

February 17, 2009

State Water Resources Control Board 1001 I Street, 14th Floor Sacramento, CA 95814

Re: Temporary Urgency Change filed by the Department of Water Resources and the United States Bureau of Reclamation Regarding Temporary Relaxation of the February Delta Outflow and the San Joaquin River Flow Objectives In Response to Current Dry Conditions

Ladies and Gentlemen:

The Friant Water Authority (FWA) and Friant Water Users Authority (FWUA) are in full support of the petition before the State Water Resources Control Board that proposes an emergency drought-related water rights action on a petition for Temporary Urgency Change. This petition, filed by the Department of Water Resources (DWR) and the United States Bureau of Reclamation (USBR), seeks temporary relaxation of February Delta Outflow and the San Joaquin River Flow Objