 faith effort and was made in an effort to move the 21 permitting process along. We thought that the yield 22 reduction, which at the time we believed would go to about 23 200,000 acre-feet, was justified because of this. When we 24 got the Draft EIR out in 1995, the yield was approximately 25 184,000 acre-feet. 0027 01 Each of these times when we went back to the investment 02 committee, we felt we had a pretty good story of why we 03 needed to continue and why this still an economically 04 feasible project. 05 When we were fairly certain this spring that we would 06 be able to make a deal with the agencies that would require a further yield reduction to this 154,000 acre-feet number, 07 08 where we are now, we went back to Kemper and Lumbermen's 09 again. And their directive to us at this time was that this 10 was the last yield reduction that they would agree to. I myself had attended many of the meetings that we had 11 12 with the fishery agencies over a two-year period and 40 13 meetings, and I believe that they acted, based on Fish and 14 Game's active participation at these meetings as well as the 15 meetings that had gone on for the previous eight years, that 16 their Biological Opinion would be relatively, if not 17 entirely, conforming with the federal opinions. 18 I had no idea that the Department of Fish and Game 19 would wait until, basically, two weeks before the hearing to 20 issue the Biological Opinion that cuts our yield from 21 154,000 acre-feet to 106, which is approximately, as Dave 22 said, a 30-percent reduction. In order to make additional 23 improvements for fishery indexes, which I believe to be 24 relatively minor. 25 For instance, we talked a lot about these entrainment

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01 indexes the last few days. I don't claim to understand 02 everything that is related to them. But if you look at the 03 Delta smelt entrainment index under the federal Biological 04 Opinion, it is 26.63. Under the proposed Department of Fish 05 and Game opinion, it is 26.51. That is a .12 improvement; 06 divided by 26.63 is a .45 percent improvement in this index 07 at a cost of 31 percent of the water. So, really, it's a --08 the percentage change in the yield is almost 70 times the 09 percentage improvement in the index. 10 MS. SCHNEIDER: Let's go back to the process that 11 Kemper and Lumbermen's use in their evaluation of the 12 project feasibility. 13 What factors, other than average annual yield, did 14 Kemper and Lumbermen's consider in determining the minimal 15 acceptable average annual yield? MR. KORSLIN: Well, Kemper and Lumbermen's considered 16 17 also their expected value of the water, the expected cost to 18 complete the permitting and construction of Delta Wetlands 19 and the relative risk that is related to the permitting 20 construction and sales process. 21 MS. SCHNEIDER: How does each of those factors impact 22 feasibility analysis? 23 MR. KORSLIN: In a particular real estate development, 24 investors are able to rely on past experience in other 25 comparable projects to more precisely determine how such 0029 01 factors as construction costs, expected sales, and probable 02 permitting costs, would impact their decision of economic 03 feasibility. 04 Delta Wetlands is really the first project of its kind, 05 and certainly it's the first project of its kind for these 06 investors. They have to rely solely on their judgment, 07 based on their experience with this project. 80 Since average annual yield is something that we have 09 been calculating since the beginning of this project and is 10 considered by them to be the most important measurable 11 objective factor that affects the economic feasibility of 12 Delta Wetlands, they have chosen to specifically highlight 13 this factor as a condition of their further funding. 14 MS. SCHNEIDER: Thank you. 15 That concludes my questions for Mr. Korslin. 16 Mr. Hultgren is here today. 17 Mr. Hultgren's testimony has been prepared and is in 18 written form. We were able to finalize it so that it can be 19 submitted as written rebuttal testimony. I would like to 20 ask him to identify his testimony. It is labeled Rebuttal 21 Testimony of Edwin M. Hultgren, and it would be Delta 22 Wetlands' Exhibit 62, and we would introduce that in 23 evidence at this time as that exhibit. We have copies for 24 the staff and for parties. 25 But first, would you identify what we would like 0030 01 labeled Exhibit 62 as a true and correct copy of your 02 written rebuttal testimony? 03 MR. HULTGREN: Yes. 04 MS. SCHNEIDER: Will you be available in August to 05 answer any cross-examination questions related to this

06 rebuttal testimony? MR. HULTGREN: Yes. 07 08 HEARING OFFICER STUBCHAER: Very good. 09 MS. SCHNEIDER: We also have written rebuttal testimony 10 of Mr. Warren Shaul that we would like to introduce as Delta 11 Wetlands 64. We are having a copying problem, so we will 12 have that here in a few minutes, and we also have copies for 13 the staff when the copying problem is fixed and for all the 14 parties. 15 Mr. Shaul, we have determined from Jones & Stokes, will 16 be available in August to be cross-examined on that written 17 rebuttal testimony. He will, at that time, be able to 18 identify it as his written rebuttal testimony. 19 HEARING OFFICER STUBCHAER: All right. 20 MS. SCHNEIDER: As you know, although you have 21 subpoenaed him at our request, he has not been available 22 this week, and will be available at the August hearing 23 dates. 24 HEARING OFFICER STUBCHAER: That procedure sounds 25 reasonable. 0031 01 MS. SCHNEIDER: Thank you. This panel can move, and 02 our last two rebuttal witnesses are Mr. Marine and Mr. 03 Vogel. 04 HEARING OFFICER STUBCHAER: Off the record. 05 (Discussion held off the record.) 06 HEARING OFFICER STUBCHAER: Back on the record. 07 MS. SCHNEIDER: Our last two rebuttal witnesses are Mr. 08 David Vogel and Mr. Keith Marine. Some of the questions 09 they will answer together, but mostly they are separate. 10 Have you reviewed the California Department of Fish and 11 Game June 16, 1997 Biological Opinion with respect to the 12 Delta Wetlands Project? 13 MR. MARINE: Yes. 14 MR. VOGEL: Yes. 15 MS. SCHNEIDER: Have you reviewed the testimony of Fish 16 and Game representatives submitted to the Board in support of the Fish and Game Biological Opinion on June --17 18 MR. VOGEL: Yes. 19 MR. MARINE: Yes. MS. SCHNEIDER: Have you formulated an overall 20 21 professional opinion and conclusion regarding Fish and 22 Game's Biological Opinion and the agency's supporting 23 testimony related to that opinion? 24 MR. VOGEL: Yes. 25 MR. MARINE: Yes. 0032 MS. SCHNEIDER: Would you briefly tell us what your 01 02 general conclusions are? 03 MR. VOGEL: Yes. I am Dave Vogel, and I'll start off. 04 There are three particular broad areas where we had 05 some concerns with the exhibits and testimony provided by 06 Fish and Game. First, I would like to point out that Fish 07 and Game Biological Opinion and supporting testimonies 08 concerning potential effects of the Delta Wetlands Project 09 on fish are quite difficult to analyze because they are 10 largely composed of qualitative, ambiguous statements

11 presented without any supporting scientific rationale. 12 For example, the documents frequently used statements 13 such as, I am quoting, unacceptable levels, unacceptable 14 increases, inadequate, increases the likelihood, without any 15 description of quantitatively exactly what those statements 16 mean. 17 Second, the Department of Fish and Game did not provide 18 any description of how the agency analyzed their perceived 19 effects of the Delta Wetlands Project on fish. 20 Specifically, Fish and Game did not disclose their 21 analytical methods and techniques on how they assessed 22 effects of the project on fish. 23 Furthermore, Fish and Game did not describe criteria 24 used to determine when a significant impact may occur to a 25 listed species. It appears Fish and Game has built many of 0033 01 their conclusions on speculations. We find this quite 02 unusual because numerous meetings were held among Board 03 staff, the various agencies and the Board's consultants, as 04 well as the Delta Wetlands' team, over many years, 05 specifically, to avoid just such problems. For these 06 reasons, it is difficult to fully assess the technical adequacies of their documents. 07 08 Third, and probably most important, there are numerous 09 major errors and assumptions and mischaracterizations 10 evident in the Fish and Game documents, which invalidate 11 many of the conclusions presented by the Department of Fish 12 and Game. 13 MS. SCHNEIDER: Mr. Vogel, could you please provide 14 some specific examples of the major errors or 15 mischaracterizations as to how Fish and Game assumes the 16 Delta Wetlands Project will affect fishery resources? 17 MR. VOGEL: There are several prominent examples 18 pertaining to Fish and Game's display and subsequent mischaracterization of potential effects of the project on 19 20 fish. As an overview, Fish and Game mischaracterized the 21 potential effects on fish by not accounting for three very 22 basic, important, integral components necessary for any 23 analysis of effects of the project on fish. 24 I would like to refer to the first overhead. 25 MS. SCHNEIDER: Before you start. This is a new 0034 01 exhibit. We would like to introduce to evidence as Delta 02 Wetlands 65. It's heading is Considerations for Potential 03 Effects on Fish. ∩4 MR. VOGEL: These are the three critically important 05 components that we feel were necessary for any particular 06 entity to seriously analyze the potential effects of the 07 project on fish. Some of these, if not, I believe, actually 80 all of these we testified to during our direct testimony 09 earlier this month. 10 The first pertains to the hydrologic conditions 11 preceding and during the period of interest, potential 12 effects on fish. And what this is referring to is whether 13 or not we are in 1997 type drought or in the floods of, say, 14 1983 or 1986. 15 The second obvious factor is what the biological

16 factors are preceding and during the period of interest. 17 And here I am referring to the considerations such as it 18 would make a considerable difference in any analysis whether 19 or not important life stages of fish are present or absent 20 within the potential zone of impact of the project. 21 Third, and lastly and probably most importantly in this 22 particularly proceeding, is that it is critically important 23 to recognize what has transpired with the Delta Wetlands 24 Project preceding and during the presence of fish in the 25 vicinity of the project. For example, it may be that the 0035 01 project islands have already filled prior to the presence of 02 certain life phases of fish species in the vicinity of the 03 project. 04 Alternatively, there may have been prohibitions on the 05 discharge or diversions at times when important fish life 06 phases are present within the vicinity of the project. 07 We believe these considerations are absolutely 08 essential before any meaningful analysis of the effects of 09 the project on fish can be performed. We do not believe 10 that Fish and Game fully accounted for these three 11 critically important elements. 12 Now moving into some more specific issues, within the 13 Fish and Game documents there are some major discrepancies 14 relative to winter-run chinook fisheries presented within 15 the Department of Fish and Game Biological Opinion, which is 16 DFG-11. This makes it quite difficult to determine, 17 specifically, how Fish and Game assess effects on winter-run 18 salmon. 19 One example is Fish and Game's inconsistent statement 20 concerning the timing of winter chinook juvenile salmon in 21 the Delta. I will refer to the first overhead, which is 22 obtained from DFG-11, Figure 1. 23 And the exact percentages used by Fish and Game to 24 create this graph are given on Page 15 in DFG-11. In this 25 particular graphic, note that the months of September, May, 0036 01 and June are not shown. 02 Can we have the next overhead, please? 03 MS. SCHNEIDER: I need to introduce this into evidence 04 as Delta Wetlands Exhibit 66. It's labeled Inconsistencies 05 on DFG's Assumptions on Winter-Run Life History. 06 MR. VOGEL: These are three specific areas within a 07 single Fish and Game exhibit where we see major 80 inconsistencies pertaining to the timing of winter-run 09 salmon in the Delta. The very first graphic I showed you 10 just prior to this graphic displayed the seasonal 11 distribution of winter-run in the Delta. I believe it was a similar distribution that the Board's consultants used over 12 13 quite a few years in their analysis of the effects on the 14 project on winter-run salmon. It is verbalized in Fish and 15 Game's Exhibit DFG-11 with the first bullet at the top, and 16 I'll read from that. 17 The evaluation of the Delta Wetlands Project 18 impacts on winter-run chinook salmon for the 19 Biological Opinion took into account their 20 occurrence in the Delta, based on their

21 distribution as depicted in Figure 1, DFG-11, 22 Page 12, which is the graphic I just 23 presented. (Reading.) Again, this is consistent with what the Board's 24 25 consultant used in their analysis. However, if you read 0037 01 further into the document, you come across the next 02 conflicting statement, and next statement is on the same exhibit of DFG-11, Page 15. In here, they introduce the 03 04 months of September through May. That is in direct conflict 05 with the earlier assumption that Fish and Game used. That 06 particular statement now says: 07 Juvenile winter-run chinook salmon are 08 present in the Delta in the vicinity of the 09 Delta Wetlands Project islands between early 10 September through May. (Reading.) 11 Now, lastly, the third conflicting statement related to 12 winter-run is again found in DFG-11, Page 4-9 where they now 13 introduce the month of June. 14 The significance of this conflicting issue is that Fish 15 and Game provides subsequent conflicting discussion within their exhibits and testimony on the potential effects of the 16 17 Delta Wetlands Project which cannot be used in context with 18 all three potential periods of winter-run juvenile chinook 19 presence in the Delta. 20 Also, DFG-11 states that winter-run chinook fry are 21 present in the Delta from January through March. And I have 22 to point out it is biologically impossible for winter-run 23 fry to be present in the Delta in those months. The reason 24 for this is that, at that particular seasonal period, the 25 winter-run fry have grown and advanced to a much larger life 0038 01 phase, referred to a more larger size of the juvenile life 02 stage or, in particular, the smolt size fish in route to the 03 ocean. 04 Probably the greatest error by Fish and Game is the 05 mischaracterization of the potential Delta Wetlands Project's effects on fish through misuse of statistical 06 07 percentage comparisons between the federal biological 08 opinions and the Department of Fish and Game Biological 09 Opinion. I have several examples of those. 10 Could we please have the next overhead? 11 This particular exhibit is from DFG-5, Table 5. As you 12 recall two days ago, we had a substantial amount of 13 discussion, I believe it was during cross-examination of the 14 Fish and Game representatives, on how Fish and Game derived 15 those extremely large percentages shown in the federal 16 Biological Opinion column. You see there, the one that is 17 most prominent is around 641 percent. 18 Now Fish and Game testified during cross-examination 19 that the primary purpose of why they provided this 20 particular exhibit to the Board and the Board staff was to 21 display the worst possible impacts of the Delta Wetlands 22 Project. Now during that cross-examination of Fish and 23 Game, we were not able to determine, and Fish and Game did 24 not disclose, the specific data on how they derived these 25 extremely high percentages.

01 However, Fish and Game, that night, did provide us with 02 much of the data that they used in their analysis, and I've 03 been working on that data since then, late, late in evening 04 and early in the morning, and I was able to reconstruct how 05 they obtained those extremely high percentages. 06 Can we have th next exhibit, please? 07 MS. SCHNEIDER: This is an exhibit that we will introduce as Delta Wetlands 67. We will introduce this as 80 09 Delta Wetlands 67. It is headed, entitled, Derivation of 10 Federal Biological Opinions Percentages Presented In DFG-5, 11 Table 5. 12 MR. VOGEL: I'm not going to go through each and every 13 one of these calculations. I will simply point to the most obvious ones here. The others fall in line. But in 14 particular, you have observed that March has been a 15 prominent month of concern and a prominent month of 16 17 discussion. In particular, those were the months on a prior 18 graphic of DFG-5, Table 5, where Fish and Game displayed the 19 641 percent effect of the project on fish. 20 These data were derived from what is referred to by 21 Fish and Game as cross Delta flow parameters. Although they 22 they've used that term inappropriately, using it here 23 because they've used the cross Delta parameter, entrainment 24 index, and diversion index, apparently, in a synonymous 25 fashion. It is actually not proper to do so. 0040 So, actually, it's referred to as the entrainment index 01 02 in a more appropriate fashion rather than a cross Delta flow 03 parameter as was discussed elsewhere in Fish and Game's 04 testimony. 05 If you focus in on March and look at each one of these 06 boxes as Fish and Game refers to, these are the actual zones within the Delta that Jones & Stokes modeled, using that 07 08 entrainment index or cross Delta flow parameter, and focused 09 in on the three boxes; the Lower Sacramento River, 10 entrainment index; the Lower San Joaquin; and the Mokelumne river entrainment index. 11 12 I was able to determine which water year Fish and Game 13 used to obtain the 641 percent; and in each and every case, in this instance, it was the water year 1983. The way they 14 15 computed this particular value is comparing the no-project condition in March of 1983 with the project condition with 16 17 the Endangered Species Act alternative for the project, 18 compared to the base condition. Now, the base condition 19 index for the entrainment indices in March 1983 for any one 2.0 of these boxes, as you see, is an extremely, I have to 21 emphasize extremely, small value. 22 In fact, I actually, in a sense, have to apologize for 23 Fish and Game. I had to carry the decimal places out to 24 eight places so I could obtain those exact percentages. Ιt 25 was quite confusing, I have to admit, because the original 0041 01 data I had was only the two decimal places. And I had 02 values of .00 compared with .000. So I couldn't figure out 03 where it was from. So I had to keep carrying the decimal places out further and further and further until I could 04

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05 actually get them to correspond with those exact percentages 06 out to a hundredth of a decimal place. 07 So now what we end up with is a calculated value, where 08 you divide one value into the other, and again you are 09 dividing out to, what is that, I think it is something like 10 one hundred-thousandth of a decimal. When you do so, you 11 can see you get these extremely high percentages. Now, the 12 reason this is so confusing is because Fish and Game 13 testified two days ago that the purpose in displaying this 14 particular table was to show to the Board and the Board 15 staff the worst possible impacts of the project. 16 Now, this is not the case here. I have some personal, 17 professional knowledge of March of 1983. Because when I was 18 in the Fish and Wildlife Service, we were sampling in the 19 Sacramento River during that month to monitor the

20 outmigration of salmon from the Upper Sacramento River. In 21 the Upper Sacramento River during March, we were sampling 22 river flows of around 140,000 cubic feet per second. I 23 don't have data on what the specific inflows and outflows to 24 the Delta was, but my recollection is that it was in the 25 hundredths of thousands of cubic feet per second. 0042

I have to emphasis, if there was ever a time period when the Delta Wetlands Project could potentially divert water with minimal impacts to fish, it would have been in March of 1983.

O5 Can we have the next overhead, please? O6 MS. SCHNEIDER: Before you start, this will be O7 introduced as Delta Wetlands 68, entitled Winter-Run Chinook O8 Salmon, March.

MR. VOGEL: This is an alternative way of displaying some of the data that I thought Fish and Game would have portrayed in their testimony. My understanding is that they have the same data sets that I used to derive this information. It was all obtained from Jones & Stokes, the Board's biological consultants on this particular project.

15 You heard from Fish and Game, and I do agree with them; 16 they felt it was quite important not to just look only at 17 annual values over the 70-year period. They wanted to focus 18 on specific potential effects of the project during critically important months of the year. So what I've used 19 20 is the information Jones & Stokes provided to Fish and Game, 21 at Fish and Game's request, of what is called the diversion 22 index. And I used March, the winter-run diversion index 23 during March, for the 70 years of record. So, you are 24 seeing 70 years of Marches in the analysis displayed in a 25 rank from the highest baseline condition to the lowest 0043

01 baseline condition. So, you see the highest base diversion 02 index to the left of the graphic and the lowest at the right 03 of the graphic.

04 Overlaid on top of the no-project condition, which is 05 displayed as the connected line on this graphic going from 06 upper left to lower right, also has displayed the ESA 07 alternatives compared to the CESA or the Fish and Game 08 Biological Opinion alternative.

09 Now, looking at this graphic, you would make the

10 assumption, or at least I made the assumption that Fish and 11 Game would have focused on the blimps on the graph. Those 12 are the areas where the ESA alternative has an incremental 13 increase above baseline conditions. However, when I 14 examined the data in context with the prior graphic you saw 15 in March of 1983, the one where they portrayed some of the 16 worse impacts of the project, is the far right lower 17 corner. That represents March of 1983. 18 And I also looked at the data to see what the second 19 ranking percentage would be, and it turns out that is March 20 of 1986. Fish and Game portrayed two days ago that the 21 worst possible impacts of the project would be at the far 22 right of the graph. 23 Although Fish and Game stated in their verbal testimony 24 that the diversion indices are not to be misconstrued with 25 actual fish mortality, the written testimony in the 0044 01 Biological Opinion frequently implies the indices, these 02 diversion indices, constitute take according to the Fish and 03 Game Endangered Species Act. The significance of this is 04 that that implies the proximal cause of death of a fish. 05 Although Fish and Game did provide some verbal 06 testimony two days ago emphasizing the fact that these 07 indices really do not constitute mortality, the written 08 testimony implies otherwise. The indices, as was discussed 09 by Fish and Game representatives two days ago, pertains to 10 the movement essentially of water particles, not fish. And 11 as any biologist knows, juvenile salmon do not behave as a 12 water particle. 13 Now, the blimps that you see there are primarily 14 attributable to the diversions of water under the Delta 15 Wetlands Project islands during filling. Although the 16 incremental increases are somewhat small in terms of the 17 diversion index, you can see the diversion index in the 18 highest blimps are about -- for the range of about one 19 percent of the total diversion index compared to what 20 baseline conditions might be. Again, those are, in theory, 21 water particles. 22 The Delta Wetlands Project would have fish screens that 23 would totally exclude young salmon from being entrained onto 24 the project island. Those fish screens -- if this project 25 is ever permitted, those fish screens are going to be quite 0045 01 expensive. I don't know if John Winther realizes it, but 02 he's got some expensive fish screens forthcoming. In 03 particular, the fish screens that are designed for this 04 project greatly exceed the existing criteria by the National 05 Marine Fishery Service and the Department of Fish and Game 06 for the protection of salmonids. 07 At present, that criterion is .33 feet per second 08 approach velocity, which is extremely low. However, in this 09 particular project, for various reasons, that approach 10 velocity is only going to be .2 feet per second or less. So 11 there is a tremendous amount of protection for those 12 salmonids. That, apparently, has been lost in the context 13 of many of the discussions we have heard in the recent 14 testimony.

15 The reason I bring that up is that we can't lose sight 16 of that fact. We can talk about theoretical impacts, but we 17 can't ignore the fact that the Delta Wetlands Project is 18 going to have some extremely effective fish screens that 19 would prevent the mortality supplied by Fish and Game's 20 written testimony. 21 MS. SCHNEIDER: Moving onto other mysteries of the Fish 22 and Game Biological Opinion, can you account for the 23 percentages that are presented in Fish and Game Exhibit 11 24 where Fish and Game asserts that their RPMs would reduce 25 take by up to 60 percent for winter-run diversions and 90 0046 01 percent for winter-run discharge effects, 60 percent for 02 Delta smelt diversion effects, and 80 percent for Delta 03 smelt discharge effects? MR. VOGEL: Not in entirely. Unfortunately, Fish and 04 05 Game did not disclose in their exhibits specifically how 06 they computed those extremely high numbers. However, I was 07 able to an approximate those numbers after examining Table 5 08 in DW-5. 09 Could we have the next overhead, please? 10 This was the table that was discussed earlier this week 11 I believe; I believe on Tuesday during Fish and Game 12 presentation. And it's obtained from DW-5, Table 5. This 13 was prepared by Jones & Stokes, the Board's consultant, at 14 Fish and Game's request. 15 Note at the top of the table, there is a summary of the 16 overall reductions of the diversion indices associated with 17 measures proposed in biological assessment, the federal 18 Biological Opinions, and the Fish and Game Biological 19 Opinion. It appears to me that Fish and Game derived their 20 percentages, just described, by comparing the 70-year 21 averages for their indices with either the biological 22 assessment or the federal Biological Opinions, and not in 23 comparison to the base condition. For example, if you compare the value of .85 shown 2.4 25 directly below DWBA at the heading of that column with the 0047 01 value of 0.33, shown directly below the heading in the 02 column DFG, you get approximately a 60-percent difference. 03 MS. SCHNEIDER: In your view, is this a meaningful 04 comparison? 05 MR. VOGEL: No, I don't believe it is. A more 06 meaningful comparison would be to compare the various 07 alternatives with the no-project condition to assess effects 08 of the various alternatives. 09 MS. SCHNEIDER: If you compare --10 HEARING OFFICER STUBCHAER: Ms. Murray. 11 MS. MURRAY: I object to this line of questioning. Mr. 12 Wernette explained in cross-examination. I realize that Mr. 13 Vogel wasn't here during that testimony to hear Mr. Wernette 14 explanation, lengthy explanation, asked by Joe as to how he 15 got those numbers. Mr. Wernette explained that. Mr. Vogel 16 was not here, and maybe did not take to Joe Nelson. Now he 17 is saying he doesn't know how he did it. We have told --18 MS. SCHNEIDER: We would prefer to complete our 19 rebuttal testimony, Mr. Stubchaer, without interruptions.

20 MS. MURRAY: It's just that the number of inaccuracies 21 are getting intolerable. 22 HEARING OFFICER STUBCHAER: You can develop these in 23 your recross examination. 2.4 MS. MURRAY: We will, but I just want to acknowledge 25 that Mr. Vogel was not here while Mr. Wernette gave his 0048 01 explanation, and this has already been explained on the 02 record. 03 HEARING OFFICER STUBCHAER: Thank you. 04 MS. SCHNEIDER: So, Mr. Vogel could you please regroup 05 a little bit and start your explanation as to whether a 06 meaningful comparison was made and what would be a 07 meaningful comparison? 80 MR. VOGEL: The way Jones & Stokes, the Board's 09 consultants, has been approaching this for quite a few years is to look at the relative comparison of the various 10 11 alternatives to the baseline. Once that is done, you 12 compare the alternatives with the baseline and then you can 13 derive a more meaningful comparison between those 14 alternatives, rather than to compare solely the alternative 15 with an alternative without recognition of the baseline. 16 If you did so, I believe that you would see the 17 comparison percentages would be quite small when comparing 18 those alternatives with the no-project or baseline condition. For example, if you compare the winter-run 19 20 diversion index for the DW ESA alternative, shown at the top 21 of the graphic, with a no-project alternative, you would get 22 only 3.6 percent incremental increase in the diversion 23 effects on winter-run. 24 Now when you compare the DFG alternative with the 25 no-project alternative, you get only a 1.9 percent 0049 01 increase. Therefore, in comparing those two alternatives, 02 you would now get only a 1.7 percent difference between 03 those two specific alternatives. 04 Can we have the next overhead, please? 05 MS. SCHNEIDER: This is an exhibit that would be DW-69; 06 it's headed Mokelumne River Section. 07 MR. VOGEL: These numbers -- this graphic was prepared 08 from numbers I obtained from Table 5 in DW-5, which you just 09 saw earlier. And they represent an alternative, in my belief, a more appropriate way of comparison of alternatives 10 11 relative to the no-project condition. In this particular 12 example, I am using cross Delta flow parameter as it is 13 defined in Jones & Stokes biological assessment. 14 Specifically, it refers to the Mokelumne box of the Delta. 15 On the top of the graphic or the first graph you see at 16 top is a comparison of the incremental increases associated 17 with the ESA alternative relative to the no-project 18 condition for each month of the year. Those are displayed 19 in red on this graphic, and the no-project conditions are 20 blue. And the exhibits that we were providing aren't in 21 color, but they still, nevertheless, show those incremental 22 differences between the no-project and ESA or CESA 23 alternatives. Now, at the bottom of the graphic, using the 24 same data that I mentioned that I derived from Table 5 in

25 DW-5, you can now see what incremental increases, and this 0050 01 graphic is shown in red, are in comparison to the no-project 02 or baseline conditions. 03 If you look very closely in comparing each of those 04 graphics and compare each of the alternatives, I'll 05 challenge you to see where you can see significant 06 differences. In fact, my eyes aren't that good, but I am 07 having a tough time seeing the differences here. This would 08 be a more appropriate analysis of not in of itself, but in 09 terms of portraying the effects of the alternatives in 10 context to the significant effects, potential significant 11 effects on fish as a result of implementation of either of 12 those alternatives. 13 MS. SCHNEIDER: This week, Fish and Game provided the 14 Board and the parties with a one-page exhibit which they 15 said would describe the methods of how they computed their 16 winter-run chinook diversion entrainment index. Was that one sheet useful to you to assess their 17 18 methods? 19 MR. VOGEL: No, unfortunately. I appreciated the 20 opportunity. I was quite pleased Fish and Game did provide at least something. Up to this point we had nothing in 21 22 terms of any information on how they specifically analyzed 23 effects of the project. Unfortunately, the single-page 24 document you referred was incomplete and much too general to 25 be of any use to us. Furthermore, none of the critically 0051 01 important assumptions necessary to fully understand how Fish 02 and Game's methods were employed were not provided in that 03 one-page document. 04 MS. SCHNEIDER: Now that you have been provided model 05 outputs that Fish and Game used to develop their Figure 12 06 and Fish and Game 11, have you been able to assess the 07 significance of that Figure 12? 80 MR. VOGEL: Not yet, and I am frustrated by this one. 09 This is the one where we had a substantial amount of 10 discussion and figured out how to E-mail transmissions and 11 so forth. And Fish and Game staff, I commend them, I think 12 they stayed up late at night. I was, until after midnight, downloading data, up early the next morning. Huge data 13 sets, huge files. I am extremely close to determining where 14 15 Fish and Game went wrong in that analysis. But, frankly, I 16 can't definitively say where I know they're wrong. 17 Furthermore, the information that Fish and Game used to 18 develop Figure 12 and DFG-11 is still a mystery. I was 19 able, however, to compute the actual values that they used 20 to generate that Figure 12 graphic, but I have not yet been 21 able to figure out where they obtained those values. I feel 22 guite certain that --23 MS. MURRAY: Can I just clarity? You can get it from 24 Jones & Stokes. That is where we got all our --HEARING OFFICER STUBCHAER: Ms. Murray, please. 25 0052 01 MS. MURRAY: I want to say, once again for the record, 02 we got all our data from Jones & Stokes. 03 HEARING OFFICER STUBCHAER: Miss Murray.

04 MR. VOGEL: It appears that Fish and Game has confused 05 model outputs for Jones & Stoke's diversion index, the cross 06 Delta flow parameter, DeltaMOVE model, and assumptions on 07 salmon distribution in the Delta. It appears they greatly 08 over estimated impacts on fish. 09 MS. SCHNEIDER: Thank you. 10 I would like to move to Mr. Marine and ask, continuing 11 in this area of discussion, whether you can provide any 12 additional specific examples of mischaracterization on how 13 Fish and Game assumes the Delta Wetlands Project will affect 14 fish? 15 MR. MARINE: Yes. Department of Fish and Game 16 presented testimony in Exhibit DFG-9 and in oral testimony 17 raising the concerns that shifts in the spawning 18 distribution of Delta smelt that occur from year to year may 19 affect the impacts of the Delta Wetlands Project on Delta 20 smelt. 21 I would like to refer back to Figure 2, my first 22 overhead, which was presented on Page 25 of DFG Exhibit 9 23 and was used to illustrate such a concern. 24 This figure depicts the larval and juvenile 25 distribution and abundance from the first three 20 0053 01 millimeter surveys that were performed this year. Use of 02 this figure is presented by DFG mischaracterizes the 03 potential project impacts and does not fairly acknowledge 04 the careful consideration of spawning distribution issues 05 that were addressed by the DEIR/EIS. 06 Firstly, these data are essentially for a single month, 07 the month of April 1997. The first survey was conducted 08 during the week of March 31st, and the third survey in this 09 series was conducted during the week of March 28th. 10 The DFG BO indicates that spawning can occur over an 11 extended period of time, potentially from December through 12 July 30. MR. SUTTON: Excuse me, Mr. Marine, you said the third 13 14 survey was done during the week of March 28. I believe you 15 meant April 28th. 16 MR. MARINE: April 28th. Thank you. 17 MR. SUTTON: Thank you. MR. MARINE: Again, the DFG BO, they have stated that 18 19 spawning can occur over the course of the time period from 20 December through July, generally peaking, in April and May. 21 So, these data depict but a portion, a one month portion, 22 of what the entire 1997 spawning distribution might 23 ultimately show. So from presentation of this brief snapshot in time, 2.4 25 DFG Exhibit 9 testimony suggests that the project may not 0054 01 have been adequately analyzed to address such a shift in 02 spawning distribution. The DEIR/EIS assumed 50/50 03 distribution between the Sacramento and San Joaquin sides of 04 the Delta for the spawning distribution of Delta smelt, 05 which is considered to be a very broad, geographic 06 distribution. It's also an objective for the recovery of 07 the species to see a more equitable distribution across the 08 Delta. And it approximates a worst case scenario as far as

09 the historic distribution or the known historic distribution 10 of Delta smelt spawning. 11 Given these considerations, DFG's contention, based on 12 data presented by this figure provides a very tenuous 13 criticism of the DEIR/EIS assessment, given the level of 14 consideration that was applied to this issue in their 15 analysis. 16 Another important aspect of how this data misrepresents 17 how the Delta Wetlands Project may affect Delta smelt is the 18 fact that under the final operating criteria assessed in 19 federal Biological Opinions, there would be no diversion or 20 discharge from Webb Tract and Bacon Island would be 21 restricted simply to discharge operations during this month. 22 So, there would be very restrictive protections during the 23 time period that is depicted in their Figure 2. 24 MS. SCHNEIDER: Mr. Marine, do you agree with Fish and 25 Game's contention that the temperature management criteria 0055 01 provided by the federal Biological Opinions are inadequate 02 for protection of chinook salmon and Delta smelt? 03 MR. MARINE: No, I do not. 04 MS. SCHNEIDER: Could you explain your reasons for 05 disagreement, specifically with regard to protection of the 06 chinook salmon from thermal impacts? 07 MR. MARINE: Yes. Based on my participation of the 08 numerous biological consultation meetings leading to the 09 federal Biological Opinions and my own familiarity with the 10 various research on temperature tolerances of salmonid 11 fishes, the evidence provided by the Department of Fish and 12 Game in their BO, DFG Exhibit 11, and the associated 13 testimonies in DFG Exhibits 7 and 9, do not compel me to 14 change my assessment or examination of the adequacy of the 15 temperature criteria for protecting chinook salmon provided 16 by the federal biological opinions, especially in light of 17 the more restrictive, acute thermal discharge protection 18 promoted by the Fish and Wildlife Services BO, which is 19 presented as Delta Wetlands Exhibit 1. First overhead, please -- or second overhead. 20 21 MS. SCHNEIDER: May I introduce this exhibit, first? 22 This will be introduced as Delta Wetlands Exhibit 70. It's 23 entitled Reasons Why DFG's Argument (DFG 7) Does Not Support 24 Change of the Federal Biological Opinions Temperature 25 Management Criteria for the Delta Wetlands Project. 0056 01 MR. MARINE: In brief, the reasons why I believe that 02 Department of Fish and Game's argument does not 03 significantly support change of the federal biological 04 temperature criteria represented by this figure, this table. 05 Firstly, I believe that they mischaracterize the intent 06 of the proposed Delta Wetlands' temperature management 07 criteria as assessed by the federal Biological Opinions, 80 which I will elaborate on a little bit later. 09 Secondly, I believe that the foundations that they 10 developed for establishing optimal and thermally stressful 11 temperature ranges are not clearly based on the studies 12 that they present in Tables 1 through 11 in the technical 13 appendix to Exhibit DFG-7.

14 Numerous studies are provided in this exhibit and are 15 supposedly organized to identify lethal, stressful, optimal 16 temperatures ranges for the fresh water life stages of 17 chinook salmon. However, when compared to the ranges that 18 they utilized to evaluate the federal Biological Opinion 19 temperature ranges, it is not clear, specifically, how their 20 base comparative ranges were established. They don't 21 clearly derive from the table that they provided, Tables 1 22 through 11. 23 Thirdly, the Department of Fish and Game's 24 determination of optimal and thermally stressful are not 25 consistent with their own criteria for use in application of 0057 01 salmonid temperature times and physiological response study 02 results. An example is, and I paraphrase from DFG-7, that 03 it is imperative for comparing similar types of study, and it is advised on Page A6 of DFG Exhibit 7. Many different 04 05 types of studies are listed in a technical appendix to DFG 06 Exhibit 7, including field observations of fish response to 07 different temperature regimes, observation and experimental 80 work that were conducted under hatchery conditions, 09 laboratory studies, studies of both acute and chronic 10 temperature exposures. And it appears that the results of all types were mixed 11 12 and matched to derive their proposed optimal and stressful 13 temperature levels, without reconciling the differences 14 amongst these studies as they advised and cautioned in their 15 own testimony. 16 Fourthly, they mix data and studies for different life 17 stages and different stocks, which result in inappropriate 18 comparisons that lead to, what I believe are, inappropriate 19 selection of temperature criteria. For instance, a number 20 of references are made to the exacerbation of incidence of 21 disease under elevated water temperature conditions. 22 However, there is no reconciliation for direct application 23 to the specific conditions that exist in the Central Valley 24 stocks of salmon. 25 For instance, the most prevalent diseases affecting 0058 01 both hatchery and wild stocks of the Central Valley salmon 02 are two diseases referred to as IHM and DKB. These two 03 particular diseases are not exacerbated by elevated water 04 temperature conditions. In fact, IHM is known as Sacramento 05 River cold water disease. The prophylactic treatment for 06 this in the hatcheries is to elevate the water temperature, 07 rearing water temperatures, to above 60 degrees in the 08 hatchery. 09 Lastly, I believe that the DFG Exhibit 7 misrepresents 10 or misinterprets the data and results from several studies 11 cited in the technical appendix to exhibit Fish and Game 7. 12 I would like to, at this point, so as to not belabor my oral rebuttal with detailed criticisms, I would like to 13 14 submit a list summarizing these criticisms in the following 15 table. MS. SCHNEIDER: This table will be introduced as Delta 16 17 Wetlands 71. The heading on it is Misinterpreted and 18 Misapplied Studies on the Thermal Tolerance of Salmonids

19 Cited in Tables 1-11 of Exhibit DFG-7. MR. MARINE: I won't describe this table in detail. 20 21 However, only to submit that it provides my detailed 22 criticisms of specific references that I believe were 23 misapplied, misinterpreted in that DFG technical appendix, 24 or DFG Exhibit 7 Technical Appendix. 25 I would now like to elaborate on an example of my first 0059 01 point, which was that I believe that the Department of Fish 02 and Game in their BO and associated testimonies, 03 mischaracterizes the intent of the proposed Delta Wetlands' 04 temperature management criteria assessment in the federal 05 BOs. 06 Next overhead, please. 07 I would like to refer to my talking points that I first 08 presented in my direct testimony. In DFG Exhibit 7 the 09 statement is made that under the Delta Wetlands' temperature 10 management criteria, they would be allowed to raise 11 temperatures to a minimum of 66 and a maximum of 69.9; and 12 this is simply an inaccurate state. 13 The Delta Wetlands' temperature criteria proposed 14 levels of Delta T or change in water temperature 15 attributable to the Delta Wetlands' discharges within 16 specific temperature ranges that, from the specific 17 information provided in my careful review of relevant and 18 applicable scientific literature cited in my testimony, 19 Delta Wetlands 16, appear to result in no significant 20 incremental impact to both short-term and long-term survival 21 of chinook salmon. While magnitude and frequency of 22 potential temperature differences between the Delta 23 Wetlands' reservoirs and adjacent Delta channels has not 24 been specifically established, it is expected to be 25 infrequent due to the location and the dominance of 0060 01 meteorologic conditions on Delta Wetlands' water 02 conditions. 03 However, when necessary, the intent is to control the 04 change in water temperature to less than or equal four 05 degrees of the ambient temperature when temperatures are 06 less than 66 degrees to less than or equal to two degrees 07 Fahrenheit when water temperatures rise to a level between 08 66 and 77, and to less than or equal to one degree 09 Fahrenheit when ambient water temperatures exceed 77 10 degrees. By ambient water temperatures I simply want to 11 reiterate that those would be the background temperatures in 12 the adjacent channels outside the area of influence of 13 Delta Wetlands' discharges. 14 HEARING OFFICER STUBCHAER: This was just talking 15 points? I didn't hear a specific reference pointing? That 16 is not an exhibit? 17 MS. SCHNEIDER: That is correct, Mr. Stubchaer. It was 18 used as a talking point overhead by Mr. Marine in his oral 19 direct testimony, and he decided to just talk from it again. 20 HEARING OFFICER STUBCHAER: The transcript will reflect 21 what he said. Okay. 2.2 MR. MARINE: Secondly, I would like to simply state 23 that or provide an example of why I feel the foundations for

24 the optimal temperature ranges used by Department of Fish 25 and Game Exhibit 7 testimony are not clearly based on the 0061 01 study presented in Tables 1 through 11 in the technical 02 appendix. 03 For instance, the proposed optimal temperature ranges 04 on Page A7 of DFG Exhibit 7 don't always necessarily 05 correspond to the values from the table, tables labeled 06 Optimal Temperature Levels. This makes it difficult to 07 evaluate the validity of the optimal temperature ranges 08 proposed in that testimony upon which DFG bases their 09 evaluation of the NMFS BO temperature criteria. 10 Put the next overhead up, please. 11 A example that was used in, I believe, Dr. Rich's 12 direct testimony was this figure, which is a figure from Page A21 of DFG Exhibit 7, which depicts optimal, stressful, 13 and lethal temperature levels for rearing juvenile chinook 14 15 salmon, presumably derived from the information provided in 16 the tables in the technical appendix of that testimony. 17 Based on this proposition, the optimal temperature range for 18 this life stage is between 55 and 60 degrees Fahrenheit with 19 stress affecting growth, disease incidence and life 20 activities and ultimately lethal levels, occurring 21 progressively as the temperatures rise or fall from this 22 optimal temperature range. I would like to put up the next overhead, please. 23 24 MS. SCHNEIDER: This overhead will be introduced as 25 Delta Wetlands Exhibit 72. It is entitled Figure 1 Daily 0062 01 Average Water Temperatures at the SWP and CVP South Delta 02 Diversion Facilities from 1993 to 1996. 03 MR. MARINE: This figure is simply a marked up version 04 of Figure 1 from my testimony, DW Exhibit 16. To depict the optimal water temperature ranges proposed by the Department 05 06 of Fish and Game for both adult and juvenile chinook salmon 07 and the periodicity of occurrence for these life stages of 80 winter-run chinook. 09 The figure here shows on the bars across the top are 10 simply the presence bars that were derived from DFG's 11 Biological Opinion that show on the top. The periods of 12 presence of adult winter-run chinook salmon and blue bars 13 beneath that showing the periods presence of juvenile 14 winter-run chinook salmon in the Delta and in the stippled 15 ranges, stippled blue range, is that range of optimal water 16 temperature of juvenile chinook between 55 and 60 degrees 17 Fahrenheit, and the green stippled range, that range 18 considered optimal for adult migrating and spawning chinook 19 salmon ranging between 44 and 54 degrees Fahrenheit. 20 Looking at this figure, you can see that for each of 21 the life stages there are really only brief periods of time 22 where water temperatures in the Delta, and these 23 temperatures are from the CVP and SWP facilities to provide 24 an example of potential magnitude of temperatures during the 25 cycle of, essentially, a three-and-a-half-year-time period. 0063 01 Again, what this shows is that there are only brief 02 time periods during the periods of occurrence of these life

03 stages where water temperatures are within the optimal 04 ranges for these life stages under the existing natural 05 background water temperature conditions occurring in the 06 Delta. An implication of DFG proposed optimal ranges that 07 winter-run are subjected to stressful thermal conditions 08 under the existing natural no-project conditions during 09 substantial portions of their presence to the Delta, even 10 during the midwinter time period.

11 No claims by fisheries agencies have ever been made 12 before that temperature conditions in the Delta in midwinter 13 are stressful for salmon. Yet DFG's testimony would lead 14 us to believe such a contention.

15 What I believe that Dr. Rich fails to make clear in her 16 testimony is that while growth, swimming performance, and 17 other measures of physiological response may deviate from 18 optimal in response to variations in water temperature 19 regimes, such deviations do not necessarily translate into 20 decreases in survival. It is dependent on the duration of 21 the occurrence and the concurrent ecological context of the 22 event; in other words, the life stages, the particular life 23 activities that the fish may be in, whether migrating or 24 rearing, and how widespread the temperature change is 25 throughout the contiguous habitat area available to the

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01 fish. 02 HEARING OFFICER STUBCHAER: Ms. Schneider, how much 03 more? MS. SCHNEIDER: I have two more brief questions, and we 04 05 will be finished. 06 HEARING OFFICER STUBCHAER: All right. 07 MS. SCHNEIDER: The Fish and Game Biological Opinion 08 took issue with the Fish and Wildlife Service Biological 09 Opinion provision, which requires a maximum differential of 10 7 degrees Centigrade or 12.2 degrees Fahrenheit between 11 Delta Wetlands' discharge water and receiving water 12 temperatures, and that differential is for the protection of 13 Delta smelt. Fish and Game recommended limiting the maximum differential to just less or equal to 5 degrees Fahrenheit. 14 15 Do you agreed that such a reduction from the Fish and 16 Wildlife Service Biological Opinion objectives is necessary 17 to protect Delta smelt or chinook salmon? MR. MARINE: No, I don't believe that the 5 degree 18 19 Fahrenheit acute temperature standard was based on the 20 supporting evidence used by Fish and Game, which they 21 introduced into evidence under cross-examination. And that 22 is just a reference to Swanson and Cech, 1995. 23 Firstly, I believe that the 5 degree Fahrenheit 24 temperature objective was a priori objective. It was an 25 objective that Fish and Game had proposed in years preceding 0065 01 the publication of the Swanson and Cech article in 1995. 02 03 Secondly, having worked in the laboratory that 04 developed the data summarized and discussed in the Swanson 05 and Cech study, I believe that the five degrees Centigrade 06 value was intended to provide a criterion that wasn't

07 necessarily an acute temperature protection level, but it

08 was one that was intended as more of a general level that 09 may apply over longer periods of time. 10 Because that particular value was derived from a sample 11 of 16 fish. The seven degree Centigrade value was a value 12 that was derived from acute thermal tolerance studies, which 13 are the type of study that the acute thermal standard 14 objectives are generally derived from, and that was derived 15 from a sample of 157 fish. 16 One of the other reasons that I believe that the five 17 degree C value mentioned in that study is more of an overall 18 objective, not necessarily specific to acute or chronic 19 exposures, is that because if you conducted in a study where 20 the fish were subjected to this very rapid increase in water 21 temperature, but over a period, that could be as long as 22 five to six hours. And, again, it was based on a very 23 limited sample of fish. 24 MS. SCHNEIDER: Fish and Game Biological Opinion and 25 testimony contend that the minimum DO criteria for the Delta 0066 01 Wetlands Project is inadequate to project chinook salmon and 02 should be increased above the Basin Plan five milligrams per 03 liter objective. In your opinion, does Fish and Game testimony present 04 05 compelling evidence for such a change to the Basin Plan 06 objectives, specifically applicable to the Delta Wetlands 07 Project? 08 MR. MARINE: No. Again, I don't believe so. It must 09 be reiterated that the Draft EIR/EIS examined the potential 10 for DO impacts, and no significant potential is determined. 11 However, the infrequent potential for transient DO 12 depression is guarded against by the Basin Plan objective. 13 It must be remembered that this is a minimum objective, not 14 a target objective. 15 The main studies that the Department of Fish and Game 16 relies upon for this contention don't necessarily support their contention that the objective must be raised above 5 17 18 milligrams per liter. In fact, examination of data provided in those studies don't compel the change from the plan. 19 20 Next overhead, please. 21 MS. SCHNEIDER: This is a new exhibit to be introduced 22 as Delta Wetlands 73. It does not have a heading, but 23 indicates that it is from Herman, et al., 1962 as cited in 24 Exhibit DFG-7. 25 MR. MARINE: One of the main bases that was implied for 0067 01 increasing the DO objective, minimum DO objective, from five 02 to a higher level provided by DFG's testimony, is that for 03 concerns for sublethal effects at levels as low as five. 04 One of those were the effects on growth. And as far as 05 juvenile fishes are concerned, probably one of the better 06 measures of the sublethal response is effects on their 07 growth. It is certainly one of the primary activities of 08 that particular life phase. 09 These data are three graphs from a reference cited by 10 Fish and Game's testimony, Exhibit 7, which shows different 11 measurements of growth for juvenile coho salmon. This is a 12 very closely related species to chinook salmon; and in the

13 absence of specific information on chinook, it's probably 14 relatively applicable to chinook as well. 15 This study happens to be one that I was crossed on by 16 Ms. Murray, and you will have to ignore the open circle data 17 because those are data that were derived from tests where 18 they had a problem with the hoses feeding the aquaria in 19 which they conducted the study, because there was a toxic 20 effect that leached out of those hoses and affected the 21 results of those studies. So, I would like to have you 22 focus on the darker, closed circles as I described why I 23 believe these data don't support a deep or increase in the 24 DO objective. 25 The graphs show, on the bottom axis, increasing oxygen 0068 01 concentrations from left to right and increasing measures of 02 growth and food consumption from the bottom to the top on the Y axes. There is a fairly consistent indication that 03 04 while there is some decline with decreasing dissolved oxygen 05 levels, there is definitely a threshold at some point 06 between four and five. For this reason, I believe that the 07 concerns for sublethal effects of a minimum dissolved oxygen 08 level are still protected by an objective, a minimum 09 objective of 5 milligrams per liter. 10 MS. SCHNEIDER: Thank you, Mr. Marine. 11 That concludes Delta Wetlands' rebuttal testimony. 12 HEARING OFFICER STUBCHAER: Thank you. 13 MS. SCHNEIDER: I just have one matter of business. 14 think now would be the time to ask that these exhibits that 15 we have introduced since our oral direct testimony be 16 accepted into evidence. 17 HEARING OFFICER STUBCHAER: I would think the time 18 would be after the cross-examination. 19 MS. BRENNER: Wait until after --20 HEARING OFFICER STUBCHAER: Yes. We are going to have 21 to break now, and after the break we will go down the list. I think Central Delta Water Agency would be next. 22 23 Twelve-minute break. 24 (Break taken.) 25 HEARING OFFICER STUBCHAER: Back on the record. 0069 01 We will reconvene the hearing. 02 Mr. Nomellini, good morning. 03 ---000---04 REBUTTAL TESTIMONY 05 CENTRAL DELTA WATER AGENCY 06 BY MR. NOMELLINI 07 MR. NOMELLINI: Dante John Nomellini on behalf of the 08 Central Delta Water Agency parties. 09 I am in the process of handing out, and I have already 10 provided 13 copies to your staff. I have an updated exhibit 11 identification index, which is perfect with the exception of 12 two that I will have to add. And we have copies of 13 additional Exhibits 17 through 23 attached to that 14 identification index, and some are colored photos. I have 15 some overheads, but they didn't turn out too well, so you 16 are probably going to have to look at the color photo to 17 follow the testimony.

18 The two additional exhibits, one is Table 5.2, titled 19 Results of Wind Wave Analysis. I would like to give that 20 Central Delta Water Agency Number 24. And the other table, 21 C2.0, Fastest and Mean Monthly Wind Speeds, I would like to 22 give that table Central Delta Water Agency Number 25. 23 I have with me Mr. Neudeck, who has previously been 24 sworn. Perhaps we can turn on the overhead, and we are 25 going to go through these exhibits in order. And I am going 0070 01 to ask Mr. Neudeck to explain what they show. 02 HEARING OFFICER STUBCHAER: Are you going to refer your 03 rebuttal to direct testimony that previously --04 MR. NOMELLINI: Not specifically, but I can if you'd 05 like. The first group of exhibits here, with the exception 06 of Exhibit Number 21, are directed at a staff request, 07 question, pertaining to the East Bay MUD pipeline, whether or not the East Bay MUD pipeline would be impacted. 08 09 HEARING OFFICER STUBCHAER: I think it is important to 10 make that connection. Otherwise, it would be like new 11 direct and everybody would want a chance to have another 12 round. 13 MR. NOMELLINI: That wasn't done in a lot of 14 detail. But, anyway, I will try to do that. You are going 15 to find that we are not going too far afield, and we are not 16 very lengthy. 17 This photo, Mr. Neudeck, Central Delta Water Agency 18 Number 17, what does it show? 19 MR. NEUDECK: This is showing the break closure on 20 Lower Jones Tract. You seen where the train barge and the 21 hydraulic dredge are sitting in the Middle River Channel and 22 there is a rock core that has closed the break, the initial 23 stages of the break closure on the Lower Jones Tract. You 24 are actually looking south or upstream on Middle River, and 25 the bridge in the foreground is a bridge over to Bacon 0071 01 Island. 02 MR. NOMELLINI: This was in 1980? 03 MR. NEUDECK: Yes, this photo was taken in 1980. 04 MR. NOMELLINI: I might add, this was a large scale 05 experiment. We would not like to have any replications. Far off in the horizon, Mr. Neudeck, on 17 again, is 06 07 what we know as Upper Jones Tract? MR. NEUDECK: Yes. As you see here in the photograph, 80 09 which is difficult to tell on here, but in the color 10 photograph the ground that is in the horizon there seems to 11 be a fairly horizontal line there that is not flooded is 12 Upper Jones. 13 MR. NOMELLINI: That was dry at the time? 14 MR. NEUDECK: Yes. 15 MR. NOMELLINI: The significance of this was the break 16 was closed on Middle River, at the time Upper Jones is still 17 not flooded. 18 Central Delta Water Agency 18. What does this show? 19 MR. NEUDECK: This again is a photo of Lower Jones 20 Tract and Upper Jones Tract. It is actually the dividing 21 line between, which here is showing the railroad embankment 22 which divides the two tracts. Lower Jones is the tract to

23 the south or downstream. Upper Jones is the tract to the 24 right or upstream. Here you can see where the railroad has 25 placed emergency riprap along the water embankment to 0072 01 protect against the potential wind wave erosion that was 02 planned to occur, due to the Lower Jones flooding. And the 03 activity you see on the right-hand side of the photo, the 04 grayer material, is an aggregate material along with the 05 equipment being placed as a buttress to offset the seepage 06 and instability that was occurring, that was being caused by 07 underlying seepage coming from Lower Jones into Upper 08 Jones. 09 MR. NOMELLINI: In the upper right-hand corner, are 10 those the East Bay Municipal Utility District aqueducts? 11 MR. NEUDECK: Yes. You can see the three aqueducts running in upper right-hand corner of the photograph. 12 13 MR. NOMELLINI: Going to Central Delta Water Agency 14 Number 19. 15 MR. CANADAY: Mr. Stubchaer. 16 HEARING OFFICER STUBCHAER: Yes. 17 MR. CANADAY: Can we have 18 back up, Central Delta Water Agency? That appears to be a different photograph, 18 19 while very similar, is a different photograph than has been 20 supplied to staff. MR. NOMELLINI: It's the same. That one mark across 21 22 it, that was done by my copy machine when I made the 23 transparency. That is why I suggested, I announced at the 24 beginning, these transparencies with all this color didn't 25 come out of my machine very well. 0073 01 HEARING OFFICER STUBCHAER: Good eye, Mr. Canaday. 02 MR. NOMELLINI: You are right on it, but it is the same 03 photos, but distorted in process. I think everybody has a copy of the color photos. 04 05 Central Delta Water Agency 19. Again, you can see the 06 wheel or whatever does that. The overhead is not worth --07 HEARING OFFICER STUBCHAER: Rotate it 90 degrees. 08 MR. NOMELLINI: What does that show? 09 MR. NEUDECK: This depicts the break between Lower and 10 Upper, and the railroad embankment, and shows the water moving in a southerly direction, now filling Upper Jones. 11 12 A couple key elements of this photo, which you can see 13 more so in the color, are the patterns of flow around the 14 railroad cars that fell in at the time of the break. The 15 one closest to the East Bay MUD aqueduct is a engine. You 16 can see that, but the one directly left and center of the 17 break is an engine. That is another engine further, closer 18 to the break that is in about a 50-foot hole that you cannot 19 see. And then to the right of the -- or to the lower right 20 of engine you see a box car sitting out there. 21 MR. NOMELLINI: I might point out Mr. Bowen from East 22 Bay MUD had testified to this same incident, and the 23 locomotive is blocking the flow at the pipeline. 2.4 Central Delta Water Agency 20. That shows, again, the 25 same break; is that correct? 0074 01 MR. NEUDECK: Yes. This is a little closer view of the
02 same break in the picture that was in the previous Exhibit 03 19. Here you have a little better opportunity to see the 04 extent of the break and the dimension of the profile of the 05 railroad embankment, as well as the relative height of the 06 water in comparison to the East Bay MUD pipeline. 07 MR. NOMELLINI: With regard to that, let's jump to 08 Central Delta Water Agency 22, and in terms of the elevation 09 of the East Bay MUD pipeline shown in that photograph, have 10 you arrived at an estimate of what that elevation is? 11 MR. NEUDECK: Based on this view, it is a cross-section 12 of some recent improvement plans that East Bay MUD is in the 13 process of doing some seismic upgrading. This view shows 14 that the bottom of the pipeline is approximately about a 15 minus four to a minus three elevation. That would be three feet below zero tide. 16 17 MR. NOMELLINI: And the scale is to the right? 18 MR. NEUDECK: The scale is to right. 19 MR. NOMELLINI: It is hard to see, but the center point 20 of the scale is zero, and it goes in ten foot increments up 21 and down? 22 MR. NEUDECK: That's correct. 23 MR. NOMELLINI: The zero line is a little bit above the 24 center line of this particular pipe? 25 MR.NEUDECK: Yes, of this aqueduct three, correct. 0075 01 MR. NOMELLINI: This is the same datum when we start 02 talking about filling the Delta Wetlands' reservoirs plus 03 six? 04 MR. NEUDECK: Yes, it is. 05 MR. NOMELLINI: This would be the same datum? 06 MR. NEUDECK: Yes, it is the same datum, mean sea level 07 datum. 08 MR. NOMELLINI: You can see from going back to Central 09 Delta Water Agency --MR. SUTTON: Excuse me, can I just ask clarification? 10 11 You said that is mean sea level datum? 12 MR. NEUDECK: Yes. Based NGBD 1920 or more commonly 13 known as U.S.GS data, datum that --14 MR. SUTTON: The reason that I am asking is because 15 navigation charts and those things are listed in terms of 16 mean lower, low water tide level, which is zero. And mean 17 sea level is about a plus three. MR. NEUDECK: Correct. This is actually -- better 18 19 referred to as U.S.GS datum. The basis is NGBD of 1929. 20 MR. SUTTON: Thank you. 21 MR. NOMELLINI: None of the engineers in the Delta area 22 use the navigational datum. If you try to correlate that 23 with these, you're always going to be at a different datum. 24 This should be the same datum that Mr. Hultgren is talking 25 about and I think everybody is talking about levees in front 0076 01 of you so far has been on this datum. 02 Is that correct, Chris? 03 MR. NEUDECK: That's correct. 04 MR. NOMELLINI: Going back to Central Delta Water 05 Agency Exhibit 20, it looks like the water is almost to the 06 bottom of the East Bay MUD pipeline?

07 MR. NEUDECK: That is correct. 08 MR. NOMELLINI: That would about be a minus three? 09 MR. NEUDECK: Yeah. There might be some slight 10 discrepancy here. It doesn't -- I do not have a 11 cross-section to the pipeline at this point. But if you 12 correlate what I believe the elevation of the railroad 13 embankment to be, which is about a plus eight, it is going 14 to put the water somewhere between elevation zero, to about 15 a minus two. So we are in relatively the same elevation, 16 practically speaking. The slope that is at -- under the 17 prior exhibit on the pipeline is zero. But I imagine it 18 does have some upward slope at this point. Effectively, we 19 are within a foot of zero tide at this point. 20 MR. NOMELLINI: A plus six foot elevation either 21 arising from a flood event or from a break of the Delta 22 Wetlands' reservoir would put water well up on the 23 pipelines? 24 MR. NEUDECK: Four to five points about the point we 25 are at here. 0077 01 MR. NOMELLINI: Let's go to the Central Delta Water 02 Agency 23. This is just another cross-section, is it not, 03 of the East Bay MUD crossing? 04 MR. NEUDECK: Yes. This is a cross-section from the 05 same plans that I referred to earlier, and it shows the 06 inverted siphon crossing under the channel, and part of the 07 improvement that East Bay MUD is making to their crossing. 80 MR. NOMELLINI: It shows a cross-section of the levee 09 at the Middle River crossing? 10 MR. NEUDECK: Yes, it does. MR. NOMELLINI: The was testified to by East Bay MUD, 11 12 and that shows the top of that levee to be a little bit 13 above ten; is that correct? 14 MR. NEUDECK: That's correct. 15 MR. NOMELLINI: Now calling your attention to Central 16 Delta Water Agency Exhibit 21, and this, Mr. Stubchaer, is 17 an excerpt from the San Joaquin Delta Atlas that you have up 18 there on your desk. 19 This, obviously, shows the thickness of organic 20 materials and the basis for this appears to be the 1976 21 surveys that were done by Department of Water Resources. Is 22 that your understanding? 23 MR. NEUDECK: Yes. From our understanding that there 24 has not been any other thorough studies to produce such a 25 document. It is our opinion that this has been referenced 0078 01 off that '72 and '76 work. 02 MR. NOMELLINI: With regard to organic matters, a lot 03 of people have been talking about peat. This talks about 04 organic materials. Do you have any understanding of what 05 the percentage of organics is that would allow it to be 06 referenced on this document? 07 MR. NEUDECK: It has been cited somewhere between 25 08 and on various documents. So the range by which they call 09 organic material is the 25 to 30 percent organic would 10 constitute fitting in within the realm of organic materials 11 for the sake of this document.

12 MR. NOMELLINI: Let's look at this document and let's 13 assume that the data was produced in 1976. There would have 14 been additional oxidation and subsidence of the organics 15 since that period of time, would there not? 16 MR. NEUDECK: Yes. Over a 20-year period of time you 17 anticipate an ongoing degradation of the peats within these 18 islands or the organics. 19 MR. NOMELLINI: So the extent of organics as shown on 20 this map would be reduced to where the survey -- if the 21 survey were done today? 22 MR. NEUDECK: Yes. It is my opinion it would be 23 reduced. 24 MR. NOMELLINI: With regard to the colors on here, 25 let's look at Bacon island, and it shows that on the 0079 01 northern end of Bacon island there is 10- to 20-foot thickness of organic material; is that correct? 02 03 MR. NEUDECK: That's correct. 04 MR. NOMELLINI: Have you had any experience working on 05 those levees in that particular area? 06 MR. NEUDECK: Yes. Under my earlier direct testimony, 07 I referred to areas where we have had significant settlement 80 subsidence during the construction of stability toe berms on 09 the toe of the level. This is one of the classic cases. Ιt 10 is actually on the very point of Bacon Island where it says 11 connection slough. 12 In that vicinity there, we call it the station 300 13 site, we have been working on that levee for some-odd 20 14 years, having the same condition exist there where we are 15 trying to consolidate the underlying peats, and having 16 placed material over the years, watching it subside, coming 17 back, placing more material, watching it subside. Very slow 18 and diligent process, but we have had a highly organic 19 foundation that is not only working against us, from the 20 standpoint of trying to construct any flatter slopes or 21 higher levees, but it is also eroding away because of the 22 currents in the river there. There is some awkward currents 23 mixing right there on the water side that has caused us to 24 have a fairly vertical slope. So, we have to take that into 25 account as well. 0080 01 MR. NOMELLINI: Let's take the Delta Wetlands' proposal 02 where they intend to protect the inside of the levee in some 03 manner with a wave wash protection or some kind of a 04 mechanism. It was suggested that rock might be an 05 alternative that they would put on the inside of the levee. 06 If you added rock to that portion of the levee where 07 the peat foundation is fairly thick, what is going to 08 happen? 09 MR. NEUDECK: It is going to subside similar to with 10 the fill, and possibly at a higher rate, depending upon the 11 amount of rock you place. 12 MR. NOMELLINI: Would that same problem occur if you 13 tried to raise that levee? 14 MR. NEUDECK: It has occurred. We no longer represent 15 Bacon Island as a reclamation district engineer. MR. NOMELLINI: And after this testimony you can just 16

17 forget it forever? 18 MR. NEUDECK: I probably will not represent them in the 19 future either. 20 I do still have some personal recollection of what does 21 occur. I would consider that a site out there to be an 22 extreme challenge. 23 MR. NOMELLINI: With regard to the subsidence that is 24 going to occur as you try to build this levee up, do you 25 have any estimate of the range of years that you think it 0081 01 might take to reach some semblance of stability or at least 02 a gradual or more gradual subsidence? I am talking about 03 the levee here. 04 MR. NEUDECK: It really depends upon the underlying 05 foundation. I think on some of these extreme areas you 06 could be looking at ten plus years. Some cases I am not 07 certain quite how long. I think the subsurface exploration 08 would tell you that. If you went through very intensive 09 monitoring, you may be able to load over a faster period of 10 time with cognizant recognition of what is going on with the 11 underlying soils. 12 Take for example, Mandeville Island, a period of which 13 that face along the western side of Mandeville is loaded 14 with rock; that was over a four-year period, and it is still 15 moving. We have loaded that slowly and diligently over time 16 to project against the wave action from Franks, and it 17 continues to subside today. So that is an ongoing 18 maintenance problem as well as a slow process to not over 19 stress the levee. 20 MR. NOMELLINI: Let's go over to Webb Tract. Central 21 Delta Water Agency Exhibit Number 21 has some different 22 colors on it from for Webb Tract, doesn't it? 23 MR. NEUDECK: Yes. It actually references depths up to 24 40 feet in organic materials on the northwest corner. 25 MR. NOMELLINI: We have a much more difficult 0082 01 foundational problem on Webb Tract than we have on Bacon 02 Island, based on this survey? 03 MR. NEUDECK: Yes. I think Webb has deeper peats. 04 Keep in mind, a lot of these peats that are shown on here 05 are also interior. The peat underlying these levees can be 06 deeper than what is found out in the interior of the island 07 because that is not being degraded at the same rate that you 08 will find in the open condition. 09 MR. NOMELLINI: This map is based on samples that were 10 taken outside the levee areas; is that what you are saying? 11 MR. NEUDECK: They do take some levee borings into 12 consideration, but for the most part it is depicting the 13 soil profile across the island. 14 MR. NOMELLINI: With regard to Webb Tract and the 15 conditions that exist there, you've indicated those would be 16 more difficult to deal with than Bacon Island? 17 MR. NEUDECK: Yes, by virtue of the fact that we have 18 deeper organics. 19 MR. NOMELLINI: Would that mean it would take much 20 longer to consolidate those sublevee soils? 21 MR. NEUDECK: Yes. With that much deeper peat, you are

22 actually doubling the depth of the organics. It's going to 23 take a significant amount of more time to consolidate those 24 underlying organic materials. 25 MR. NOMELLINI: It is because of these difficulties 0083 01 that you testified that, if you had to do it, you would try 02 and construct a new levee according to the dam safety 03 requirements, an interior lever like they did at Clifton 04 Court? 05 MR. NEUDECK: I certainly would feel that that would be 06 the preferred alternative. You're going to be at this 07 operation for quite sometime. As I testified in my direct 08 testimony, on Twitchell island directly northwest of that, 09 the same color exists there and depth of peat of 30 to 40 10 feet. The progress with which we set in a toe berm took 11 well over ten years to stabilize before we can construct any 12 elevation on it at all. We had put upwards in the range of 13 12 feet of fill material before we gained elevation on the 14 toe of levee. We have since constructed a setback levee, 15 and that setback levee has been in place for about 18 16 months, and it continues to move over that 12-years' worth 17 of consolidated organics below it. It is a process that is 18 very lengthy. 19 MR. NOMELLINI: Do you think Kemper Insurance has 20 enough money to go ahead and fix these levees the way they 21 should be fixed? 22 MR. NEUDECK: Of course, I don't understand Kemper's 23 financial background. 24 MR. NOMELLINI: Let's go to Central Delta Water Agency 25 24. What does that show us? 0084 01 MR. NEUDECK: Is this the wind wave or the --02 MR. NOMELLINI: It is the wind wave analysis, Table 03 5.2. 04 MR. NEUDECK: Table 5.2 is a excerpt from a report that 05 was done on McDonald island for Pacific Gas & Electric. 06 Dames and Moore, consulting engineers, geotechnical engineers, were consulted with to consider the upgrade of 07 08 McDonald Island levees. In their report, they evaluated the 09 effects of Mildred Island and its flooded condition, and 10 also evaluated the potential wave runup on the western 11 levees along Latham Slough of McDonald island. This table depicts what those conditions are estimated 12 13 to be and gives you wave height and wave runup for the 14 conditions of the increased fetch. And what this depicts is 15 that if Mildred Island were to fail its easterly levee, 16 which in this case some of that has already occurred because 17 Mildred Island was not reclaimed, the fetch would be increased and, therefore, would be impacting the McDonald 18 19 Island wetlands. 20 You can see as a result of that study, they show levees 21 -- they show waves in heights of four to five feet. The 22 paren numbers below those, 3 to 3.6, anticipate that part of 23 the Mildred Island levee will remain intact and there will 24 be some showing there that would break the levee up. We are 25 in the range somewhere between 3.5 up to 5 feet for wind 0085

fetches of about two miles. And the wave runup is 01 02 correspondingly dependent upon whether you are on a smooth 03 slope or riprap slope, somewhere between 5 and 11 feet. 04 MR. NOMELLINI: With riprap on the inside or on the 05 side of the levee against which the wave is hitting, the 06 runup would be less because of the roughness of the surface? 07 MR. NEUDECK: That's correct. 08 MR. NOMELLINI: H, is column H, which is the third from the right, that is the height of the wave that is generated 09 10 across the particular fetch? 11 MR. NEUDECK: Across on the breach with which the wind 12 could up pick up the --13 MR. NOMELLINI: And D is the depth of the water --14 MR. NEUDECK: That's correct. 15 MR. NOMELLINI: -- which also affects the height of the 16 wave? 17 MR. NEUDECK: You will notice that the depth that 18 they've chosen in many cases is the depth adjacent to 19 McDonald Island levee. In some cases they are getting 20 further out, and in some of the adjoining channels the water 21 more closely depicts the wetland reservoir depths, which is 22 in the 20- to 25-foot range. 23 MR. NOMELLINI: This gives you a range of wave heights 24 and runups that we could expect to encounter on the 25 adjoining islands, depending on exact conditions around the 0086 01 Delta reservoir if that levee on the reservoir failed and 02 the waves were --03 MR. NEUDECK: Right. Provided that levee were to fail 04 and was not reclaimed, the waves were allowed to continue 05 through that break and/or on road. 06 MR. NOMELLINI: Just like on Mildred? 07 MR. NEUDECK: Yes. 08 MR. NOMELLINI: Let's go back to Central Delta Water 09 Agency 21. HEARING OFFICER STUBCHAER: I would like to ask a 10 11 question on this one, Mr. Nomellini. MR. NOMELLINI: Sure. 12 13 HEARING OFFICER STUBCHAER: Is U the wind speed, up in 14 the top? MR. NEUDECK: Yes, it is. We have an exhibit with the 15 16 wind speeds. They have chosen an average wind speed for the 17 purpose of depicting the wave height and wave runup. We 18 have a series of wind speeds that they evaluated. 19 HEARING OFFICER STUBCHAER: Is 107 feet per second 20 close to 80 miles per hour? 21 MR. NEUDECK: I believe it is closer to 40 miles an 22 hour. 23 HEARING OFFICER STUBCHAER: 88 feet per second is 60 24 mile an hour. I remember that. 25 MR. NEUDECK: The maximum is 70. The maximum wind 0087 01 speed that they evaluated was 70. 02 MR. NOMELLINI: We can give you that portion of the 03 study. Why don't we look like at Central Delta Water Agency 04 25; that is titled Fastest and Mean Monthly Wind Speeds. 05 What we are trying to do here is give that general

06 information to you or staff for evaluation and benefit. 07 Central Delta Water Agency 25 shows us the corresponding 08 wind speed determinations for this particular analysis, does 09 it not? 10 MR. NEUDECK: Yes, it does. 11 MR. NOMELLINI: Let's take a look at a couple of them. 12 Look at Stockton. They range from, looks like, a high of 13 46. 14 MR. NEUDECK: The averages are down here. Averages 15 are on the order of ten miles an hour. Whereas the fastest 16 wind speed is on the order of 40 miles an hour. They have a 17 50- and a 100-year period within the report that I believe 18 states a maximum of 70 miles an hour. 19 MR. NOMELLINI: With regard to the analysis on Mildred, 20 let's go back to Central Delta Water Agency 21. Show us on 21 there, if you can, where Mildred Island is. 22 MR. NEUDECK: This is Mildred Island here. 23 MR. NOMELLINI: Right to the east of Bacon, and what is it, about a fifth the size of Bacon Island? 24 25 MR. NEUDECK: Yes, about 950 acres. 0088 01 MR. NOMELLINI: Bacon Island is right around 5,000? 02 MR. NEUDECK: Correct. MR. NOMELLINI: And Webb Tract is also about 5,000 03 04 acres? 05 MR. NEUDECK: A little larger. 06 MR. NOMELLINI: Is the potential for developing long 07 fetches greater on Bacon and Webb Tract than it is on 08 Mildred? 09 MR. NEUDECK: Yes. In fact, in my direct testimony, I 10 provided an exhibit that is here before me, here on the foam 11 board, showing some of the potential wind fetches across the 12 reservoir islands. That would show there is potential up to 13 four miles worth of wind fetch around 20,000 feet. 14 MR. NOMELLINI: The purpose of these exhibits is just 15 to verify that there will be a need to raise the levees on 16 the reservoir islands to account for wind waves of some type? 17 MR. NEUDECK: Yes. The purpose of my introducing these 18 exhibits is to show an existing study that was developed 19 anticipating conditions that we have testified may occur if 20 these levees were to fail on the reservoir. It is an 21 independent study done by Dames and Moore that demonstrates 22 the data that they derived and the wind and wave run 23 calculations that they did. 24 MR. NOMELLINI: Thank you. 25 That is I all have, Mr. Stubchaer. I don't know if I 0089 01 made my 20 minutes. I'm going to get a bunch of prizes if I 02 didn't run the timer. 03 You didn't have me on your timer. 04 HEARING OFFICER STUBCHAER: Thirty minutes. Thank you. 05 06 Mr. Moss. 07 MR. MOSS: PG&E does not have any rebuttal testimony. 08 HEARING OFFICER STUBCHAER: Mr. Roberts. 09 MR. ROBERTS: Mr. Stubchaer, CUWA has two witnesses. I 10 don't believe we can finish by lunch. We could -- first

11 witness would be about 15 minutes. 12 HEARING OFFICER STUBCHAER: That is fine. Let's do 13 that. 14 HEARING OFFICER STUBCHAER: Mr. Roberts, before you 15 begin, I want to remind everyone again that rebuttal is 16 supposed to rebut what was given on direct and 17 cross-examination and not on rebuttal testimony. 18 ---000---19 REBUTTAL TESTIMONY 20 CALIFORNIA URBAN WATER AGENCY 21 BY MR. ROBERTS 22 MR. ROBERTS: We will start with Dr. Losee. Dr. Losee 23 was sworn and has testified earlier. 24 I will just ask you, Dr. Losee, have you prepared an 25 exhibit for rebuttal? 0090 01 DR. LOSEE: Yes, I have. 02 MR. ROBERTS: Is that CUWA Exhibit 14? 03 DR. LOSEE: Yes, it is. 04 MR. ROBERTS: Would you please summarize that exhibit 05 for us? 06 DR. LOSEE: In the direct testimony of Delta Wetlands 07 and other parties, a number of important issues regarding 80 the project's impact on TOC at municipal intakes were 09 revealed. There have been large differences in the 10 estimates of TOC loading on the Delta islands given by Delta 11 Wetlands, California Urban Water Agency, and the Department 12 of Water Resources. 13 If we can put those differences aside, those 14 disagreements aside for the moment, and look at or what I 15 would like to do is examine three new issues which have come 16 out of the testimony thus far, of the direct testimony. 17 These three issues that I would like to address are 18 groundwater seepage and pumping from intercept wells and how that will add to the TOC levels in stored reservoirs; the 19 20 level of TOC, the TOC concentrations, at the time the 21 reservoirs are filled, so in the Delta channel waters; and, 22 lastly, the third point is the impact of reservoirs that are 23 only partially filled on TOC levels at the time of 24 discharge. 25 CUWA has been concerned with the underestimation of TOC 0091 01 loading by Delta Wetlands, and these new issues only add or 02 magnify our concerns with those estimations of TOC loading. 03 In the groundwater seepage issue, seepage onto the habitat 04 islands and the reservoir islands, when the reservoirs are 05 nearly empty or at least have low levels of water, will be 06 comparable to seepage under existing conditions. So the 07 seepage water will pass through the soils, through the peat, 80 the organic soils, and into the reservoir. 09 When the water passes through those soils, it is going 10 to leach some organic matter and contribute that organic 11 matter, then, to the water pooled on the islands. This has 12 not been quantified or really discussed in any significant 13 way; and it is likely that this could be a significant 14 source of TOC, total organic carbon. 15 On the other hand, when the reservoirs are full, there

16 will be seepage away from the islands, through the peat 17 soil, and this -- we have heard in Mr. Hultgren's testimony 18 that there will be interceptor wells placed around the 19 islands to capture this water and pump it back on to the 20 islands. 21 In his testimony, he said that these wells would be 22 distributed at 150 foot intervals, and that the pumping rate 23 would be 20 gallons per minute. So, given that information, 24 we did an estimation of what kind of loading those return 25 flows from those interceptor wells would provide. That is 0092 01 just a rough approximation, so we took round numbers. Ι 02 used 50,000 feet as a perimeter for an island. So that is 03 much less than what any of these islands are actually are, 04 but this is just to get a picture of what the impact could 05 be. 06 In that case there would be 335 wells around the 07 island, and 900 acre-feet per month would be the pumping. 08 If you were to assume that this would go for nine months, 09 that seems to be a storage period that has been talked 10 about. And you also assume that the organic concentration, 11 the dissolved oxygen concentration, in sediments is 20 12 milligrams per liter TOC or DOC per liter, and then further 13 dilute that organic carbon, that dissolved carbon that has 14 been leached from the sediment and pumped from the 15 interceptor wells back into the reservoirs, and if you 16 delete that down 110,000 acre-feet, so nearly a full 17 reservoir. That results in a concentration increase in that 18 reservoir of one and a half milligrams per liter. 19 If the concentration, of course, is -- if the 20 concentration of dissolved organic matter in the soils is 21 higher, then the final contribution of this source is going 22 to be higher. 23 We have seen in the EIR and several places involved in 24 testimony that -- involved with Delta Wetlands that there 25 are organic carbon concentration in the sediments, the pore 0093 01 water concentrations have ranged much higher than 20 02 milligrams per liter. 03 My second point that I would like to address is the 04 concentration in the Delta channel water at the time of 05 filling and the effect that will have on final concentration at the time of discharge. 06 07 If I can have the first figure. 08 The first figure I am putting up here is -- this is 09 Contra Costa Exhibit 4, Figure 4, and it is a plot of 10 dissolved organic carbon concentrations at Bank, a surrogate 11 of the organic concentrations at the time of loading. This information is also available in the DEIR Table C5-3, 12 13 simulated monthly average export DOC. 14 And you can see from these data that at the time of 15 filling, so September to February, that the DOC 16 concentration of this water exceeds 4 milligrams per liter 17 and averages somewhere in the neighborhood of maybe 6 18 milligrams per liter. 19 Further, you can see that frequently there are 20 excursions in the concentration of DOC during this filling

21 phase or diversion period that exceeds, reaches 10 22 milligrams per liter. This happens frequently. This is a 23 seven-year period, eight-year period. 24 Clearly, this degraded quality of diversion water onto 25 the island is going to have a significant -- maybe it is not 0094 01 clear to everybody, but this is going to have a significant 02 impact on the level of organic carbon in the water at time 03 of discharge. 04 The analysis done by Delta Wetlands, it was assumed 05 that the diversion water was always at 4 milligrams per 06 liter. 07 The last point that I would like to discuss is the 08 impact of partially filled reservoirs. Both the analysis of 09 -- in the analysis of TOC loading by Delta Wetlands in the 10 Draft EIR and Dr. Kavanaugh's testimony, Delta Wetlands Exhibit 13, assumed the reservoirs were always filled during 11 12 the storage period. And that greatly reduces -- a full 13 reservoir greatly reduces the energetic inputs to the 14 sediment water interface. 15 The water movement is greatly reduced at the sediment 16 water interface in full reservoir, resulting in minimized 17 exchange of organic matter from the sediments to the water 18 column. 19 Additionally, a full reservoir minimizes the organic 20 carbon inputs in photosynthesis because there is less of 21 bottom area in the reservoir that is exposed to high light 22 levels, so less plant growth. Should be higher plant under 23 that scenario. 24 Conversely, when the reservoirs are less than full, 25 then all of these parameters that we have been discussing, 0095 01 the evective transport of organic matter out of the 02 sediments is increased and the area of the reservoirs exposed to higher light levels and, therefore, productivity 03 04 are increased as the reservoirs are shallower in depth. 05 So knowledge of the seasonal timing and the amount of 06 timing that the reservoirs are filled to a particular depth 07 is critical to understanding environmental functioning of 08 these reservoirs. This type of analysis was not really 09 done. 10 However, Delta Wetlands, in Exhibit 14 Attachment C, 11 provides the operations studies data for the combined 12 storage of the Delta Wetlands' reservoirs. 13 If I can have the next slide. 14 And those data can be put into a cumulative 15 distribution plot, cumulative probability plot. 16 MS. LEIDIGH: Could you identify this for the record, 17 please? 18 DR. LOSEE: That is just what I just put up. This is 19 CUWA Exhibit 14, Figure 1. And it's the data from the table 20 that I -- Attachment C. Delta Wetlands Exhibit 14, 21 Attachment C. 22 And here we have plotted the cumulative probability of 23 when the reservoirs will be -- the percent capacity of the 24 reservoirs. And on this plot we can see that if you go to 25 50 percent probability, 50 percent of the time the capacity

01 of the reservoir will be 50 percent or less. Further, if 02 you look at this, if you go to 60 percent of the time, the 03 reservoirs will be around 80 percent or less of capacity. 04 So, this means no matter how you allocate the water 05 between the two reservoirs, one or more of these reservoirs 06 has to be less than full. It has to be shallower. And that 07 is not the condition that was analyzed for in the EIR or in 08 Dr. Kavanaugh's testimony. 09 Now, this partial filling, if we can--10 HEARING OFFICER STUBCHAER: While that is still up 11 there, what about the 37 percent or so of the time that it 12 is empty? 13 DR. LOSEE: Excellent. If you -- there is 37 percent 14 of time in the data that was in Exhibit 14, Attachment C, 15 there was no water in the reservoirs. We have since learned that, in fact, there will be some water in these 16 17 reservoirs. The question then is what is the impact of 18 those water levels in that one meter of water in the final 19 analysis, the amount of organic carbon that is in the water 20 at the time of release? 21 That is going to be variable depending on the time of 22 year, the length of time that the water is in that 23 condition. That would require a more sophisticated analysis 24 to derive that kind of understanding, and it's unfortunate 25 that that hasn't been performed at this time. 0097 The partial filling problem will be particularly acute 01 02 during those periods of drought. This is CUWA Exhibit 14, 03 Figure 2, and it is the simulated storage for the Delta 04 Wetlands' reservoirs for the years 1925 through 35. And you 05 see, we are looking at percent capacity. And there are many 06 years throughout this drought period where the reservoirs 07 would have been much less than full. 80 And this would set up those conditions which we are 09 concerned about producing increased levels of TOC. So, the 10 advective processes would be maximized and productivity 11 would be maximized. Photosynthetic carbon, production of 12 organic carbon production. This was not considered fully in 13 the Delta analyses. So it is likely that the TOC loading will be given 14 15 greater than has been suggested by Delta Wetlands. And there is a good deal of uncertainty in all of these values 16 17 or not in all values, but in the effect of these values, the 18 magnitude of these effects. Certainly, there will be 19 effects, and they are likely to be important. 20 Thank you. 21 MR. ROBERTS: Does that conclude your testimony, Dr. 22 Losee? 23 DR. LOSEE: Yes, it does. 24 MR. ROBERTS: Mr. Stubchaer, this might be a good time 25 to break for lunch. I don't think Mr. Krasner will be able 0098 01 to complete his testimony; certainly he won't before noon. 02 HEARING OFFICER STUBCHAER: All right. 03 How would people feel about a shorter lunch break 04 today? Make sure we get through the afternoon.

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         How about reconvening at 12:30? Anyone have a problem
06 with that?
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         That is what we will do.
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                      (Luncheon break taken.)
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                         AFTERNOON SESSION
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         HEARING OFFICER STUBCHAER: We are reconvening the
03
04 hearing. CUWA rebuttal will continue.
         Mr. Roberts.
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         MR. ROBERTS: Thank you, Mr. Stubchaer.
07
         Our next witness will be Mr. Stuart Krasner. He was
08 sworn in and has testified earlier. And I think in the
09
    interest of time, I will just ask Mr. Krasner to summarize
10 his testimony.
11
         MR. KRASNER: In Delta Exhibit 13 there is information
12 provided about the disinfection by project regulations.
13 However, there were some mistakes in that information and
14 also some misinterpretations on what are the impacts of the
15 regulations on drinking water utilities. I want to briefly
16 cover some of those.
17
         First, as I had shown on my direct testimony in CUWA
18 Exhibit 5C, there has been proposed Stage I and Stage II
19 standards and removal requirements for total organic carbons
20 as part of Stage I. I would like to show as a new exhibit,
21 and this is from an Agreement in Principle, and we will
22
    introduce this as a new exhibit, that was signed by all the
 23 negotiators involved with the DBP rule making earlier this
24 month.
25
         MR. ROBERTS: Could we mark this CUWA 15, and the Board
0100
01 has copies and copies are being passed out to the audience.
02
         MR. KRASNER: And I just wanted to turn your attention
03 to Page 4, which is my next overhead from this exhibit. The
04 first point is, I would like to call your attention to the
05 removal requirements for total organic carbon in the top
06 middle two boxes, which is where the Delta waters would lie,
07 the top middle two.
80
         The removal requirements are 25 percent TOC removal
09 requirement, if your inflow TOC is less than 4 milligrams
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10 per liter, and 35 percent if your total organic carbon is 11 greater than 4. And in Delta Wetlands Exhibit 13 that was 12 listed as 30 and 35 percent. 13 So there is a ten percent differential, depending on 14 whether you are above or below the 4 milligrams, not the 15 five percent. 16 The other point I would like to make on this page, and 17 why I include this for your information, is although the 18 maximum contaminant level that is being put out in the Stage 19 I of the rule is 80 micrograms per liter of trihalomethanes, 20 as I had mentioned earlier, EPA had established that their 21 significance factor was 80 percent of the MCL; and in both 22 testimonies, direct testimony provided by -- it was direct 23 testimony of Dr. Brown on the drinking water quality issues 24 and also Delta Wetlands 13, a 90 percent significance factor 25 was assigned for complying with the standard. 0101 01 I refer to Section 2.3 of the Agreement in Principle, 02 which I show a part of here. And briefly, part of the 03 by-product regulation is to make sure that when people 04 comply with the trihalomethane standard, they do not result 05 in having microbial protection be eroded. What the EPA has 06 established, which is under applicability, that if a public waters system has trihalomethane of at least 80 percent of 07 08 the maximum contaminant level, 64 micrograms per liter, they 09 will be required to do a profiling and benchmarking of 10 their current disinfection practices. This will result in establishing new disinfection requirements for that utility, 11 12 which are actually more stringent than the existing surface 13 water treatment role, which had been established a number of 14 years ago, the current disinfection requirements for surface 15 water systems. 16 This is just one of a number of places in the rule 17 making where the 80 percent number is used. And I just 18 brought this in as an example that EPA has definitely established that that is the level that they feel utilities 19 20 need to be using towards developing reliable compliance. I also -- we can, maybe, refer back to CUWA Exhibit 5C, 21 22 one I showed earlier. 23 In this, I just wanted to briefly show some of the Stage II standards in Delta Wetlands Exhibit 13. They spoke 24 25 of, well, maybe, this Stage II won't happen. And, again, I 0102 01 just wanted to correct some mistakes on their testimony. 02 First, as I mentioned before, Congress has said in the 03 Safe Drinking Water Act reauthorization last year that EPA 04 will promulgate the Stage II standard by May 2002, and EPA 05 has developed a schedule for meeting that. 06 Also, in the Federal Register Notice for the proposed rule in 1994, EPA does provide language that the 40 07 08 microgram per liter standard for trihalomethanes, although 09 it is a placeholder, if there is no new negotiations or no 10 new information in place, that will become the new 11 standard. So, it is a sort of a de facto standard that we 12 will end up having, unless we come up with new information. 13 I also wanted to point out that, although in Delta 14 Wetlands Exhibit 13, they referred to always looking at

15 annual averages, and in their direct testimony they talked 16 about running annual averages; this has been based upon the 17 health end points that we are trying to control being 18 cancer, where there is many years of exposure before one 19 develops cancer. 20 In the Federal Register, it does state that one of the 21 high priorities is to evaluate acute or short-term health 22 risks, specifically reproductive and developmental adverse 23 effects. And that if there is new information that comes 24 forward, a meeting shall be convened to review results of 25 these data, and those recommendations -- and this would be 0103 01 even prior to a second rule making effort. 02 So both the standards and compliance formulas may 03 change, and I will have, a little bit later, some more 04 information on that. 05 I would like to now go to Contra Costa Water District 06 Exhibit 4, which Dr. Losee showed earlier. I would like to 07 again pick up the note that Dr. Losee made earlier about the 80 mistakes that were made in Delta Wetlands Exhibit 13 on 09 estimating the TOC level in the reservoir effluent. As we 10 mentioned earlier, during the fill, the TOC levels may be of 11 order of 6 to 10 milligrams per liter. And in Delta Wetlands 13, they indicated that potentially the TOC level 12 13 might go above the order of 2 milligrams per liter while the 14 water is stored on reservoir. But they had said in their 15 testimony that two plus the four, that they felt they would 16 be filling it with, would giver them six. But again they were using an annual average value. If they fill with 6 to 17 18 10 milligrams per liter, if they do indeed increase the TOC by two, then that means that what they would put out in the 19 20 reservoir releases would be of the order of 8 to 12 21 milligrams per liter, not less. 22 Now, in my next figure, which I showed last week, CUWA 23 Exhibit 5H, I had shown previously what were the impacts on what the reservoirs would have on both median and 90th 2.4 25 percentile THM levels. In Delta Wetlands Exhibit 13 there 0104 01 are also emphasis on average values. And the point that I 02 would like to again make with this exhibit is that we are 03 not allowed to just comply with the rule 50 percent of the time, which we would see by the median value. We need to 04 comply with it a hundred percent of the time. So even if 05 06 the 90th percentile values don't even represent the real 07 worst case, because we have to comply a hundred percent of 80 the time. 09 So it is important to realize that, while in the base 10 condition, we are looking at THM levels, perhaps, in the 11 60s, may be starting to approach 70 micrograms per liter, 12 the project conditions can result in THM levels in 70s, 80s, 13 or more. And even if this only occurs certain times, under 14 certain conditions, we could still be out of compliance with 15 the rule making. 16 Again, one of their points in their testimony was 17 always looking at average and looking at running annual 18 averages. I would like to share some information. This

will be, again, some information that we have a handout on.

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20 Again, I will provide you with a summary page from a report 21 that I am helping prepare for EPA, I and four other experts. 22 MR. ROBERTS: Let's mark this as CUWA 16. 23 MR. KRASNER: EPA put together five experts to advise 24 them on whether there is any data to suggest an association 25 between ingestion of disinfection by-products and adverse 0105 01 reproductive or developmental end points. They assembled 02 people: three epidemiologists and two exposure experts. was asked to be one of the exposure experts on the panel. 03 04 We reviewed the data and in the -- by the way, I should 05 mention that the full report will be presented before the 06 stakeholders in this negotiated rule making process in the 07 fall. So that the full report will come out at that time. 80 But the page I wanted to show you, on the second page, 09 which Table 2.2 from this draft report, in the bottom half of the figure -- again, there is a lot of detail. So I will 10 11 just briefly summarize the relevant points. 12 This is a study done in California. They examined 13 three different communities that had different exposures of 14 trihalomethane levels. The significant outcome that they 15 were examining was spontaneous abortion, miscarriage. This 16 study was, actually, critically reviewed by all the experts on this panel; and the thinking was this was a very well 17 18 done study. Some important points, if you look at the 19 exposure assessment, and we just did briefly underline a 20 point. These results were not based on a woman's exposure 21 to an annual average, a running annual average THM level. 22 The study was based upon the trihalomethane levels the woman 23 was exposed to during her first trimester. Again, they were 24 looking at a short-term health effect, and they wanted to 25 see if, during that critical time period, exposure to a high 0106 01 amount of trihalomethanes had a serious effect. 02 So, as an example, if a woman was exposed to high trihalomethane levels, say in July, August, or September, if 03 04 that was her first trimester, that would be the period of concern. And the general findings of the study were, one, 05 06 they found that when women consumed trihalomethane levels 07 greater than 74 micrograms per liter, their risk of 08 spontaneous abortion increased. In fact, it doubled. 09 Moreover, they had the opportunity to look at the three communities; one of which had a fair amount of brominated 10 11 trihalomethanes. And that they found that when they 12 examined the relationship for bromodichloromethane, which is 13 one of the trihalomethanes formed when you have both bromide 14 and a total organic carbon in your water, the risk of 15 spontaneous abortion tripled. 16 Just to give you an idea of these levels, the women who 17 had a low exposure trihalomethanes had an eight to nine 18 percent level of spontaneous abortion. However, the women 19 exposed to greater than 74 micrograms per liter 20 trihalomethanes, which included the bromodichloromethane, 21 had a 24-percent record of spontaneous abortion. So, the 22 data suggests that both high exposure to trihalomethanes, 23 including a brominated one, caused their likelihood of 24 having a spontaneous abortion go from less than one out of

25 ten to one out of four of the women exposed to these levels 0107 01 of trihalomethanes. 02 Now, one of the things that was discussed at our 03 meeting with the EPA was their other evidence to support 04 this association. And the people in the EPA who do 05 toxicological studies with animal feeding studies brought 06 out their data. And they did, indeed, find certain trihalomathanes, in particular the bromodichloromethane was 07 08 associated with what they referred to as pup viability with 09 the animals that they studied. In fact, the data that they 10 showed us was that bromodichloromethane was about ten times 11 more potent in its adverse health effect than 12 trichloroethylene and other solvents that they have studied 13 from hazardous waste sites. So, the animal feeding 14 toxicological data did go with this. 15 Clearly, we need more studies to replicate the study, 16 but our concern is, as the federal register in 1994 said, if 17 the data continues to be developed that suggests acute 18 health effects, not just long-term chronic effects, the EPA 19 will reconsider not only the standard, but the compliance 20 formula, and these kind of data would then suggest a 21 compliance formula based on not running annual average, but 22 what the woman is exposed to during her first trimester. 23 Just to bring a little more data into how total organic 24 carbon plays into the bromodichloromethane, I would like to 25 show some information from a report or a paper, I should 0108 01 mention, that I have published. Again, I have included just 02 the title page and one of the figures from the paper. I 03 guess we can introduce this. 04 MR. ROBERTS: This would be CUWA 17. 05 MR. KRASNER: This is a paper I published with my 06 coworkers at Metropolitan and some people that I work with 07 at Malcolm Pirnie Engineers. In the figure that I would like to show, which is Figure 1 from this paper, I refer 80 09 your attention to the upper right figure which is the data for bromodichloromethane. In the Delta Wetlands' exhibits, 10 11 they felt that was really bromide by itself that was really 12 resulting in increases in the brominated by-products, and that total organic carbon was of less significance. What I 13 show here is different levels of total organic carbon we 14 examined from 1 milligram per liter up to 4 milligrams per 15 16 liter, which is on your lower axis. And then on the axis 17 sort of on an angle, I show bromide levels of a tenth of a 18 milligram up to eight-tenths. 19 These are ranges of levels we have seen in the Delta. 20 What you will see from this figure is, regardless of what 21 bromide level is in the water, as your organic carbon level 22 goes up, your formation of the bromodichloromethanes goes 23 up. Specifically, I would like to refer to the two sets of 24 bars for the experiment in total organic carbon at 3.2 and 25 4.1 milligrams per liter. This, again, goes to the 0109 01 testimony that was presented in the Delta Wetlands' exhibit 02 where they assigned an eight-tenths of a milligram per liter 03 TOC increase as what they thought might or might not be

04 significant. 05 At 3.2, if you add another eight-tenths, gets you up to 06 about that 4.1. And you'll see that with increases in TOC, 07 we see increases in the bromodichloromethane, which was the 08 trihalomethane identified both in the California 09 epidemiology study and in the toxicology studies as the more 10 potent chemical for causing spontaneous abortion. 11 Again, not to forget that cancer is still the end point 12 upon which we are being regulated. Again, I would like to 13 point out that in the Federal Register, under the benefits 14 section, there is extensive discussion about how the 15 regulation was set up to control, not just trihalomethanes 16 and other chlorinated by-products, but also total organic 17 carbon; and that the data suggested that that will reduce 18 cancer risks due to ingestion of chlorinated water. And that was the reason why they want in the rule making to 19 control not just individual by-products, like 2.0 21 trihalomethane, but total organic carbon. 22 In terms of some comments that were made in direct 23 testimony, for example, in Delta Wetlands' testimony 13, 24 specifically, there was a comment that utilities are set up 25 to handle fluctuations in total organic carbon loading. In 0110 01 fact, there was some specific comments about Alameda 02 County. Are they, in fact, complying with the Stage I 03 regulations? Again, the information that was provided in 04 DW-13 did not give the entire picture, so I would like to 05 correct that information. 06 I did have a chance to talk with the engineers at 07 Alameda County. At their ozone facilities where they produce lower levels of trihalomethanes, they do produce 80 09 levels that will be lower than the 80 micrograms per liter 10 standard. Also, they meet the total organic carbon removal 11 requirement that has been proposed. Their levels of bromate 12 are not within the level that is in the Stage I requirement. So, even though they meet some of the requirements in the 13 14 Stage I standard, they, at this point, don't. And at their chlorination plant, they definitely do not meet the 80 15 16 micrograms per liter trihalomethane standard and they do not 17 meet the total organic carbon removal requirement. Also, in the direct testimony of Dr. Kavanaugh, he 18 19 indicated that the utilities are set up for these wide 20 ranges of TOC and can handle the extra coagulant or other 21 chemicals. I would like to give the examples in Southern 22 California where, because of our reservoir system, where we 23 actually get water, although it has the same level of total 24 organic carbon as in Northern California, we have lower 25 levels of turbidity. So we actually use about an order of 0111 01 magnitude less coagulant at our plants than Northern 02 California plants. So, for those Southern California plants 03 who would have to go to enhanced coagulation, it wouldn't be 04 a little more coagulant, it would be orders of magnitude 05 more coagulant. These plants were not constructed to feed 06 these high levels, and there are many issues in terms of 07 being able to deal with the sludge and being able to have 08 permits to dispose of that high level of sludge.

09 Moreover, as I have indicated in my direct testimony, it is 10 not just adding additional coagulants, our studies have 11 shown to meet these total organic carbon removal 12 requirements you actually have to add sulfuric acid in 13 addition to the coagulants. So that means the construction 14 of new facilities. 15 And we have actually done some analysis on how much 16 sulfuric acid it would take, and our first analysis 17 indicated we would have to have more sulfuric acid -- we 18 actually don't have enough rail spurs to bring that much 19 sulfuric aside to our to Jensen Treatment Plant, which gets 20 the water from Castaic. Even if we work something out with 21 the railroad to build some more rail spurs to bring it in, 22 when I examined the amount of sulfuric acid we studied, it 23 was greater than 50 milligrams per liter. NSF actually sets 24 a limit on how much sulfuric acid you can use in drinking 25 water, and that limit is 50 milligrams per liter. 0112 01 There are trace metal contaminants in the acid. If you 02 apply more acid, you will end up with a water now that has 03 too much heavy metal contaminants. So, contrary to what it 04 says in Delta Wetlands 13 testimony, we are not set up for 05 the extra coagulant level. We don't have acid feed. We 06 don't have enough rail spur to bring in the acid, and by 07 law, we can't even feed that much acid. So, there are some 08 technological limitations to what we can or cannot do. 09 And, briefly, we have done some calculations, and we 10 could be basically talking about of the order of two and a 11 half to \$5,000,000 per year of additional costs if we have 12 to meet these enhanced coagulation requirements at our 13 Jensen and Mills plants, which treats water from Lake 14 Silverwood and Castaic, in addition to ozone. 15 Again, we just wanted to correct some things that we 16 thought were in error in Delta Wetland's testimony Number 17 13. 18 Thank you. 19 MR. ROBERTS: That completes your testimony? 20 MR. KRASNER: Yes. 21 MR. ROBERTS: Thank you, Mr. Stubchaer. That completes 22 CUWA's rebuttal. HEARING OFFICER STUBCHAER: Thank you, Mr. Roberts. 23 24 MS. BRENNER: Excuse me, Mr. Stubchaer. CUWA submitted these additional exhibits in partial 25 0113 01 format. I certainly don't have access to these particular 02 exhibits. I don't know in full format -- I don't know 03 whether this particular, the last CUWA exhibit, which would 04 be 17, is a published document. 05 MR. KRASNER: Oh, yes. It has been published in a peer 06 review document, and I'd be happy to provide it. In fact, 07 actually, it's interesting. Originally, I was going to use 08 the one I published in June of '94 in the Journal, but you 09 have my copy of it, and you didn't give it back. 10 MS. BRENNER: Sorry about that. 11 MR. KRASNER: So, actually, it is the same figure that 12 is in that item. 13 MS. BRENNER: Where is this document published?

14 MR. KRASNER: It was published -- actually, if you look 15 at my --16 MS. BRENNER: I can find out afterwards. That would be 17 helpful. 18 MR. KRASNER: It's in the reference list that I provide 19 in CUWA Exhibit 5. I list the paper that I did --MS. BRENNER: What year is this? 20 21 MR. KRASNER: It was published in 1996. 22 MS. BRENNER: I can find it off of there. 23 MR. KRASNER: It is in that list. I would be more than 24 happy to provide it. It is the same figure that was in the 25 journal paper that you have. 0114 01 MS. BRENNER: How about the Attachment 3, the Agreement in Principle. Is that a published document? 02 MR. KRASNER: It is available, and I can provide you 03 the full principle and agreement. 04 05 MS. BRENNER: I would like to have the full document. 06 MR. KRASNER: Yes. 07 HEARING OFFICER STUBCHAER: When could do you that? 08 MR. KRASNER: I have it here, so we can get it 09 Xeroxed. MS. LEIDIGH: We need the same thing. 10 MS. BRENNER: If you could mail that to us tomorrow 11 12 morning, that would be great. 13 The last one is a panel report. This is a draft 14 report, I understand? 15 MR. KRASNER: Yes. 16 MS. BRENNER: Do you have a full copy of that? MR. KRASNER: No. Unfortunately, as I mentioned, the 17 18 full report with our revisions won't be available till 19 sometime in the fall. So, I just included this one summary 20 page. They gave the major points. 21 MS. BRENNER: You don't have a full draft of what 22 you've given us? You have some sort of draft report that 23 you're revising, I understand, that this has been taken out 24 of. Can I get that draft report, please? MR. KRASNER: It's so marked up at this point; it's not 25 0115 01 in very good form. We have been marking --02 HEARING OFFICER STUBCHAER: Is this posted on any web 03 site any place? 04 MR. KRASNER: No. Because it was just being prepared 05 right now. We don't have a new version. I can check with 06 EPA. I would have to check about getting a better copy. 07 MS. BRENNER: I would appreciate it if I could get full 08 copies of these exhibits. If I cannot get a full copy, I am 09 going to move to strike. 10 MR. ROBERTS: Including CUWA 17? 11 MS. BRENNER: No, that is published document. I can 12 obtain that. 13 MR. ROBERTS: Mr. Stubchaer, would it be preferable for 14 us to, when we get the complete copies, substitute full 15 copies for CUWA 15 and CUWA 16? 16 HEARING OFFICER STUBCHAER: I think so. 17 MR. ROBERTS: CUWA 15 is no problem. CUWA 16 we'll 18 find out. I imagine we can get a copy of a version.

19 HEARING OFFICER STUBCHAER: The usual number of copies 20 will have to made available to all persons. 21 Thank you, Mr. Roberts. Thank you CUWA. 22 And while the panel is here, Mr. Canaday, would you 23 like to make a request? 24 MR. CANADAY: Staff would request from all the parties 25 that, when we return or by the time we return for our 0116 01 cross-examination, that each party would provide us with a 02 copy of what they believe to be their updated exhibit list. 03 So that way we can double check that before we close the 04 record or leave here, and it just saves us a lot of time 05 later on when we try to review the documents. 06 HEARING OFFICER STUBCHAER: Thank you. 07 Next will be Contra Costa Water District, Mr. Maddow. 08 ---000---09 REBUTTAL TESTIMONY 10 CONTRA COSTA WATER DISTRICT 11 BY MR. MADDOW 12 MR. MADDOW: Good afternoon, Mr. Stubchaer. Contra 13 Costa Water District has three rebuttal witnesses: Dr. 14 Gartrell, Dr. Denton, and Dr. Shum. Each has previously 15 been sworn and each has previously testified in these proceedings. And we will start with Dr. Gartrell. 16 17 Dr. Gartrell, there has been testimony during the 18 direct evidence phase of this proceeding that an agency 19 review team, including representatives of Contra Costa Water 20 District, was involved in discussion and review of the Delta 21 Wetlands Project water quality impact assessment. 22 Were you a participant in that effort? 23 DR. GARTRELL: Yes. 24 MR. MADDOW: Were Contra Costa Water District's 25 concerns about water quality impacts and experiments to 0117 01 analyze such impacts, whether those -- were those concerns 02 expressed to that team by Contra Costa? 03 DR. GARTRELL: Yes. 04 MR. MADDOW: Were your concerns addressed by Delta 05 Wetlands? 06 DR. GARTRELL: Not entirely, no. 07 MR. MADDOW: Can you explain? 08 DR. GARTRELL: Yes. The team met, I think, starting in 09 1989 and 1990. At that time the people involved, including 10 members from CCWD, including myself, and Metropolitan Water District expressed on several occasions the necessity to do 11 12 field studies to establish what would be going with respect 13 to TOC on the islands. There were some field studies that 14 were done. They were not done in a satisfactory manner to what we had expressed, and we expressed, on a number of 15 16 occasions, dissatisfaction, in fact, frustration that the 17 field studies were done in a way that was incomplete and 18 made it very difficult, if not impossible, to fully evaluate 19 the characteristics of the likely impacts with respect to 20 TOC. 21 Finally, I think as already has been testified to, 22 there was always considerable disagreement over the 23 interpretation of results.

24 MR. MADDOW: Thank you, Dr. Gartrell. 25 Now, I would like you to turn your attention to an 0118 01 exhibit we would like to have marked as CCWD Exhibit 6. 02 Dr. Gartrell, was CCWD Exhibit 6 prepared under your 03 direction? 04 DR. GARTRELL: Yes. 05 MR. MADDOW: We would like to have copies distributed 06 to Board staff and parties, please. 07 In the interest of time, Dr. Gartrell, I would just ask 08 to summarize your rebuttal testimony, please. 09 DR. GARTRELL: Yes. Previously in the hearing, there 10 was a number of issues that were discussed by a number of 11 parties. This exhibit, rebuttal testimony, focuses on 12 developing a set of more specific terms and conditions that should be incorporated in any water rights permit to protect 13 Delta and users and the District. These terms and 14 15 conditions would be in addition to the specific terms to 16 protect water rights that CCWD had in Exhibit 3. 17 The first involves discharges and relates to an NPDES 18 Permit and would provide that no water should be discharged 19 from the Delta Wetlands' islands until the permittee has 20 received a discharge permit from the Central Valley Regional 21 Water Quality Control Board under their National Pollution 22 Discharge Elimination System, and that all discharges from 23 the reservoir islands should comply with those permits. 24 The second is a Delta Protection Act term, which 25 includes some of the discussions that took place in the 0119 01 cross-examination and provides that no diversion would be 02 authorized under the permits that would deprive any water 03 user in the Delta as defined under Water Code Section 1220 04 of salinity control or inadequate supplies provided for 05 under the Delta Protection Act. 06 Deprivation of salinity control or inadequate supply 07 will include, but is not limited to, any diversion by the 80 permittee when the 14-day running average of X2 is measured by and an appropriate outflow salinity relationship and the 09 10 nearest salinity stations in a manner accepted by the 11 Executive Officer on the State Board is greater than 71 12 kilometers, or any diversion by the permitter hereunder that 13 would directly or indirectly cause a Delta water user to 14 reduce diversions from the Delta. 15 The third term is an operation term and relates to the 16 evidence provided and the analyses that were done to 17 demonstrate the impacts of the project under water quality 18 and water supply. This would require that the permittee 19 comply with the terms and conditions of the Biological 20 Opinions and also comply with a basic assumption under which 21 those Biological Opinions were issued, that no diversion is 22 authorized except when the amount remaining within the 23 specified export/inflow ratio for that month, after all 24 their 1995 water quality control plans have been met and all 25 senior water rights have been appropriated within those 0120 01 Water Quality Control Plan requirements and pumping

02 capacities.

03 The third relates to the topping off on the reservoir. 04 That the diversions would be permitted under the permits 05 issued that are under consideration here for topping off on 06 the reservoir islands to replace water lost to 07 evapotranspiration and seepage. However, no diversion shall 08 be made for such purposes under the licenses, 1321 or 1572, 09 until a season of diversion and purpose of use of said 10 licenses is changed by action of this Board.

11 Finally, there is a levee stability and safety term 12 that would provide that the project not proceed until the 13 Executive Officer has a written copy of the approval plan, a 14 copy of the written approval of the plans and specifications 15 for the reservoir island levees issued by the Department of 16 Water Resources, that no water should be impounded in a 17 reservoir island until the permittee has provided the 18 Executive Officer with a certificate of approval issued by the Department of Water Resources, pursuant to Water Code 19 20 Section 2355, signifying that the Department has found that 21 each reservoir island is safe to impound water.

22 And, finally, if the Department approves plans and 23 specifications for storage of water on reservoir island with 24 a maximum possible surface elevation of less than six feet 25 above mean sea level, the permittee shall not commence 0121

01 construction until the Delta Wetlands Project's Operation 02 and Criteria Plan has been revised and accepted by the 03 Executive Officer to assure that it complies with respect to 04 the terms and conditions of the permit, and that the Delta 05 Wetlands OCAP does not further require environmental 06 documentation, reconsultation under federal or California 07 Endangered Species Act or other similar review.

08 In summary, we believe these water rights, terms, 09 permits should be issued -- if a permit is issued these should be included in such permits in order to reduce the 10 impact of the project to a reasonable level. And these 11 12 would be, again, in addition to the specific water rights 13 terms to protect the senior rights of the Los Vaqueros 14 project and the District and its customers as we presented 15 in Exhibit 3.

16 The Delta Wetlands Project would cause water quality 17 and other impacts on in-Delta users, but these terms and 18 conditions would reduce those impacts and help prevent 19 significant harm to more senior Delta water users.

20 CCWD also continues to support the conditions proposed 21 by the California Urban Water Agencies with regard to 22 protection from discharges.

23 Finally, and conclude by saying, we reiterate our 24 concern that this project is premature and believe that the 25 information that will be coming out shortly from the Draft 0122

01 CAL/FED programatic EIR/EIS should be included in the 02 record, and, therefore, would recommend that the State Board 03 keep the hearing record open to receive the CAL/FED 04 programmatic EIR/EIS. 05 That concludes my testimony.

- 06 MR. MADDOW: Thank you, Dr. Gartrell.
- 07 Our next rebuttal witness is Dr. Richard Denton.

08 HEARING OFFICER STUBCHAER: Excuse me, Mr. Canaday. 09 MR. CANADAY: Mr. Stubchaer, not to be picky, and 10 normally I wouldn't be, but in the testimony by Dr. 11 Gartrell, he refers to the Executive Officer of the State 12 Board, and it should be the Executive Director. Since these 13 are going to be permit terms, we need to identify the proper 14 person. 15 DR. GARTRELL: Thank you. That would be correct, yes. 16 MR. MADDOW: I should have caught that. I apologize to 17 this Board and will make that correction. 18 Dr. Denton, did you prepare the document which we have 19 identified as CCWD Exhibit 7? 20 DR. DENTON: Yes, I did. 21 MR. MADDOW: I would like to have this document marked 22 as exhibit CCWD Exhibit 7, and copies distributed to the 23 Board and to the parties. And, Mr. Stubchaer, as we discussed at the outset of today's procedures, there were 2.4 25 some scheduling issues that arose concerning two witnesses 0123 01 who could not be available on August 19th and 20th. 02 Dr. Denton is one of those witnesses. This morning I 03 had a discussion with Ms. Brenner, counsel for Delta 04 Wetlands, concerning scheduling matters. And recognizing 05 that Dr. Denton had written testimony that was going to be 06 submitted, and because of some scheduling difficulties today 07 concerning availability of one of Delta Wetlands' experts, 08 Dr. List, we, at the morning break, provided a copy of Dr. 09 Denton's Exhibit 7 to Dr. List so that he could review it to 10 provide his comments to Ms. Brenner in the event that we do 11 get to cross examination of Dr. Denton today. The same is true of CCWD Exhibit 8, which we will get to in a few 12 13 moments. 14 I just wanted that to be on record, to make it clear 15 that that is the basis upon which we provided copies to Dr. 16 List. And I don't imagine that there are any other parties 17 going to be concerned about that. 18 Dr. Denton, there has been some testimony in the direct 19 evidence portion of this proceeding about the relationships 20 between salinity intrusion and the proposed diversions from 21 the Delta Wetlands Project and about the use of X2 to 22 control salinity intrusion. 23 Are you familiar with that testimony in the earlier 24 phase of this proceeding? 25 DR. DENTON: Yes, I am. 0124 01 MR. MADDOW: Can you then summarize your rebuttal 02 testimony in regard to those issues? 03 DR. DENTON: Yes. If you could put up the first 04 exhibit, please? 05 This is Figure 1 from CCWD Exhibit 7, and it goes 06 directly to the question: Is there a relationship between 07 salinity intrusion and diversions and how those diversions 08 relates to the location of X2; and if, therefore, X2 would 09 be appropriate to use to limit the effects of salinity 10 intrusion? 11 If the State Board were to decide to issue water rights 12 permit for the Delta Wetlands Project, the District

13 recommends the use of a 14-day running average of X2 less 14 than 71 kilometers, using the Kimmerer-Monismith equation to 15 limit those diversions. This would help protect the 16 District from salinity intrusion caused by Delta Wetlands' 17 diversions. 18 If you look at Figure 1, which is shown up here, what 19 you will see is that the data that was previously shown in 20 CCWD Exhibit 4, Figure 1 has been replotted against X2; and 21 what you find is as X2 increases, in other words, the 22 location of the estuarian habitat standard moves landward 23 from Chipps Island towards Collinsville, what you find is 24 that the salinity impacts due to salinity intrusion 25 increase. 0125 01 If you look at this figure, what you find is that of 02 the data that is plotted, and I didn't plot anything that was less than 1 milligram per liter chloride, if you move 03 04 back the place or the point where salinity intrusion no 05 longer appears to become a problem from these results, it is 06 beyond Chipps Island and consistent with our requirement of 07 X2 less than 71. In choosing X2 less than 71 kilometers, we 08 also took into account the discussion in the Draft EIR/EIS 09 that the State Board may need to include a small buffer from 10 existing standards to provide additional protection. There 11 is a 3 kilometer buffer on top of the 74 kilometers that 12 applies to the Chipps Island standard. But that is also 13 consistent with this need to reduce any salinity intrusion 14 impacts. 15 One other point is to point out I haven't plotted this 16 against the previous months' value of X2. This is just 17 taking into account that it takes about a month for the 18 effect of changes in Delta outflow to have an effect or 19 response at Rock Slough. You get a similar sort of result 20 if you plot X2 for the existing one. In this way, we can 21 see that as long as X2 does not move too far inland, you can 22 avoid having any salinity intrusion impacts. 23 If you put up the next table. 24 Exhibit 7 also contains a Table 1, which just would 25 give people the opportunity to look at these data in a 0126 01 little more detail. Mr. Stubchaer had asked questions about how this all 02 03 relates to diversion and X2. If you look at the data for November and December of 1979, those were the two months 04 05 that had the highest salinities, 21.6 and 25.8. 06 MR. MADDOW: Excuse me, Dr. Denton, the Figure that is 07 on the screen is Table 2 from Exhibit 7. 08 DR. DENTON: Yes, I'm sorry; that is a typo on the 09 overhead. It should read Table 1, and it reads Table 1 in 10 the actual exhibit that was handed out. 11 MR. MADDOW: Mr. Stubchaer, I just noticed that 12 mistake; and what we will do is to go back and make a 13 careful comparison to make certain that the exhibit that we 14 are showing on the screen contains the same information as 15 is depicted in Table 1 of the Exhibit 7. 16 The concern that I have is that this shows Page 10 of 13, which is Table 2, I believe, Dr. Denton? And, 17

18 therefore, I would -- do we have an overhead of Table 1, 19 Page 9 of 13? 20 DR. DENTON: If I could clarify, this is just one table 21 in this exhibit, and in making some last minute changes to 22 page numbers, things like that, on the start of Table 1 it 23 correctly says Table 1, but on the continuation, the 2 was 24 left in there. The Table 2 on the continuation should be 25 changed to a 1. And if you are looking for that in Exhibit 0127 01 Number 7, it is, as Mr. Maddow says, is on Page 10 of 13. 02 MR. MADDOW: Let me just be sure we have that 03 straight. 04 There is one table; it has two pages. It is Pages 9 05 and 10 of the 13 pages. And the exhibit, which you were showing on the overhead at this time is the second page of 06 07 Table 1, which appears as Page 10 in Exhibit 7. 80 Is that correct? 09 DR. DENTON: That is correct. 10 So, in reviewing this data, one needs to look at what 11 was happening one or even two months before any diversions 12 from Delta Wetlands, and then look for impacts that may 13 occur one or two months later from Delta Wetlands' diversions. This is an example of that. 14 15 The other point to raise from this is that if you look 16 in the two months after the Delta Wetlands' diversions, in 17 other words, in January of 1980 and February of 1980, you 18 will see that the Delta outflows increased, in this 19 particular example, markedly. If those Delta Wetlands' 20 diversions had been delayed by two months, there would have 21 been an opportunity to take that water with a much higher 22 Delta outflow. 23 This is not, obviously, going to occur in every case. 24 But here is an example that this is not necessarily going to 25 cause a reduction in yield of the project because later in 0128 01 the wet season, January, February, you are more likely to 02 have much higher flows. Therefore, the ability to fill the reservoir, but the ability to fill without much salinity 03 04 intrusion impact. 05 If you could put up the next figure. 06 The next figure I just want to put up is my testimony, 07 Exhibit 7, contains two updated plots from my original 08 testimony. This is really in response to some 09 cross-examination questions that were asked by Ms. Schneider 10 from Delta Wetlands. 11 MR. MADDOW: Dr. Denton, this is Figure 2 from Exhibit 12 7? 13 DR. DENTON: Yes. 14 MR. MADDOW: Again, the pagination problem that had to 15 do with putting this exhibit together late last flight. Ι 16 understand that the figure that we are showing, Figure 2 17 from Exhibit 7, is Page 12 of 13 from the written version of 18 this exhibit. 19 Is that correct? 2.0 DR. DENTON: That is correct. 21 The reason I wanted to update this is that we received, 22 just prior to submittal of our written testimony, data from

23 Delta Wetlands that corrected a minor error, and we didn't 24 have time at that stage to replot the graphic, and 25 replotting them later, it became apparent that there was a 0129 01 slight change. And the change really is the number of 02 points below the line in the original testimony of my 03 testimony in CCWD Exhibit 4, the graphic, I think it was 04 Figure 12, had 14 data points below the line, showing an 05 improved water quality. The revised data has shifted the 06 salinity data up slightly, so there is now only five cases 07 where Delta Wetlands would be discharging water from the 08 islands at a lower salinity than the channel water. So I 09 just wanted to make sure that that was clarified. 10 The District continues to have concerns that this 11 project will be taking on water when it is saltier and 12 discharging it as stored water that is generally higher in 13 salinity than the receiving water. 14 I also included in my written rebuttal testimony, in 15 CCWD Exhibit 7 on Page 6, a further discussion of the 16 problems with the Delta Wetlands' testimony that states 17 there will be a net benefit to Delta water quality due to 18 the reduction in existing agricultural diversions. And this 19 error is in the assumption that the reduction in existing 20 agricultural diversions would result in net Delta outflow. 21 The actual effect, if it was, the error appears to have 22 the effect of causing a five percent reduction in salinity 23 relative to the no-project base case. If that error was 24 corrected, though, we would not expect that reduction in 25 salinity. And so, what the District recommends is that 0130 01 Delta Wetlands repeat these salinity simulations without 02 this particular error in it to obtain a more realistic 03 estimate of the magnitude of potentially significant 04 degradation of water quality for CCWD. 05 Also mentioned in my rebuttal testimony, Exhibit 7, is 06 just that this also affects the conclusions drawn by Dr. 07 Kavanaugh in Delta Wetlands Exhibit 13 on Page 61, in which 08 he makes the assessment that there will actually be a slight 09 improvement in bromide in Delta waters as well. This was 10 based on the results that I am rebutting here. 11 You could put up the next figure. 12 This figure, which is Figure 9 from Delta Wetlands Exhibit 14B, the errata Figure 9, shows the correction from 13 14 an errata Dr. List testified about. This rebuttal is really 15 in response to some discussion, testimony, by Dr. Russ 16 Brown. Mr. Maddow had cross-examined Mr. Brown and wouldn't 17 go essentially to the hypothetical case as an increase of 18 Rock Slough chlorides from 50 milligrams per liter to a 19 hundred milligrams per liter chlorides. 20 And in redirect, Mr. Brown testified that in looking at 21 Figure 10 of Delta Wetlands Exhibit 14B, that he could see 22 no such change. And Figure 10 of Delta Wetlands Exhibit 14B 23 is actually an Old River pumping plant data plat. However, when you look at Figure 9 from Delta Wetlands Exhibit 14B, 24 25 which is shown on the overhead here, this is actually for 0131 01 Rock Slough, which was the hypothetical example that Mr.

02 Maddow was using in cross-examination. 03 There is, in fact, the data points that is consistent 04 with that example that he had raised. And it is shown -- it 05 is actually represented by a TDS of 225 milligrams per liter 06 in the base case and 380 milligram per liter TDS with the 07 Delta Wetlands Project. 08 If those are converted from TDS to chlorides, that 09 represents a change from 58 milligrams per liter chloride to 10 143 milligrams per liter chloride. In this case, it would 11 be a 75 milligrams per liter chloride example. So, Mr. 12 Maddow was not being completely hypothetical in this case. 13 MR. MADDOW: Dr. Denton, Figure 9, from Delta Wetlands 14 Exhibit 14B, the July 2, 1997 version, is not in your 15 Exhibit 7; you are referring back to the exhibit which was 16 presented by Delta Wetlands in its direct case. 17 Is that correct? 18 DR. DENTON: Yes, I am. 19 And I had previously given an example of Figure 20 of 20 Delta Wetlands Exhibit 14B, where similar large changes in 21 chloride at Holland Tract were detected as coming out of the 22 modeling study of Delta Wetlands. The Contra Costa Water 23 District recommends that the State Board should leave the 24 hearing open until Delta Wetlands has completed revised 25 operations study that mitigate for these significant 0132 01 impacts, until such time as the parties have had an 02 opportunity to review those results. 03 MR. MADDOW: Dr. Denton, there has also been testimony 04 during the earlier phases, the direct evidence phases, and 05 the cross-examination phase of this proceeding about the 06 possible elimination of agricultural drainage from Delta 07 Wetlands' islands as to whether that would constitute a 08 benefit of the proposed Delta Wetlands Project. Are you familiar with that testimony? 09 Yes, I am. 10 DR. DENTON: MR. MADDOW: Dr. Denton, did you prepare CCWD Exhibit 11 12 8? 13 DR. DENTON: Yes. This was prepared jointly with Dr. 14 Greg Gartrell and Dr. Shum and myself. 15 MR. MADDOW: Could we have this marked as CCWD Exhibit 16 8 and distributed to the Board and to the parties? 17 And Mr. Stubchaer, while that is being done, this is 18 the second of the two exhibits which we provided this 19 morning to Dr. List. 20 Dr. Denton, is there any portion of CCWD Exhibit 8, 21 your rebuttal testimony, that you wish to summarize? 22 DR. DENTON: Yes. The testimony rebuts the contention of Delta Wetlands' testimony that reduction in agricultural 23 drainage from Delta Wetlands' islands would improve water 24 25 quality in the Delta in all cases. If you can show what I 0133 01 have up in Figure 3, from Contra Costa Water District 02 Exhibit 8, this example -- again, there is an overhead 03 showing slightly different figures. This is from Page 12 of 04 15 of Exhibit 8. 05 And in this particular example, what we have done is 06 plotted against the Fisher Model for agricultural drainage

07 that has previously been discussed by Dr. Shum. However, 08 what I would draw your attention to is the actual field data 09 that are plotted on the graphic, actually plotted below, 10 showing the salinity coming off the islands, which are the 11 solid squares. There is actually only four of them in this 12 case. They have come from new water investigations of 13 agricultural drainage grab samples. Those data points are 14 well below what the Fischer Model input would suggest or 15 assumed. 16 However, what is also incorrect, if you take the MWQI 17 or data from the channel itself, from a station in the 18 proximity of a drainage ditch, which you say in this 19 particular year, which 1991 is a dry year, the drainage 20 coming off the islands is very similar to the receiving 21 water of the channel. The four agricultural points which we 22 have there, we plotted all the ones available to us; three of them are actually below what is in the channels. 23 So, 24 this would be a situation where reducing agricultural 25 drainage, no matter what the volume is, would actually not 0134 01 result in any significant impact. In fact, you may degrade 02 slightly if you believe that the difference there is 03 significant. HEARING OFFICER STUBCHAER: In a dry year like '91, how 04 05 much flow do you think is agricultural drainage total? Do 06 you have any idea? 07 DR. DENTON: The flow coming off the island? 08 HEARING OFFICER STUBCHAER: Receiving water. 09 DR. DENTON: We cannot tell without a guess, looking in 10 more detail at the relationship. There is a way of doing 11 that. Look at EC and chloride and decide if the 12 relationship is different than seawater intrusion and the 13 particular time of agriculture drainage. You would expect 14 there would be irrigation practices going on in that time. 15 There is agriculture drainage coming off other islands, not 16 just these particular Delta islands. 17 When I got to the next graphic, a greater amount of 18 agricultural drainage. What we would like to suggest with 19 this rebuttal testimony is that in dryer years there is 20 agricultural drainage coming off the islands. Again, we are 21 not certain what the quantity, in terms of volume, would 22 be. But salinity, if similar, we can't really say that 23 removal of agricultural drainage is actually going to 24 improve salinity in the Delta. 25 If you could put up the next graphic, which is Figure 0135 01 Number 5 from Contra Costa Water District Number 8 that 02 appears on Page 14 of 15. 03 The case we are looking at would be the water year 04 1993. And this is another example of what you would have 05 expected Delta Wetlands is referring to. That in wet years, 06 when there is flooding on the islands, heavy storms, that 07 water is draining off. It is leaching out the soils; and 08 when the discharge occurs -- and this graphic shows six 09 points representing agricultural drainage, the solid 10 squares. 11 In this case, all except October are significantly

12 higher. We would be -- in this situation, there would be 13 improvement if the Delta Wetlands' agricultural drainage 14 events were reduced. However, again, we don't know what the 15 volumes are. This is subject to clarification of whether 16 higher or actual volumes. But in describing the wet years 17 and dry years, we do see that effect. 18 MR. MADDOW: There has been a considerable amount of 19 testimony in the direct evidence and cross-examination 20 phases of this proceeding about water supply modeling and 21 water supply benefits of the proposed Delta Wetlands 22 Project. 23 Are you familiar with that testimony? 24 DR. DENTON: Yes, I am. 25 MR. MADDOW: Did you prepare the document identified as 0136 01 CCWD Exhibit 9? 02 DR. DENTON: Yes, I did. 03 MR. MADDOW: Can we have that document marked as CCWD 9 04 and distributed to the Board and the parties, please? 05 Dr. Denton, can you then summarize this final 06 information of your rebuttal testimony? DR. DENTON: Yes, I will. I have attached as an 07 80 exhibit the talking points, which are now being shown. is actually attached to my exhibit. I put it as Page 7 of 09 10 7, so there wouldn't be concern. There may be change in 11 what is in the exhibit that appears on Page 7 of Exhibit 9. 12 The reason that the Contra Costa Water District is 13 concerned about rebutting the issue of yield of the Delta 14 Wetlands Project is that when deciding whether to issue 15 water rights, the State Board will need to balance the 16 potential water quality impacts of the Delta Wetlands 17 Project against the water supply benefits that could be 18 afforded by the project to meet California's future water 19 needs. 20 In making this assessment of the purported water supply 21 benefits of this project, the State Board needs to take into 22 account that these benefits may be significantly overestimated in the Delta Wetlands' operations studies. 23 24 According to Delta Wetlands' written oral testimony in 25 this hearing, Delta Wetlands' operations studies, using 0137 01 DeltaSOS, were designed to maximize the diversions and 02 discharges from the islands and to look more at what the 03 environmental impacts of the project would be and the 04 effects on salinity, and so on. That obviously needed to be 05 done. However, in terms of the water supply benefits of the 06 project, we need to look at it more realistically, taking 07 into account some of the errors that we have identified from 80 the Delta Wetlands' testimony and from cross-examination. 09 The first one would be the operation studies, which at 10 this point does not fully mitigate the salinity impacts. Ι 11 just spoke of that with reference to Exhibit Number 7. 12 Similarly, there has been a discussion that the reservoir 13 storage may have to be reduced if permission is not given to 14 increase the maximum pool elevation to plus six feet. That 15 would reduce storage in the reservoir and could reduce the 16 yield of the project.

17 Similarly, in the calculation of 154,000 acre feet and 18 the model study for that, there was not an opportunity for 19 using the Delta Wetlands' smelt index, the fall midwinter 20 trawl being less than 239. 21 Delta has done studies with the fall midwinter trawl 22 with less than 239, and that appears on Delta Wetlands 23 Exhibit 4 on Page 5; that in cases of those particular 24 studies there was reduction in yield of 20,000 acre-feet per 25 year. 0138 01 There is also -- we have already testified there is an 02 over estimation of, or could be overestimation of, the 03 demand for Delta water supply, considering the price that 04 that water would be sold at and the availability of wheeling 05 and storage for Delta exports south of the Delta. If those 06 considerations were taken into account, that could further 07 reduce the yield of the project below 154,000 acre-feet. 08 The last example that we have up there, the five 09 bullets, would be that some of the operations studies or the 10 operations studies actually in some years, if you look at 11 the calendar year export sales, did actually exceed the 12 250,000 acre-feet limit on its imposition of Delta Wetlands 13 as part of the Biological Opinions. This may be a small effect, but it is another error that would need to be 14 15 directed to get at the final calculation of yield. That 16 shows the data for the calendar year export sales, given 17 Table 1 of Exhibit Number 9. 18 MR. MADDOW: Does that conclude your rebuttal 19 testimony? 20 MR. DENTON: Just maybe to finalize that, I also want 21 to note that there has been discussions about 154,000 22 acre-feet as the average yield over any year period we 23 looked at, looked at the yield during critically dry 24 periods. In Table Number 2, in my testimony on Page 6 of 25 Exhibit 9, just reviews the yield of the Delta Wetlands 0139 01 Project from the operation studies during critical periods. 02 And for example, in water years 1986 through 1991, if you 03 take the average yield during that critically dry period 04 for the ESA Biological Opinion study, then the yield, 05 average yield, 154,000 acre-foot per year for that period is just much, much less than the average of the 70 year period 06 of 154,000. 07 08 Thank you. 09 MR. MADDOW: Thank you, Dr. Denton. Are you finished? 10 DR. DENTON: Yes. 11 MR. MADDOW: The next rebuttal witness will be Dr. K.T. 12 Shum, who is doing double duties, has been sitting over there doing the overhead, and will now come to the 13 14 microphone. Dr. Shum, there has been considerable testimony during 15 16 the direct and cross-examination phase of this proceeding 17 about TOC loading from peat soil, particularly testimony 18 with regard to the issue of molecular diffusion. Are you familiar with that testimony? 19 20 DR. SHUM: Yes, I am. MR. MADDOW: Dr. Shum, did you prepare CCWD Exhibit 10? 21

DR. SHUM: Yes, I did. 22 23 MR. MADDOW: Can we have that document marked as CCWD 24 Exhibit 10 and distributed to the staff, Board and to the 25 parties, please? 0140 01 Dr. Shum, what was the purpose in preparing CCWD 10? 02 DR. SHUM: The purpose of this rebuttal testimony is to 03 show that Exhibit Delta Wetlands 13 underestimates the flux 04 of the soft organic carbon from the peat soils from the 05 islands into overlying water, and consequently the total 06 organic carbon concentration of stored water, especially at 07 time of discharge can be much higher than estimated in 08 DW-13. And as a result, the TOC concentrations at Contra 09 Costa and other urban intakes in the time Delta would be 10 higher than was predicted in DW-13. MR. MADDOW: Can you summarize for the Board the basis 11 12 upon which you arrived at those conclusions? 13 DR. SHUM: Yes. The full discussion is given in CCDW 14 Exhibit 10, and the major point is summarized in this table 15 that I hastily prepared. It is not included in CCWD Exhibit 16 10, but all the information can be drawn from there. 17 This table gives the TOC loading from the peat soil in 18 DW-13 and also in the cross-examination by the Contra Costa 19 Water District on July 14th. Dr. Kavanaugh testified that 20 his estimate of the DOC flux from the peat sediments is the 21 order of one, accounting for molecular diffusion alone. 22 However, he assumes a range of between 5 and 25 milligrams 23 DOC per meters squared per day, to illustrate that the 24 actual flux he is accounting for is 5 to 25 times that of 25 molecular diffusion. 0141 01 At the upper limit of this flux it would give over a 02 total average of 20,000 acres an annual load of 740,000 03 kilograms per year. And I take a look at how much of this 04 annual load is relative to the total soil mass of peat 05 sediments, just in the top one foot of the surface sediment 06 in the four islands. 07 If you assume density of this peat soil of 600 08 kilograms per meters cubed, which is about 60 percent depth 09 of water, the percentage comes out to 0.0005 percent. That 10 means the annual load of 740,000 kilograms per year would 11 reduce the peat sediment in the top just one foot of the 12 20,000 acres of Delta Wetlands' islands by about one over 13 12,000, which is a pretty small amount. 14 Using the numbers proposed in Delta Wetlands Exhibit 15 13, I did an independent estimate of the molecular 16 diffusion. And assuming the data given in there, I got a 17 different number, and much higher, which is between 8.6 18 milligrams DOC per meters squared per day, and ranging up to 19 17 milligrams DOC per meters squared per day. The details 20 of how these two numbers are derived is given in appendix of 21 CCWD Exhibit 10. 22 If we assume the same factor in accounting for the 23 other transport processes, such as bioturbation, wave 24 pumping, and groundwater seepage, a factor of 5 or 25 to 25 this lower number of 8.6 milligrams DOC per meters squared 0142

01 per day, the annual load I got ranges from a little bit 02 over 1,000,000 kilograms per year to over 6,000,000 03 kilograms per year. 04 To put this loading into perspective, even a high of 05 6,000,000 kilograms per year would account for only 0.043 06 percent of the total soil mass in the top one-foot layer of 07 the sediment in the four Delta Wetlands' islands. 08 And the conclusion I can draw from this is that the 09 estimate of the DOC flux from the peat soil alone is 10 underestimated in DW-13, and it could realistically be much 11 higher. 12 MR. MADDOW: Mr. Stubchaer, for the record in 13 illustrating this portion of his testimony, Dr. Shum has 14 produced what is seen on the overhead as a hand drawn or 15 handwritten chart. It is not included in CCWD Exhibit 10. 16 Frankly, it was developed this morning, since this proceeding has been going on today. If you would so desire, 17 18 we could have photocopies made of that, and we would be 19 happy to introduce it as CCWD Exhibit 11 and provide copies 20 to all? 21 HEARING OFFICER STUBCHAER: Please do. 22 MR. MADDOW: I don't have anything to hand to the staff 23 to mark right at this moment, but we will have this marked 24 and introduced and get copies to all the parties. 25 Dr. Shum, returning to your rebuttal testimony, can you 0143 01 tell us what you believe to be the significance of the 02 conclusions that you just described in the context of this 03 proceeding? 04 DR. SHUM: This estimate I had in CCWD Exhibit 10 shows 05 that there is a distinct possibility that the TOC flux from 06 this Delta island can be much higher than those proposed 07 in DW-13. As a result, the DOC and TOC impact at the urban 08 intakes in the Delta can be much higher. Given all these 09 uncertainties, we need to have appropriate permit conditions 10 for discharge to protect urban water supply. 11 MR. MADDOW: Dr. Shum, does that conclude your 12 testimony? 13 DR. SHUM: Yes, it does. 14 MR. MADDOW: Mr. Stubchaer, that concludes all of the 15 rebuttal testimony that Contra Costa Water District has. We 16 have identified as new exhibits CCWD 6 through and including 17 CCWD 11. It is my understanding that these can be 18 introduced at this time, and you will rule on their 19 acceptance into evidence at the conclusion of 20 cross-examination. 21 Is that correct? 22 HEARING OFFICER STUBCHAER: That is correct. 23 MR. MADDOW: Dr. Denton is available for 24 cross-examination this afternoon, should you choose allow 25 cross-examination under the arrangements which you described 0144 01 at the beginning of the day. 02 HEARING OFFICER STUBCHAER: If you choose to do that, I 03 hope the time allows. 04 MR. MADDOW: The other CCWD witnesses will be 05 available on August 19th and 20th.

06 Thank you. 07 HEARING OFFICER STUBCHAER: Thank you. 08 Could I have a show of hands of the parties, additional 09 parties, which are going to present rebuttal? 10 Anyone else? Fish and Game. Just Fish and Game. Okay. 11 Looks like you are up. 12 Ms. Murray. 13 ---000---14 REBUTTAL TESTIMONY 15 DEPARTMENT OF FISH AND GAME 16 BY MS. MURRAY 17 MS. MURRAY: The Department of Fish and Game rebuttal 18 testimony, in the interest of time and paper was prepared 19 altogether as one exhibit, and I would mark that as DFG 20 Exhibit 19. Each of these witnesses have been sworn and 21 have appeared before. And I will have them briefly 22 summarize their portion of the DFG 19. 23 I also, at this time, have DFG Exhibit 20, which I will 24 distribute at this time. It is a declaration of James 25 Lecky, Chief of the Protective Resources Division of the 0145 01 National Marine Fishery Service. 02 We will start with Mr. Wernette. And to make it clear, 03 we are just going to summarize portions of the written 04 testimony rather than going through each point, in the 05 interest of time. 06 Mr. Wernette, would you please summarize those portions 07 of DFG 19 which you prepared? 80 MR. WERNETTE: I would be happy to. First, I would 09 like to start off by just quickly summarizing the general 10 area that we are going to be discussing in terms of our 11 rebuttal. There are five principal points that are covered 12 under two major concerns that our department has with 13 regards to the testimony provided by Delta. They focus on, 14 in our view, a chronic underestimate or misunderstatement of 15 the impacts associated with the Delta Wetlands Project and 16 the effects that it has on both listed and non listed 17 species. 18 Secondly, there is always a chronic overestimate of the 19 project benefits, or the benefits that are attributable to 20 the final operating criteria. Just an overestimate or over 21 exaggeration of the benefits that those operating criteria 22 have in terms of minimizing or avoiding impacts to both 23 listed and non listed fish. 24 First of all, in terms of substantial discussion about 25 the project yield, and from our standpoint project field 0146 01 what, in our view, represents an underestimate of potential 02 project yield. In fact, represents potential for increased 03 project operations that have not been modeled and haven't 04 been accurately assessed in terms of the impacts on fish. 05 Couple of examples, Dr. Brown's testimony in Exhibit 06 DW-10, he describes the fact that in terms of daily Delta 07 operations they would likely result in increased operations 08 and increased yield opportunities for the projects that 09 could not be simulated or weren't simulated in the 10 modeling. We used the modeling, obviously, in the

11 assessment of the impacts, but the daily operations are what 12 will be the actual effects on the Delta, and, therefore, our 13 concern. 14 In Mr. Warren Shaul's testimony at Exhibit DW-4, there 15 is also a statement about how the 15-day diversions 16 restriction that can be invoked by the Fish and Wildlife 17 agencies were essentially modeled on a 30-day basis because 18 of limitations in modeling. So, often impacts associated 19 with project operations would be much larger than actually 20 indicated by the modeling. 21 One of the other areas where impacts are 22 underestimated, in our view, were related to the 23 hydrodynamic effects that will result from the discharges 24 for export. And those effects principally are located in 25 the South Delta. Yet testimony provided here on direct by 0147 01 Dr. Brown in his Exhibit DW-11, there were statements about 02 the fact that there were little or no impacts associated 03 with hydrodynamics related to discharges for exports. 04 As a matter of fact, the Draft EIR/EIS provides data 05 that actually rebuts that directly by display in Tables B1-8 06 of the Draft EIR, the Board's Draft EIR, that shows actual 07 significant increase in some key places in the South Delta. 08 An illustration that we made, for instance, was an increase 09 in the flows at the head of Old River, which represents 10 increased risks of entrainment of San Joaquin salmon into 11 the South Delta. And those increases were modeled at up to 12 a 34-percent increase. 13 Another area we believe there is a misstatement or 14 understatement of impacts has to do with what we view as a 15 mischaracterization or misuse of the data and indices that 16 were actually used by Jones & Stokes as a tool in assessing 17 project impacts and evaluating alternatives for mitigation. 18 In the case of the entrainment indices, during the 19 discussions in our consultation process, there was broad 20 agreement that these indices actually provide good measures 21 of or indications of transport conditions that would change 22 transport conditions in the Delta. Transport was identified 23 as important biological element of how fish are moved 24 through the Delta, not just planktonic fish or larval fish 25 that are fairly planktonic, but also juvenile fish and how 0148 01 they may be affected by changes in hydrodynamics in the Delta. 02 03 So those indices were agreed upon as good indicators of 04 how transport conditions would change; and there was 05 agreement among the parties in those discussions that 06 increased levels, or increased indices actually represented 07 decreases in survival or increases in mortality. We do not 08 know whether those measurements were actually direct in 09 terms of the one-to-one. We did not conclude that that 10 would even be possible to even know whether there was a 11 one-to-one relationship. But nevertheless, there was that 12 pattern that was agreed to. 13 Another way of misusing that information, in our view, 14 is taking those data and presenting them in 70-year 15 averages. The information by doing that ends up really

16 masking the significance of the effects that occur on an 17 annual basis and on a monthly basis. And the way those data 18 are presented by Jones & Stokes, in this case Mr. Shaul, 19 and the conclusions that were drawn from those data by Mr. 20 Vogel in his testimony in Delta Wetlands Exhibit 16 really 21 result from a mischaracterization of how that data -- what 22 that data does when you average it over 70 years as opposed 23 to looking at it on an annual basis, and even a 24 month-by-month basis. 25 With regards to overestimating the benefits of the 0149 01 final operating criteria, there were a couple of areas that, 02 in our view, illustrate that chronic overestimation of 03 benefits. One of them was in testimony provided by Mr. 04 Vogel; he described the benefits of selecting windows or important times for fishery resources in the Delta. And in 05 fixing or establishing fixed prohibitions against diversions 06 07 during those times. April and May was discussed, and those 08 are the two months that are used to have fixed prohibition 09 against discharges. But the premise that he made in his 10 testimony was that this was the only important or critical 11 time for those different life stages of important fish 12 species. And we completely disagree with that, in that 13 there are definitely other months, for instance March, that 14 are as critical as the April-May period. 15 Last, in terms of the benefits attributable to the 16 environmental water, I have an overhead that we'd probably 17 like to identify as an exhibit. 18 MS. MURRAY: We have copies. This will be DFG-21. 19 MR. WERNETTE: In summary, the Final Operations 20 Criteria, as a reminder of what the final operates criteria 21 call for in terms of environmental water, they establish 22 under most conditions a ten percent dedication of water 23 between the months of December and June related to the water 24 that is being discharged from islands for export. The 25 percentages at the bottom row are actual calculations based 0150 01 on Delta Wetlands Exhibit 4, which provide the average 02 diversions or discharges, excuse me, that occur during these 03 months of December through June. So when you look at the percent of water that is 04 05 discharged during these months, they range from high of four percent in the month of December to lows of, actually the 06 07 next month, of less than one percent. The total amount of 08 water that is actually released for discharge during this 09 time is around 17 percent of the total annual discharges for 10 export. So, the potential horsepower of this mitigation 11 measure is significantly limited by the fact that it only is 12 attributable or applied to a very small fraction of Delta 13 Wetlands Project's operations. 14 As I mentioned in some of our direct testimony, when 15 you apply the habitat island releases, you end up with a 16 total discharge of 2.6 thousand acre-feet associated with 17 the project final operating criteria. But habitat island 18 discharges of over 5,000 acre-feet. You can see that that

19 results in actually a no-net requirement for releases 20 associated with the habitat island or associated with this

21 environmental water. 22 So the modeling that is shown in Delta Wetlands 4 and 23 the benefits attributed to this are overexaggerated because 24 in most years this water will not result in any increased 25 outflow for the environment. 0151 01 That concludes my summary. 02 MS. MURRAY: Thank you. 03 Mr. Sweetnam, will you please summarize those portions 04 of DFG 19 that you prepared? 05 MR. SWEETMAN: Yes, I will. 06 MS. MURRAY: Predictably, it will be Delta smelt. 07 MR. SWEETMAN: Delta smelt. You don't want me to do 08 water quality? 09 On Page 26 of Delta Wetlands Exhibit 15, Question 57, 10 Mr. Shaul, that no significant change in area of spawning and remembering habitat for striped bass, Delta smelt, and 11 12 longfin smelt, if there is any change in available habitat, 13 would be very small relative to the total habitat available, 14 and, in fact, there would only be a slight increase in 15 optimal habitat in April through August because of foregone 16 agricultural diversions. 17 This statement relies on the optimal salinity habitat, 18 which was developed by Mr. Shaul. However, it is misleading 19 for Delta smelt because of the relationship between Delta 20 smelt and the optimal salinity habitat is not significant 21 and should not be used to evaluate the significance in this 22 relationship. 23 The assessment of the magnitude and frequency of the 24 impacts to Delta smelt and the evaluation of the potential 25 mitigation measures in the final operating criteria are 0152 01 based on the basis of this relationship and further results 02 on modeling studies. If the accuracy of the data is in question, the results are also in question. In Appendix A, 03 Table 7 of the Draft EIR/EIS, the relationship between Delta 04 05 smelt, the fall midwater trawl index and the optimal 06 salinity habitat is presented here, where Y in this 07 relationship is the log end base of fall midwinter trawl 08 index plus one. I requested the optimal salinity habitat data from Mr. 09 10 Shaul. Actually, he sent it to me on July 3rd. And in 11 doing the analysis, I do not come up with the same 12 results. And, in fact, if you could put up the next slide, 13 this is Figure 1 of Exhibit, I think it is, 19, we didn't 14 identify so I didn't know which exhibit we were yet, so this 15 is Exhibit 19 now. 16 This is the relationship that Mr. Shaul was discussing 17 in that figure. I have added 1994, 1995, and 1996. This is the updated version of that, including those last three 18 19 years. 20 If you do not include the last three years, you are 21 doing the exact relationship that Mr. Shaul did, the 22 relationship -- the coefficient of determination is .28, 23 around 13 percent, and a significant level of .079 or .08. 24 If you add the last three years, you get a nice 25 shotgun effect. And this is the basis for the relationship
01 between Delta smelt and optimal salinity habitat. It's 02 actually a little bit worse than the spawning recruit 03 relationship we had before. It is not much to go on. I added Figure 2, which is actually the relationship 04 05 that was used to create the Delta Water Accord, updated for 06 the last three years as well. This is Figure 2. MS. MURRAY: From 19. 07 MR. SWEETMAN: From DFG Exhibit 19. This is updated 08 09 through 1996. We are still hanging on to some significance, 10 but this is the basis of the Delta smelt relationship with 11 X2. That is what is in part used for the Water Accord. 12 As you can see, this is tenuous as well. But it's still in 13 the relative area of significance. It's definitely going 14 down with the last few years of data. And each year we add 15 to it, the relationship declines further. That was trying to make my point. I was trying to put all of the relevant 16 17 data in here to try to give you an idea of where we are with 18 Delta smelt. We are not very far. 19 That concludes my testimony. 20 MS. MURRAY: Ms. McKee, do you have any corrections to 21 make to DFG Exhibit 19? MS. McKEE: Yes, we have a couple of typo changes. 22 On 23 Page 9 of our Exhibit 19, third paragraph from the bottom, 24 starting third bullet paragraph, starting with, quote, late 25 fall chinook. Please delete that paragraph. That was 0154 01 inserted in error. 02 And on Page 10 the first full bullet which starts, 03 quote, when adult numbers. The number should be 15,000 04 instead of 5,000. 05 MS. MURRAY: Any other corrections? 06 MS. McKEE: No. That is all the corrections. 07 MS. MURRAY: Please summarize your testimony that you 08 prepared. MS. McKEE: During testimony Mr. Warren Shaul and Delta 09 10 Wetlands testified that the temperature management plan 11 restricts maximum temperature differential between discharge 12 from receiving water to 20 degrees Fahrenheit. This is 13 inconsistent with the Central Valley Regional Water Quality 14 Control Board plan for the Sacramento-San Joaquin River 15 Basin, the Basin Plan. And as a point of clarification for 16 the benefit of the audience and the Board, it is our 17 understanding that the temperature objectives for enclosed 18 space in estuaries are as specified in the Water Quality 19 Control Plan for controlled temperature in the coastal and 20 interstate waters and enclosed bays of California. Also 21 known more simply as the Thermal Plan. 22 There are also temperature objectives for the Delta in 23 the State Water Resources Control Board 1991 Water Quality 24 Control Plan for salinity. The 20-degree Fahrenheit criteria which the Thermal Plan and which Mr. Shaul and 25 0155 01 Delta Wetlands referred to is only one element of this 02 Thermal Plan's water quality objectives for new discharges 03 of elevated temperature waste for the estuary. It is 04 important to understand what the remaining components of

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05 those water quality objectives to place the 20-degree 06 Fahrenheit into proper context in terms of protecting fish 07 and other beneficial uses. 80 It states that an elevated waste discharge shall comply with the following, and it says that the maximum temperature 09 10 shall not exceed the maximum receiving water by 20 degrees 11 Fahrenheit. But it also states that elevated temperature 12 waste discharge, either individually or combined with other 13 discharges, shall not create a zone defined by water 14 temperatures of more than one degree Fahrenheit above the 15 national receiving water temperature, which exceeds 25 16 percent of the cross-sectional area of a main river channel 17 at any one point. 18 It also says that no discharge shall cause a surface 19 water temperature rise greater than four degrees Fahrenheit 20 above the natural temperature of the receiving waters at any 21 time or place. And last but most important, it says that 22 additional limitations shall be imposed when necessary to 23 assure the protection of beneficial uses in areas of special 24 biological significance. 25 While the Thermal Plan allows for a greater 0156 01 differential between discharge and natural receiving water 02 temperature than most people who read these different plans 03 see for the warm and cold interstate waters in the Regional 04 Board's Basin Plan, the purpose of objective is to provide 05 an equivalent level of protection by containing the elevated temperatures waste to a smaller portion of the receiving 06 07 water channel, and thus avoid potential migration blockage 08 to fish and allowing an adequate mixing zone. 09 In comparison, the Basin Plan allows an absolute 10 maximum temperature differential of five degrees between 11 discharge and receiving water temperatures in cold and warm 12 interstate waters. It is also the Department's 13 understanding in terms of how it has been implemented, the 14 five-degree Fahrenheit differential within the Basin Plan 15 now supersedes that 20-degree Fahrenheit maximum differential in the Thermal Plan. However, other provisions 16 17 of the State Board Thermal Plan still apply. 18 The Delta Wetlands' testimony in its temperature 19 management plan failed to point out that they are actually 20 using a more lenient discharge temperature differential 21 criteria for their maximum temperature criteria, and they're 22 taking that from the Thermal Plan, but without the remaining 23 elements within the plan's objective for containing the 24 discharge zone of influence. So, in excess, Delta Wetlands 25 has developed a temperature plan which we feel is not in 0157 01 compliance with the salinity control plan, the Basin Plan, 02 or the Thermal Plan to provide adequate protection for 03 temperature sensitive species. 04 I would also like to respond to some statements made in 05 terms of recovery potential to salmon races which are state 06 or federally listed candidate and species of special 07 concern. 80 Mr. Shaul, when asked how the project affects the 09 recovery of listed species, testified that there is

10 currently insufficient information to answer that question 11 and that a population model is needed to determine if the 12 project will affect meeting recovery goals. 13 Mr. Vogel and Mr. Marine testified that the Final 14 Operations Criteriaa are responsive to the conservation and 15 recovery objectives for depressed populations of Delta fish 16 species. 17 The U.S. Fish and Wildlife Service recovery plan for 18 Sacramento-San Joaquin Delta native fishes actually 19 specifies for both spring and late-full chinook salmon, 20 including survival levels for juveniles through the Delta, 21 which have been deemed necessary to achieve the restoration 22 objectives. There are several required population 23 parameters for each species necessary to find that the populations are restored. But some of the key parameters 2.4 here, especially for the Delta, and I quote: 25 0158 01 The Sacramento spring-run chinook salmon will 02 be regarded as restored when smolt survival 03 rates between Sacramento and Chipps Island 04 approach preproject levels when the numbers 05 of adults in the tributary streams are fewer 06 than 5,000 adults. Any improvements upstream 07 or in the ocean fishery regulations will be 08 greatly negated if protections in the Delta 09 are not implemented concurrently, especially 10 during the November through January period 11 when the Deer and Mill Creek smolts migrate. 12 Therefore, the objective of this plan is to 13 restore survival rates of outmigrating smolt 14 to levels that existed before construction of 15 the CVP and the State Water Project in the 16 South Delta. When adult numbers drop below 17 5,000 smolt survival rates through the Delta, 18 the following year should be higher than 19 they would be permitted when adult numbers 20 are higher. (Reading.) Now, for late-fall, the objectives are actually quite 21 similar, especially in regards to the importance of the 22 23 Delta. It states that: 24 Restoration goals could be achieved only if there is simultaneous improvement in 25 0159 01 conditions in the spawning and rearing 02 streams in the Delta for passage of 03 juveniles and improved management of the 04 fishery to allow for increased survivorship 05 of adults. The principal means for measuring 06 the suitability of habitat conditions for 07 juvenile chinook in the Delta is to have 08 smolt survival rates, again, between 09 Sacramento and Chipps Island equivalent to 10 those prior two present configurations of the 11 state and federal water projects in the 12 Delta. When adult numbers drop to below 13 15,000 smolt survival rates through the 14 Delta, the following year should be higher,

15 again, to permit -- than would be permitted 16 when the adult numbers are higher. (Reading.) 17 For the winter-run chinook salmon the draft recovery 18 objectives for delisting - as many of you know, the plan is 19 supposed to be issued this week - require a minimum of 20 10,000 females and 10,000 males return for 13 years before 21 it can delisted. And this year's spawning run is predicted 22 at less than 1,000 males and females combined or, in other 23 words, less than 500 females. And I don't want to minimize. 24 We are thrilled. We didn't think we'd get this many this 25 year. We are just tickled. But you can tell that recovery 0160 01 of the species has a very long ways to go. 02 So the relevancy of this information to the issue at 03 hand is how the project will affect the recovery of these three species. And there will been incremental further 04 05 degradation of Delta habitat conditions for all three 06 species with commensurate reduced survival through the 07 Delta. So the project is not responsive to the needs to 08 stabilize and over time restore Delta conditions so we can 09 recover the species. 10 We, therefore, disagree with Mr. Vogel's testimony that 11 the Final Operations Criteria are responsive to the 12 conservation and recovery objectives for depressed 13 populations of Delta fish species. 14 Mr. Shaul also stated that a population model is needed 15 to determine if the project will affect meeting recovery 16 goals. This information is already available in the form of 17 the extinction model, which was developed for a federal 18 recovery planning process used to develop the above 19 delisting criteria for winter-run chinook. More recently, 20 the National Marine Fishery Service also has developed a 21 stochastic life cycle model. They used that to examine how 22 incremental increases in smolt mortality affects winter-run 23 chinook salmon population dynamics. 2.4 We have used the model to evaluate Department of Fish 25 and Game's current striped bass management program and the 0161 01 effects of possible future program changes. The model 02 estimates that the current probability of extinction for winter-run is 93 percent, assuming existing level of 03 04 mortality, which includes an estimated six percent baseline 05 predation rate, an initial winter-run chinook salmon 06 population from the last three years and a winter-run 07 population trend from the last 20. 08 It also estimates that an increase in juvenile 09 winter-run mortality by average annual level of 3.5 percent 10 increases the probability of extinction from 93 percent to 11 97 percent. So that information is available to relate back 12 to what a project such as this might do to recovery and 13 extinction probability. 14 That concludes my testimony. 15 MS. MURRAY: Thank you. 16 Dr. Rich, could you please summarize that portion of 17 DW-19 that you prepared.

18 DR. RICH: Be glad to. In the interest of time, I am 19 going to summarize six points. First, contrary to Mr.

20 Marine's testimony in response to cross-examination by Ms. 21 Murray, water temperatures studies on adult chinook salmon 22 brood stock at hatcheries are relevant with regards to 23 determining stressful temperatures on migrating adult 24 chinook salmon. 25 Second, contrary to Mr. Marine's testimony in response 0162 01 to cross-examination, thermal studies on early fry at 02 Coleman Hatchery are also relevant with regard to 03 determining stressful and lethal temperatures on chinook 04 salmon fry. 05 Third, contrary to testimony provided by Vogel and 06 Marine in Delta Wetlands Exhibit 16, chinook salmon, coho 07 salmon, and steelhead trout do not have higher temperature 08 preferences and tolerances than most other Pacific salmon species. All of the Pacific salmonid species are temperate 09 water species and stenothermal, and, thus, do not adapt well 10 11 to higher temperatures and have limited adaptability to 12 variations in temperatures. 13 Four, the sources of information listed in Table 1 of 14 Exhibit Delta Wetlands 16 do not support many of the effects 15 on salmon and the temperature ranges listed. 16 Five, contrary to testimony provided by Vogel and 17 Marine and Delta Wetlands Exhibit 16, studies have shown 18 that the magnitude of acute temperature change tolerated by 19 chinook salmon without significant mortality begins at a 20 much lower temperature than 18 degrees Fahrenheit. 21 Furthermore, the magnitude of acute temperature change 22 resulting in sublethal metabolic stress or behavioral 23 deficit of chinook salmon begins at a much lower temperature 24 than 16 degrees Fahrenheit. 25 Finally, the references, Brett 1952 and Banks, et al. 0163 1971 and Brett, et al. 1982 cited by Vogel and Marine in 01 02 their testimony and Delta Wetlands Exhibit 16 on Page 19, do 03 not provide a basis for their statement that juvenile 04 chinook salmon fed maximal food ration demonstrate an optimal temperature for growth at about 67, 68 degrees 05 06 Fahrenheit. 07 MS. MURRAY: Does that conclude your summary? 08 DR. RICH: Yes, it does. MS. MURRAY: That concludes our rebuttal testimony. 09 HEARING OFFICER STUBCHAER: Thank you very much. 10 11 You saw no one else who wished to present rebuttal 12 testimony, so that will conclude the rebuttal testimony. 13 We've heard the offers of Delta Wetlands and Contra 14 Costa Water District to make Mr. Forkel, and then 15 subsequently Mr. Denton, available for cross-examination 16 today, just their portion of the rebuttal testimony. 17 How many parties wish to cross-examine Mr. Forkel? 18 Three. 19 How many wish to cross-examine Mr. Denton? 20 One. 21 Okay. Delta Wetlands, do you want to bring Mr. Forkel 22 up to the witness table? 23 Mr. Nomellini. 24 ---000---

25 // 0164 01 REBUTTAL CROSS-EXAMINATION OF DELTA WETLANDS PROPERTIES 02 BY CENTRAL DELTA WATER AGENCY BY MR. NOMELLINI 03 04 MR. NOMELLINI: Dante John Nomellini for Central Delta 05 Water Agency parties. 06 Mr. Forkel, with regard to the yield of this project, 07 what effect on yield would there be if your water level was 08 dropped form plus six to plus four? 09 MR. FORKEL: That would reduce the reservoir capacity 10 by approximately 20,000 acre-feet. So it would reduce our 11 average annual yield. I don't know how much. 12 MR. NOMELLINI: Would it be in the neighborhood --13 would it drop you below that magic 154,000 that the Kemper 14 money guy was concerned about? 15 MR. FORKEL: There is a lot of things that are going to 16 change, or possibly change our yield. And we heard from 17 CCWD some things that are going to drop it. We heard from 18 Fish and Game some things that are going to race it. So, 19 this is one of the items that goes in the mix. So we would 20 have to qualitatively consider that. 21 MR. NOMELLINI: But it would drop you below 154? 22 MR. FORKEL: That particular one might drop it below 23 154. 24 MR. NOMELLINI: Does that mean that the Kemper people 25 then get out of this project? 0165 01 MR. FORKEL: I think what you have to do is look at all 02 of the measures from the final permit terms and conditions. 03 And there are going to be certain ones that are going to 04 drop us down and there are going to be certain ones that 05 raise us up. So, what we have included in the 154 was a 06 risk evaluation associated with whether or not we could 07 store it at plus six or plus four. 08 MR. NOMELLINI: So there are other factors that will 09 raise the yield above the 154; is that you are saying? 10 MR. FORKEL: Yes. 11 MR. NOMELLINI: What are those factors? 12 MR. FORKEL: There is at least a dozen of them. They 13 have been analyzed in the EIR. Primarily, probably one of the more important ones, for example, is daily operations. 14 15 Some of the monthly modeling smooths out some of the daily 16 operations. And that would allow the project to operate a 17 little bit more often. 18 MR. NOMELLINI: That is going to be analyzed later 19 somehow? 20 MR. FORKEL: I think that once we have our final terms 21 and conditions, we are going to do our analysis. I assume 22 there will be a final EIR that will be look at the final 23 terms and conditions. 24 MR. NOMELLINI: With regard to the -- guess that is an 25 important determination for you to see if the project is 0166 01 feasible? 02 MR. FORKEL: That's correct. 03 MR. NOMELLINI: It is also important to us to know

04 whether it's feasible enough for you guys to go forward to 05 do the things that you say are going to do. 06 If the Board set forth trial criteria, for example, 07 that they would include in a permit, but not issue a permit, 08 would that allow you to develop this position as to the 09 feasibility? MR. FORKEL: I'm sorry, what is that again? 10 11 MR. NOMELLINI: If the Board withheld granting a 12 permit, but specified proposed conditions that would define 13 what you have to operate with, as conditions on the permit. 14 You need to know that in order to further evaluate the 15 feasibility, right? 16 MR. FORKEL: Right. 17 MR. NOMELLINI: You can do that without having a 18 permit, as long as you know what the conditions are going to 19 be, correct? 20 MR. FORKEL: Assuming we know what the terms and 21 conditions would be, yes. 22 MR. NOMELLINI: Last question. With regard to Kemper, 23 and I missed the other names, the people with the money, are 24 they prepared to finance these improvements without third 25 party financing? 0167 MR. FORKEL: I am here to talk about operations. 01 02 MR. NOMELLINI: You are not --03 MR. FORKEL: I am not the right person. 04 MR. NOMELLINI: Thank you. 05 HEARING OFFICER STUBCHAER: Thank you, Mr. Nomellini. 06 Mr. Maddow. 07 MR. MADDOW: Thank you. 80 ---000---REBUTTAL CROSS-EXAMINATION OF DELTA WETLANDS PROPERTIES 09 10 BY CONTRA COSTA WATER DISTRICT 11 BY MR. MADDOW 12 MR. MADDOW: Afternoon, Mr. Forkel. It's been a long 13 Try to keep this brief. time. 14 This morning you testified about replacement of 15 evaporation losses. I just wanted to be sure that I 16 understood your testimony. 17 Did I hear you say that during wetter periods you 18 anticipated use of the new rights which you have applied 19 for, for water to replace evaporation losses? MR. FORKEL: Yes. That is correct. When the reservoir 20 islands are full, during wetter periods, there is still 21 22 often some surplus water available as you go into the 23 summer. And the modeling that has been done and our project 24 Final Operations Criteria includes the ability to divert 25 some of that water to replace evaporative losses. 0168 01 MR. MADDOW: As I understand it, there are some periods 02 of time when you would be using other rights as the source 03 of water for replacement of the evaporation; is that correct? 04 MR. FORKEL: In the current modeling we have done for 05 yield, 154, there wasn't a quantitative analysis of that. 06 In the DW-4, I believe, Jones & Stokes looked at that and 07 came up with a qualitative approach and felt there was some 08 additional water there, but we are not including it in the

09 154 yield. 10 MR. MADDOW: You testified this morning that the 11 environmental storage element, I think I have the term 12 right, environmental water storage element, perhaps is the 13 way you said it, of the Fish and Game Biological Opinion, 14 would amount to what you characterize as a taking of the 15 Delta Wetlands' property. 16 Is it your contention that the Delta Wetlands currently 17 has property which could be taken in the means which you 18 described? Do you currently have a water right which could 19 be taken by means of imposition of that kind of regulatory 20 action? Is that what you were suggesting? 21 MR. FORKEL: What I was suggesting was that the 22 environmental storage that is included in the Fish and Game 23 is different than the one that is included in the federal 24 opinions in the Final Operations Criteria, which dedicates a 25 percentage of the water that we are discharging for export 0169 01 as available to be exported. So they limit how much of the 02 water is available to be exported. Just like a diversion 03 side there is surplus water, and the limit what is available 04 for us to take. 05 The Fish and Game proposal takes a percentage of water 06 that we have diverted onto the island and that is what I was 07 determining as a take. 08 MR. MADDOW: So the sequence for such a taking to occur 09 would have to be that a permit is issued based upon the 10 federal limitations, and then the Department of Fish and 11 Game proposed limitations would be imposed on top of that. 12 Is that what you are saying? 13 MS. SCHNEIDER: Mr. Stubchaer, I think there is some 14 line here between asking for legal opinion and asking for 15 clarification. If he would be careful not to ask a legal 16 opinion of Mr. Forkel. 17 MR. MADDOW: I appreciate that admonition by counsel. 18 I was really only trying to get clarification of his 19 testimony this morning, Mr. Stubchaer. HEARING OFFICER STUBCHAER: And as usual, we ask a 20 21 witness only to answer if they can, to the best of their 22 ability, and, if they can't, they can say so. 23 MR. MADDOW: Perhaps I can cut through by asking a 24 question that maybe gets right at it. 25 Is it your contention that if the water right was 0170 01 issued by the Board and then in some way the Department of 02 Fish and Game limitation was applied, that a taking would 03 occur? 04 MR. FORKEL: The way I understand it, as I testified to 05 this morning, was that the Fish and Game criteria requires 06 Delta Wetlands to give them a certain percentage of the 07 water that we have diverted. And that is what I interpreted 08 as a taking, and, beyond that, I think it calls for a legal 09 opinion. 10 MR. MADDOW: Fine. Thank you. 11 You just had a little dialogue with Mr. Nomellini 12 concerning limitations that could affect yield. 13 Is it your understanding that the fall midwater trawl

14 index could also constitute a limitation on the diversions 15 as described in the Delta OCAP? 16 MR. FORKEL: Yes. That is certainly one measure that 17 would affect our yield. 18 MR. MADDOW: In determining that the project could 19 yield 154,000 acre-feet, was the fall midwater trawl index 20 modeled, Mr. Forkel? MR. FORKEL: 21 The fall midwinter trawl index was not 22 included in the calculation that led to 154. 23 MR. MADDOW: So, if you were to apply the limitations 24 when the fall midwater trawl index is below 239, then the 25 analysis leading to the 154,000 acre-foot yield would no 0171 01 longer be accurate; is that correct? 02 MR. FORKEL: No. I think the 154 number is the index 03 that we have been using. And there are lots of different measures, and we are focusing on that number because we can 04 05 easily quantify that. There are lots of unquantifiable 06 measures. You have identified clearly one that is going to 07 cut our yield, and there are others that go both ways. 08 MR. MADDOW: I understand. You testified this morning that you have had conversations, that Delta Wetlands has had 09 10 conversations with potential buyers, and you talked about 11 your marketing program. I went back and looked at my notes. 12 I was a little unclear whether you were talking about 13 potential buyers of the water or potential buyers of the 14 project. Can you tell which you were referring to? 15 16 MR. FORKEL: I would say both. We've talked to 17 potential buyers about buying the water, and there are 18 certain people that might be interested in the water or 19 might be interested in the project. So, our discussions 20 have gone both ways. 21 MR. MADDOW: Are you in a position to tell us who some 22 of those potential buyers are? 23 MR. FORKEL: No, not really at this time. MR. MADDOW: Can you tell us the price for per 24 25 acre-foot for the water sales that have been discussed? 0172 01 MR. FORKEL: There is a great deal of variability at 02 this time in the process. And the best I could come up initially when cross-examined on this, is to go back to some 03 initial marketing studies where I, if I remember correctly, 04 05 I said it's in the ballpark of 2 to \$300 an acre-foot. We 06 don't know what our yield is; we don't know what costs are. 07 We don't know when we get our permit. All of these things 08 tie into the cost of the water. So I can't be anymore 09 accurate than that. 10 MR. MADDOW: You testified this morning that one of the 11 potential project killers that you had heard about during 12 the earlier phases of the proceeding was the CUWA discharge 13 term; is that correct? 14 MR. FORKEL: Yes. 15 MR. MADDOW: Would you agree that if Delta Wetlands 16 operate in a manner in which it discharges in the months of 17 July, August, and September, that in that period of time 18 with the discharge of water from the Delta Wetlands'

19 reservoir islands would increase TOC in the Delta channel? MR. FORKEL: No, I would not. I think you would have 20 21 to look at the modeling and you would have to compare 22 it. There are certainly years when we don't operate at 23 all, and we have no discharges. And in lieu of having 24 20,000 acres of ag discharges coming out during that period 25 of time, there would be a benefit. We have reviewed or we 0173 01 have provided testimony, our experts have, that showed there 02 is some potential for increases during our discharge. But 03 we were looking at running quarterly averages. You know, if 04 you have 11 months of benefit and one month of impact, you 05 need to look at the whole picture. 06 MR. MADDOW: During that one month that you just stated 07 or perhaps for the entire three months that I referred to, 80 there would be or at least could be, as you stated, TOC 09 increased in the Delta channel when Delta Wetlands is 10 discharging. Is that your testimony? 11 MR. FORKEL: I would say it is possible. 12 MR. MADDOW: You are suggesting to the Board, that if 13 there are such increases, that they should, Board should, in 14 public interest, permit those increases in TOC to occur 15 because, if you take an annual average view or a longer 16 average view, things are going to be the same or a little 17 bit better. Is that correct? 18 MR. FORKEL: I think what the analysis has shown, the 19 Draft EIR in testimony, is that there does not appear to be 20 a change. And we've reviewed the data and it appears to be 21 on an average annual basis a net benefit. In the mitigation 22 measures that have been proposed in the EIR actually address 23 the individual month discharge, and they've suggested a 24 mitigation measure to assure that during this period of time 25 there are no significant impacts associated with the loading 0174 01 of DOC. 02 MR. MADDOW: You've heard enough of the testimony --03 you've heard all of the testimony, so, therefore, I am sure 04 you are aware that there is some controversy about those 05 issues, Mr. Forkel, and just acknowledging there is such 06 controversy for a moment, I want to be sure that I 07 understand the approach that Delta Wetlands is making to 08 this Board. 09 Is it your testimony that the economic feasibility 10 issues are matters that should override consideration of the 11 water quality issues, the fisheries impact issues, et 12 cetera, that have been raised by protestors. 13 MR. FORKEL: I certainly can't say which one should 14 rule out. I am just saying that from an operational 15 standpoint and project feasibility, if the measure has a 16 zero tolerance allowed during the period that we discharge 17 and it ignores the net impact associated with the project, 18 either on a monthly or annual basis, the project viewed in 19 that very limited context just won't work with those terms 20 and conditions. 21 MR. MADDOW: Trying to get at it from a slightly 22 different perspective. I was going to ask you pull back 23 from the individual trees and look at the forest for just a

24 moment, Mr. Forkel. 25 Protestants to Delta Wetlands' applications have 0175 01 suggested that the water quality impacts are adverse. And 02 if we presume for the moment that the Board in its 03 deliberations at the conclusion of this hearing should 04 concur with the protestants, are you suggesting that the 05 potential economic and water supply benefits of the project, 06 as you have proposed it, should override those water quality 07 issues? 08 MR. FORKEL: Kind of lost you there. Give me the 09 question again. 10 MR. MADDOW: If the Board, in its deliberations at the 11 conclusion of the hearing, agrees with the protestants 12 insofar as they have asserted there are adverse water quality impacts that would result if the project goes 13 forward, if you accept that as my hypothesis for the moment, 14 15 then is Delta Wetlands suggesting that the potential for 16 water supply benefits of the project and the economic 17 benefits from the project would override those adverse water 18 quality impacts? 19 HEARING OFFICER STUBCHAER: Ms. Brenner. 20 MS. BRENNER: Mr. Stubchaer, I would just like to raise 21 an objection. One, the question has been asked and 22 answered. The witness attempted to answer this particular 23 question already. I believe he has given his best answer, 24 and I also believe Mr. Maddow, once again, is entering into 25 what I consider a legal issue in this particular instance. 0176 01 MR. MADDOW: May I respond? 02 HEARING OFFICER STUBCHAER: Yes. 03 MR. MADDOW: You have a CEQA matter before you. 04 Overriding considerations which is one of the issues that 05 the Board will have to deal with ultimately, could have to 06 deal with ultimately in that regard. And we have been trying to understand the Delta Wetlands' presentation with 07 08 regard to that particular CEQA issue. And I was trying to understand from the operational considerations that Mr. 09 10 Forkel has testified about in his rebuttal testimony, 11 whether the economic interests that he talked about when he 12 was describing the marketing plan, et cetera, are 13 sufficient, in his opinion, to override the water quality 14 impacts that we have talked about throughout the balance of 15 the proceeding. 16 HEARING OFFICER STUBCHAER: As I recall your question, you did not say significant impacts; you just asked for 17 18 impacts. So from a CEQA point of view, I think that makes a 19 big difference. 20 MR. MADDOW: I did not use the word "significant." I 21 agree. I can rephrase the question to include it. 22 HEARING OFFICER STUBCHAER: Mr. Forkel, can you answer 23 the question? 2.4 MR. FORKEL: In my review, as a engineer, of the Draft 25 Environmental Impact Report, it says that there is no 0177 01 unmitigable significant impacts associated with water 02 quality. So, I would have to rely on that instead of your

03 hypothetical. 04 So, I mean, to me there is not a significant impact. 05 So, I guess, I don't I feel comfortable going beyond that in 06 answering the hypothetical question. 07 MR. MADDOW: That is fair. That is all I have, Mr. 08 Forkel, thank you very much. 09 HEARING OFFICER STUBCHAER: I don't remember who is 10 third. There were only three who raised their hands before. 11 You want to also? 12 MS. MURRAY: We were just sitting down. In confusion I 13 didn't realize that Mr. Forkel was going to be up 14 there. 15 HEARING OFFICER STUBCHAER: Ms. Crothers. 16 -----17 REBUTTAL CROSS-EXAMINATION OF DELTA WETLANDS PROPERTIES 18 BY DEPARTMENT OF WATER RESOURCES 19 BY MS. CROTHERS 20 MS. CROTHERS: This is kind of a follow-up on Mr. 21 Maddow asked a similar question. I just wanted to clarify a 22 bit further in terms of the topping off that is proposed and 23 that you were discussing the modeling that went into in 24 determining your yield. For purposes of the topping off 25 water, is it correct that you have already included in the 0178 01 modeling the topping off under the use of the water that you 02 you will obtain through new appropriative rights? 03 MR. FORKEL: Yes. There is a portion of the time when 04 we top off our reservoirs with water that is available in 05 the Delta and is still in surplus condition as we get into 06 June and July and into the summer. 07 There is a portion of topping off using new 08 appropriative rights within the 154 yield that we discussed. 09 MS. CROTHERS: In the OCAP you've stated that topping 10 off would be used with prior existing water rights. Why is that described that way in the OCAP? 11 MR. FORKEL: There is two issues here. The first is 12 13 just regular replacement of evaporative losses that will 14 occur at any time. If we fill the reservoirs in December, 15 there is going be evaporation that is going to occur. If it 16 is a wet year, we can continue to have some diversions on the reservoir throughout the rest of the year until it is 17 18 time to export that water or the Delta goes into balanced 19 condition and there is no lounger water available. 20 So, that is what has been modeled. Separate and apart 21 from that, we have had a measure that was -- that came up 22 through our ESA, CESA consultation that was an attempt to 23 recover some additional topping off water later in the year. 24 And what we identified was the only value from topping off 25 associated with this water would be when the Delta was no 0179 01 longer in balanced conditions -- I mean, no longer in excess 02 conditions. Otherwise, we have already included in our 03 modeling. 04 So the only way we felt that it would be possible to 05 put water on the reservoirs during this time was with our 06 existing rights. And it hasn't been modeled yet, and I am 07 not a water rights attorney and I can't make a decision on

08 whether we can or cannot do that. But we have looked at, 09 and previously included the other replacement of evaporative 10 losses. 11 MS. CROTHERS: If there were times in the summer when 12 the Delta was in excess conditions, then you would just use 13 your new appropriative rights for topping off? 14 MR. FORKEL: Yeah, that's right. For example, last 15 year I don't know if the Delta ever went into balanced 16 conditions. I believe it was in excess the whole year. And 17 we wouldn't have been able to have a demand for our water, a 18 likely demand. So we would use our new appropriative right 19 to continue to replace evaporative losses. 20 MS. CROTHERS: So the yield estimates aren't dependent 21 on using your old water rights for making up this 22 evaporative losses? MR. FORKEL: The 154 number doesn't include it, but it 23 24 goes in the things on either side that could affect that 25 index number, 154. So, Fish and Game feels that that is 0180 01 some additional water that the project could have, and there 02 are other things that could be minuses, but it is not in the 03 154. 04 MS. CROTHERS: Thank you. 05 HEARING OFFICER STUBCHAER: I want to ask a question. 06 Ms. Brenner, how extensive is your cross-examination of 07 Mr. Denton? 08 MS. BRENNER: I am not sure yet. 09 HEARING OFFICER STUBCHAER: That isn't helping me 10 decide whether we should have a break or not. MS. BRENNER: I would like a break. 11 12 HEARING OFFICER STUBCHAER: We will take our afternoon 13 break. 14 MR. ROBERTS: Mr. Stubchaer, one more thing. 15 Apparently Dr. Losee has vacation plans for August 19th and 16 20th. Couple options. He is here today, could be cross-examined. Another is Dr. Shum was a co-author of CUWA 17 18 Exhibit 14, and he would be available on those dates. HEARING OFFICER STUBCHAER: I think we will try -- you 19 20 wish to cross-examine him? 21 MS. BRENNER: You know, I went into this day with the 22 idea that there was only a couple people I had to worry 23 about with regard to cross-examining. I have no idea. MR. ROBERTS: Again, Dr. Shum was co-author of CUWA 14, 24 25 and he will been available for cross-examination on the 19th 0181 01 and 20th. HEARING OFFICER STUBCHAER: We will think about it 02 03 over the break. It is true that it doesn't give 04 preparation. We thought we had worked out two and now we 05 have three. 06 We will discuss it after the break. 07 (Break taken.) 08 HEARING OFFICER STUBCHAER: We will reconvene the 09 hearing. 10 I would like to discuss Dr. Losee's situation. You 11 mentioned, Mr. Roberts, that you have a co-author of the 12 exhibit. However, it appears to be me, just by listening to

13 the testimony, that one of the authors is an expert on how 14 the organics get into the water and the events that happened 15 in the flooded island. The other expert is more on the 16 treatment and the cost and the impacts and things like that. 17 And so having just one available for cross-examination 18 really appears to be not complete. 19 MR. ROBERTS: Mr. Stubchaer, are you thinking of Mr. 20 Krasner as the expert on the treatment and the cause? 21 HEARING OFFICER STUBCHAER: No. 22 MR. ROBERTS: Dr. Shum would be the co-author. 23 HEARING OFFICER STUBCHAER: I may have it mixed up 24 then. I thought --25 MR. ROBERTS: I believe --0182 01 HEARING OFFICER STUBCHAER: You had Mr. Krasner and Dr. 02 Losee. Dr. Losee is the one with the problem? 03 MR. ROBERTS: On this particular exhibit, though, Mr. 04 Shum helped prepare it. He wasn't on the panel this 05 morning. He helped prepare it. He could answer any 06 questions involved in the three points raised in that 07 Exhibit 14. 08 HEARING OFFICER STUBCHAER: Ms. Brenner, do you have 09 any comments? 10 MS. BRENNER: I consider Dr. Losee and Dr. Shum's 11 expertise a little bit different. You know, I would like 12 the opportunity to cross-examine Dr. Losee, if that is what 13 the Delta Wetlands' team decides to do. I am not in a 14 position to waive that right at this time, without having 15 the opportunity to review his rebuttal testimony and giving 16 it some thought. 17 I just came in today with the idea of cross-examining 18 one particular person and was not focussed on rebuttal 19 testimony of Dr. Losee this afternoon or this morning. I am 20 not in a position to waive that. I would be in position to 21 discuss it at a future date, perhaps next week, after I have 22 had an opportunity to discuss it with my experts. My 23 experts weren't here today to listen to Dr. Losee's 24 testimony. I just consider Dr. Shum and Dr. Losee to have 25 different expertise. 0183 HEARING OFFICER STUBCHAER: You knew that he was going 01 02 to testify today? 03 MS. BRENNER: We were in a position, but we would not 04 be cross-examining until the 19th, and we would have the 05 transcript to be discussed with my experts prior to my 06 opportunity to cross. 07 HEARING OFFICER STUBCHAER: That I understand. 80 MR. ROBERTS: Dr. Losee is available --09 HEARING OFFICER STUBCHAER: Excuse me, just a minute. 10 You said you could discuss it next week; what do you 11 mean by discuss it next week? 12 MS. BRENNER: I haven't made a final decision whether I 13 need to cross-examine him on his rebuttal testimony. I am 14 willing to try make that decision sometime before the 19th. 15 But without discussing his rebuttal testimony with my 16 experts and other people, I am not going to make the 17 decision whether I want to cross-examine him or not.

18 HEARING OFFICER STUBCHAER: So the discussion is with 19 your experts? 20 MS. BRENNER: Right. 21 MR. ROBERTS: Dr. Losee is a limnologist, but in this 22 particular exhibit there really was no limnology involved. 23 It was basically hydrology, which K. T. Shum would be 24 perfectly able to testify to. 25 MS. BRENNER: Mr. Stubchaer, I am willing to try and 0184 01 make an agreement, but prior to when Dr. Losee needs to 02 leave, as to whether Dr. Shum can answer all the questions I 03 may have, but I am not willing to make that decision today. 04 HEARING OFFICER STUBCHAER: I understand. I don't know 05 where that leaves Dr. Losee. 06 MS. BRENNER: I don't know when he needs to leave. 07 DR. LOSEE: The sooner I could have the information, 80 the better. The 14th is when I would be leaving. 09 MS. BRENNER: I am sure we can discuss the issue prior 10 to 14th, and I am willing to try to accommodate his vacation 11 schedule, just as I was willing to accommodate Dr. Denton's 12 vacation schedule. I am not trying to be unreasonable. I 13 am just trying to retain what I perceive are very important 14 rights in this particular hearing. HEARING OFFICER STUBCHAER: Time out. 15 16 (Discussion held off record.) 17 HEARING OFFICER STUBCHAER: Back on the record. 18 Ms. Leidigh just suggested a possible solution. That 19 is a deposition. 20 MS. BRENNER: Sure. MR. ROBERTS: That would be acceptable if they think 21 22 they need to question Dr. Losee and Dr. Shum doesn't fit the 23 bill. 24 HEARING OFFICER STUBCHAER: We will just add it to the 25 record. Sure. 0185 01 MR. ROBERTS: Thank you. 02 HEARING OFFICER STUBCHAER: Thank you, Ms. Leidigh. 03 HEARING OFFICER STUBCHAER: Now, Ms. Murray. 04 ---000---05 REBUTTAL CROSS-EXAMINATION OF DELTA WETLANDS PROPERTIES 06 BY DEPARTMENT OF FISH AND GAME 07 BY MS. MURRAY 08 MS. MURRAY: I want to -- for the record, this is 09 Nancee Murray for the Department of Fish and Game. 10 I want to follow up on DWR's questioning about the 11 evaporative loss modeling. 12 If I understand you correctly, you testified that you 13 modeled some of evaporative losses, but not all; is that 14 correct? 15 MR. FORKEL: What I said was the modeling that was done 16 by Jones & Stokes included the replacement of evaporative 17 losses during periods of time when the Delta was in surplus 18 condition and there was water available. And that was 19 throughout the year, including some of the summer months. 20 MS. MURRAY: How do you explain Delta Wetlands Exhibit 21 4, a letter to Jim Munroe, December 20, 1996, Page 3? And I 22 will read it.

DW diversions to offset the reservoir 23 24 evaporative losses in June through October 25 are not simulated. (Reading.) 0186 01 I'm confused. Please explain that discrepancy. 02 MR. FORKEL: Could I review a copy of it? Page 4? 03 MS. MURRAY: Page 3, third bullet, first sentence. 04 MR. FORKEL: I guess I would have to direct you to 05 Table 2A. 06 MS. MURRAY: What exhibit? 07 MR. FORKEL: DW-4. 08 MR. NELSON: Can I clarify the record? I believe Ms. 09 Murray said this was a Delta Wetlands' letter. It is a 10 letter from Jones & Stokes Associates to Jim Munroe, not a 11 letter from Delta Wetlands to Mr. Munroe. HEARING OFFICER STUBCHAER: You agree with that 12 13 clarification? 14 MS. MURRAY: Yes. 15 MR. FORKEL: Table 2A, it's almost at the end. If you 16 look at the July column, it shows diversions to storage and 17 there is a bunch of 65s, at 65 cfs. That shows that there 18 are some diversions, and they are to replace evaporative losses. I didn't write this letter. You may want to talk 19 20 to or cross-examine Jones & Stokes on it, to explain that 21 particular bullet. But the way I interpret it, the model results in Table 22 23 2B, I think that is what the results are looking at. I am 24 sorry, 2A. There are certainly some diversions during the 25 summer months, as well as the spring months, that replace 0187 01 water that evaporates on the reservoir. 02 MS. MURRAY: To your knowledge, is it your 03 understanding that those were included in Jones & Stokes' 04 model despite -- what is your understanding of those 05 diversions? 06 MR. FORKEL: I think I explained that. When I interpreted the model, that there was some replacement as 07 evaporative losses when there was surplus water available. 08 09 MS. MURRAY: You testified that yield effects and DFG 10 measures were modeled to show reduction in yield from 154 to 11 106. 12 Do you recall that? 13 MR. FORKEL: Yes. 14 MS. MURRAY: Was this change a result of the RPM's only? 15 MR. FORKEL: I was going from the work Jones & Stokes 16 did that is in DW-5, and it included the measures that were 17 being proposed for the March 25th memo, and it included the 18 RPM's and ACMs that are in your current document. MS. MURRAY: In effect, that change from 154 to 106 19 20 would be a result of not just the RPMs, but also the ACMs? 21 MR. FORKEL: Yes, that's right. 22 MS. MURRAY: You also testified that a 15-day window 23 for diversion limitation is a powerful tool. 24 Hypothetically, for the month of February what would happen 25 if you used up your 15 days, what would happen during the 0188 01 rest of the month?

02 MR. FORKEL: The way that the Delta Wetlands Project 03 fills is a function of the head differential between 04 channels and the reservoir islands. So, our capacity to 05 divert water reduces throughout the month as the reservoir 06 becomes full. So during the first week or two, we have much 07 greater capacity. And if we can fill in three or four weeks 08 and the measures were applied for the first two weeks and 09 there are no more days available, then you would not have 10 the ability to limit based upon San Joaquin River flows. 11 However, you would also be at the tail end of our 12 filling process, when those flows would be very low anyway, 13 and you may not need to have a limitation at that time. 14 MS. MURRAY: And that your final operations could also 15 allow for fills in March? Again, you are not at the end, 16 you still have another month to go? MR. FORKEL: I am assuming that we can still fill in 17 18 approximately a month, so we can't fill once we are full. 19 So at the end of the fill period, there may be some certain 20 amount of days when that protection is no longer available. 21 But whether they start --22 MS. MURRAY: If you have a 30-day period and you apply 23 them for 15, is there 15 days --24 MR. FORKEL: It is about half the time. 25 MS. MURRAY: You testified that a contract was needed 0189 01 to ensure environmental water releases are not exported, 02 and that that would be difficult to obtain. 03 You recall that? 04 MR. FORKEL: That is what I said, yes. MS. MURRAY: Isn't it true that Water Code Section 1707 05 06 also would allow you to dedicate releases to the 07 environment? Are you aware? 08 MR. NELSON: Mr. Stubchaer, I would object to this. 09 She is asking a purely legal question that Mr. Forkel is not 10 a water attorney and that is something to be briefed. MS. MURRAY: I can reformulate the question. 11 12 HEARING OFFICER STUBCHAER: Please do. 13 MS. MURRAY: Are you aware of any Water Code provisions 14 that allow for dedication? 15 MR. NELSON: That is asking whether he is aware of the 16 Water Code, and, again, it is a legal question. 17 HEARING OFFICER STUBCHAER: He can answer if he is 18 aware. 19 MR. FORKEL: I am not specifically aware of the terms 20 and conditions of that code, but I do know that there are 21 codes that exist that are associated with environmental 22 waters. 23 MS. MURRAY: Is it your understanding that DF&G is 24 asking the Board to require a portion of storage water to be 25 discharged to environmental benefits, environmental storage 0190 01 provision? 02 MR. FORKEL: I missed the first part of the question. 03 MS. MURRAY: Is it your understanding that we are 04 asking the Board to require Delta Wetlands to discharge 05 water for environmental benefits? 06 MR. FORKEL: Yes.

07 MS. MURRAY: To the best of your knowledge, does the 08 Board have the authority to condition Delta Wetlands' water 09 rights for releases for environmental benefits, to the best 10 of your knowledge? 11 MR. NELSON: Mr. Stubchaer. 12 HEARING OFFICER STUBCHAER: Where is that in the 13 rebuttal testimony? 14 MS. MURRAY: His statements regarding the 15 environmental water, the taking portion. 16 HEARING OFFICER STUBCHAER: Mr. Nelson. 17 MR. NELSON: He simply referred to and talked about 18 the footnotes addressing the environmental water, and he 19 addressed the fact that Fish and Game's request for up to 20 20 percent of Delta Wetlands Project, in his opinion, is a 21 take. That has nothing to do with whether or not the Board 22 has the authority to impose a term in, and Mr. Forkel did 23 not even address the Board's authority with respect to the 24 environmental water condition. 25 HEARING OFFICER STUBCHAER: Restate the question. 0191 01 MS. MURRAY: The implication was that the Board does 02 not have the authority to require this. 03 HEARING OFFICER STUBCHAER: Will you please restate the 04 question, so I can make my ruling? 05 MS. MURRAY: Is it your understanding that the Board 06 does not have the authority to require environmental water 07 releases? 80 HEARING OFFICER STUBCHAER: I will permit the witness 09 to answer if he knows the answer. 10 MR. FORKEL: I don't know. I don't know what they are 11 able to do or not able to do. 12 MS. MURRAY: What in the Final Operations Criteria 13 protects discharges of environmental water from being 14 exported? 15 MR. FORKEL: I am sorry, what? MS. MURRAY: What provision in the Final Operations 16 17 Criteria protects environmental water now under federal 18 Biological Opinions from being exported? 19 MR. FORKEL: There is nothing that protects the 20 environmental water in the current final operations criteria from being exported, other than the fact that the 21 22 fishery agencies can use that water as they see fit and 23 coordinate it with other efforts. 24 I don't believe that it is a problem. If it is well 25 coordinated, you could coordinate with the pulse flow. You 0192 01 could easily release this water. 02 My concern was that you are requiring us to make a contractual guarantee for your discharges when they are at 03 04 your complete discretion. 05 MS. MURRAY: No further questions. 06 HEARING OFFICER STUBCHAER: Okay. I believe that was 07 the last party who wished to cross-examine Mr. Forkel. 80 Anyone else? 09 Staff? Mr. Sutton. 10 ---000---11 REBUTTAL CROSS-EXAMINATION OF DELTA WETLANDS PROPERTIES

12 BY STAFF 13 MR. SUTTON: Mr. Forkel, just to follow up on that last 14 question in terms of whether or not the environmental water 15 would be exported or prohibited from being exported through some sort of contractual arrangement. 16 17 Would this possibly -- would this provision of no 18 export of environmental water possibly be a contract term or 19 condition between Delta Wetlands and the purchaser of the 20 water? MR. FORKEL: That would be one way to handle it. 21 22 MR. SUTTON: Thank you. 23 HEARING OFFICER STUBCHAER: Any other staff questions? 24 Thank you, Mr. Forkel. 25 Dr. Denton, Contra Costa Water District, and Ms. 0193 01 Brenner. 02 MR. MADDOW: Mr. Stubchaer, Dr. Shum is coming up, not 03 for the purpose of cross-examination, but in the event that 04 reference to overhead is necessary. It would be convenient 05 for him to do that. 06 Second, I would just like to note for the record that 07 during the break Ms. Leidigh showed me where there was a 08 copy machine which could be used. We've made copies and 09 distributed them of CCWD Exhibit 11, which was introduced 10 during Dr. Shum's rebuttal testimony. 11 HEARING OFFICER STUBCHAER: Thank you. 12 MR. MADDOW: Ms. Brenner, if you don't mind, I would 13 like to sit here during the cross, please. I will not be 14 distracting. 15 HEARING OFFICER STUBCHAER: As long as you don't coach 16 the witness. 17 MR. MADDOW: Believe me, I wouldn't even try. 18 ---000---19 REBUTTAL CROSS-EXAMINATION OF CONTRA COSTA WATER DISTRICT 20 BY DELTA WETLANDS PROPERTIES 21 BY MS. BRENNER MS. BRENNER: Good afternoon, Dr. Denton. 22 23 DR. DENTON: Afternoon. MS. BRENNER: I want to go to your outflow idea that 24 25 you guys are assuming that the ag diversion, foregone ag 0194 01 diversion would never become outflow. Isn't it true that there is a number of scenarios which 02 03 could occur and you must consider in determining whether the 04 foregone ag diversions will become outflow or not? 05 DR. DENTON: That's true. 06 MS. BRENNER: If we go to those scenarios, if the Delta 07 is in excess conditions, is deemed to be in excess 08 conditions, wouldn't the benefits of a reduced ag diversions 09 go to outflow? 10 DR. DENTON: The reduced diversions would go to 11 outflow. There probably wouldn't be benefit because it is 12 already excess. 13 MS. BRENNER: Okay. 14 If the Delta is in balanced condition, the 15 export/inflow ratio controls, isn't it also true the 16 benefits of the reduced ag diversions would go to outflow?

DR. DENTON: Not necessarily. There maybe other --17 18 Contra Costa, for instance, could divert that water to Los 19 Vagueros. The only thing would be for inflow. 20 MS. BRENNER: If you're in balance? 21 MR. DENTON: Yes. We have the right to redivert CVP 22 water. There has to be an accounting of water. 23 MS. BRENNER: So, there has to be an accounting of 24 water, but there is a possibility that the foregone ag would 25 would be going to outflow? 0195 01 DR. DENTON: Yes. 02 MS. BRENNER: If the Delta was in balanced conditions 03 and the Delta outflow is controlling, that would be the one 04 instance where the foregone ag diversion would not go to 05 outflow? 06 DR. DENTON: The Delta outflow or the water quality 07 standards which could be converted into equivalent outflows. 80 MS. BRENNER: That is one scenario that you are talking 09 about? 10 DR. DENTON: That is one we focused in on, but there 11 might be others. MS. BRENNER: That is the one that is clear that there 12 13 would be the benefits of foregone ag diversion wouldn't 14 occur? 15 DR. DENTON: It might occur as a water supply benefit, 16 but not a water quality benefit. 17 MS. BRENNER: Would you describe the Fischer Delta 18 Model as a way to accurately predict salinity levels in the 19 Delta or as a comparative tool? 20 DR. DENTON: I think, as we testified earlier, it's 21 good for seawater intrusion modeling and for times when 22 agricultural drainage is not a major contributor. But 23 because of the crude way it has simulated, in terms of 24 spreading agricultural drainage over three areas only, if 25 you try to get down to individual island, you may have 0196 01 problems. We have actually calibrated it over, I think, a 20-year 02 03 period and got good agreement, basically, in times when 04 there is agricultural drainage. MS. BRENNER: It is useful are as a comparative tool. 05 06 Is it not? DR. DENTON: Yes. If it is -- as long as it is good in 07 80 the absolute, it should be good as a comparative, as well. MS. BRENNER: I would like to go to CCWD-7, Figure 1 09 10 that you have utilized in your rebuttal testimony today. 11 According to the CCWD G model estimate, what is the Rock 12 Slough chlorine if X2 is at Collinsville after X2 has been 13 higher or outflow has been higher, and the effect of outflow 14 is about 7,000 cfs? 15 We can put that figure up. 16 DR. DENTON: You are referring to just my looking at 17 the figure or want more general? 18 MS. BRENNER: If you look at the figure, I think you 19 can answer the question. 20 DR. DENTON: It could be as high -- you are talking 21 about Collinsville being 81 kilometers, and it could be as

22 high as 25, 26 --23 HEARING OFFICER STUBCHAER: Your voice trailed off. 24 DR. DENTON: I was looking at the maximum value at 81 25 kilometers. There is a value for, I think, 2.7 kilometers, 0197 01 represent a salinity intrusion impact of about 26 milligrams 02 per liter chloride. MS. BRENNER: What I am looking at is what would the 03 chloride level at Rock Slough be? 04 05 DR. DENTON: The actual absolute value? 06 MS. BRENNER: Right. 07 DR. DENTON: If we can put up --08 MS. BRENNER: It has your chloride levels on that. 09 DR. DENTON: We have that table there. If you look at 10 base, Table 1, CCWD Exhibit 7, the continuation on -- it is Page 10 of 13. If you look at that, the last three columns, 11 the first of those says that at the time maximum impact 12 13 occurs was down to 53 or 54 chlorides in the base case and 14 it rose to 80 chlorides. In the several months prior to 15 that, it was obviously higher, up to 156. 16 MS. BRENNER: That is if X2 is at Collinsville? DR. DENTON: Yes. 17 18 MS. BRENNER: What is the chloride estimate if X2 19 location is near Chipps Island, so the GI reach is about 20 12,000 cfs? 21 DR. DENTON: You can't derive that from this because 22 this is dynamic and it is changing, and it depends not just 23 on the instantaneous outflow at that particular time. 24 You are asking a similar question what is this state --25 MS. BRENNER: I am saying if X2 is stable, it's been 0198 01 there. 02 DR. DENTON: It has to be there for quite a long time 03 because the way a model accounts for it depends on not just 04 what the outflow history is, but how it gets translated all the way from -- what is the stream average at Rock Slough? 05 06 MS. BRENNER: What is your G average? 07 DR. DENTON: I can look at one number here. So if you 08 state the question again. 09 MS. BRENNER: The chloride estimate, what is the 10 chloride estimate if X2's location is near Chipps Island, so 11 the G average is about 12,000 cfs? DR. DENTON: So, you talked about 12,000. That would 12 13 be about 25, say, 25 chloride. 14 MS. BRENNER: If you understand, the scope of my 15 questions was is that the same type of answer you gave to 16 the first one where X2 is Collinsville, your G average is 17 about 7,000 cfs? 18 DR. DENTON: If X2 is at Collinsville, it is probably closer to 50, the chlorides. 19 20 MS. BRENNER: What is the chloride estimate if X2 is 21 located at kilometer 71? 2.2 DR. DENTON: 71? If it was steady state, then that 23 would be around, I guess, around 25, again. 24 MS. BRENNER: About 25. 25 What will the effect of the outflow be to maintain X2 0199

01 at that 71? 02 DR. DENTON: That was raised the last time I was 03 cross-examined. Depending on which equation you used, if 04 you used the Kimmerer-Monismith equation, it would be 25. 05 If you look at Table 1, there is a whole range of scenarios 06 because it isn't in a steady state system. You can look at 07 a whole range of scenarios, depending whether it was higher 08 or lower previously, things like that. MS. BRENNER: In Figure 1, why wasn't the no-project in 09 10 Delta Wetlands' operations chloride level shown? 11 DR. DENTON: Because we were looking at impacts of the 12 Delta Wetlands Project on chlorides at Rock Slough, so we 13 were just showing the changes. We could have done the 14 percentage changes, for instance. Here we are just on the 15 absolute changes. MS. BRENNER: Just absolute changes from base? 16 17 DR. DENTON: Whatever the base condition was at that 18 time. 19 MS. BRENNER: To the project condition? 20 DR. DENTON: Change in Rock Slough chloride from the 21 base case to the with-project. 22 MS. BRENNER: Isn't the effect of the change in 23 chloride somewhat dependent on the actual chloride 24 concentration of the no-project condition? 25 DR. DENTON: It's, yes, dependent on a lot of factors, 0200 01 including that. Remember that these data are really a 02 replotting of Figure 1 of my original CCWD Exhibit 4, which 03 did, in fact, show both the base case and the Rock Slough 04 chloride axis Y-X or scattered plot. You can get that 05 information from there. 06 MS. BRENNER: Did you consider a 5 milligrams per liter 07 change to be significant? 08 DR. DENTON: As we testified earlier, in terms of the 09 Los Vaqueros modeling, there was a lot to do with the EIR. 10 We were concerned that modeling some of the models were not 11 able to model accurately below that. So any number below that we considered additional 12 13 significance, and anything above that we looked at again. 14 MS. BRENNER: So, 10 milligrams per liter chloride 15 change, do you consider that significant? DR. DENTON: Yes. 16 17 MS. BRENNER: 25 milligrams per liter chloride change 18 is also significant? 19 DR. DENTON: Right. 20 MS. BRENNER: In your opinion? 21 DR. DENTON: In my opinion. The only caveat on that is 22 that we also had the idea of a five percent change. So, if 23 you add Chipps Island or something like that where you've 24 already got a huge base case, chloride is small on that. 25 Actually, an estimate of the change to that magnitude would 0201 01 be a very, very small percentage change. So percentagewise 02 it would be not be significant, like Chipps or somewhere on 03 the ocean. 04 When you get down into the interior Delta and you are 05 talking about a change from 50 to a hundred or something

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06 like that, then it is significant percentage change.
         MS. BRENNER: 50 to a hundred, 50 milligrams per liter
07
80
    change is?
09
         DR. DENTON: Yes.
10
         MS. BRENNER: Is it your understanding that the
11 proposed Delta Wetlands' mitigation measures would not allow
12
    chloride impacts that you described on Pages 7 through 8 of
13
    CCWD Exhibit 7, that is a change from 225 milligram per
14
    liter to 300 milligrams per liter, even though the planning
15
    model simulated this one exceedance?
16
         DR. DENTON: Right. If the mitigation measure were
17 carried through, then that would be eliminated.
18
         MS. BRENNER: I have nothing further.
19
         HEARING OFFICER STUBCHAER: Thank you.
20
         Anyone else, other than staff?
21
         Staff?
22
         Mr. Sutton.
23
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24 //
25 /
0202
01
     REBUTTAL CROSS-EXAMINATION OF CONTRA COSTA WATER DISTRICT
02
                              BY STAFF
         MR. SUTTON: Dr. Denton, could you put up that Table 1
03
04 again that you just had up? I wanted to -- I thought I
05 heard you say something, and I wanted to clarify for the
06 record.
07
         You were talking about the outflow in November and
08 December of 1979. And I thought I understood you to say
09
    that it would have been more appropriate to wait until
10 January and February of 1980 to divert when the outflow was
11 much higher?
12
         DR. DENTON: I was thinking more if there were a permit
13
    condition that limited diversions or did not allow Delta
14 Wetlands to divert when the outflows were as low as they
    would be in November or December of '79, they would have
15
16
    still had the opportunity to fill in the next two months
17 because of the high outflows. X2 would have been beyond 71
18 or less than 71, and they could have filled.
19
         In this case it would have just shifted it over by two
20 months and still would have been able to fill,
21 theoretically, without any reduction of yield.
22
         MR. SUTTON: In November and December of 1979, you or I
23 or Delta Wetlands or anybody else didn't know that we were
24
    going to get those kind of 107,000 cfs outflows in January?
25
         DR. DENTON: No, we didn't. What you do is you do a
0203
01 modeling study where the whole series of statistical
02 probabilities of hydrology or historical hydrology and look
03
    at the results. In other months, it could be a different
04
    picture than what I was describing there for '79 and '80.
05
         MR. SUTTON: Recognizing the limitations of
06 statistical modeling, I don't think anybody would have -- do
07 you anticipate that anybody would have guessed that would
08 have the two wettest years in history followed by the two
09 driest years in history this year?
10
         DR. DENTON: No.
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11 MR. SUTTON: Thank you. DR. DENTON: I think the Delta Accord did it. 12 13 HEARING OFFICER STUBCHAER: Any other questions by 14 staff? 15 I have no questions, so thank you for your 16 participation. 17 Before we recess to Tuesday, August 19th at 9:00 a.m. 18 in this room, are there any questions or comments from 19 anyone? 20 Staff? 21 MR. CANADAY: Just the reminder to the parties to 22 update their exhibit lists, and we would like to have those 23 lists submitted that day. 24 HEARING OFFICER STUBCHAER: Ms. Brenner. 25 MS. BRENNER: I would like the Board to know and the 0204 01 people that are remaining in the room we have the written 02 testimony of Warren Shaul, the rebuttal testimony is 03 available now. 04 HEARING OFFICER STUBCHAER: Okay, we are in recess. 05 (Hearing adjourned at 3:30 p.m.) 06 ---000--07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 0205 01 REPORTER'S CERTIFICATE 02 03 04 STATE OF CALIFORNIA) 04) ss. 05 COUNTY OF SACRAMENTO) 05 06 06 07 80 I, ESTHER F. WIATRE, certify that I was the 09 official Court Reporter for the proceedings named herein, 10 and that as such reporter, I reported in verbatim shorthand 11 writing those proceedings; That I thereafter caused my shorthand writing to be 12

13 reduced to typewriting, and the pages numbered 7 through 204 14 herein constitute a complete, true and correct record of the 15 proceedings. 16 IN WITNESS WHEREOF, I have subscribed this certificate 17 18 at Sacramento, California, on this 19 6th day of August 1997. 20 21 22 23 23 24 24 ESTHER F. WIATRE CSR NO. 1564 25 25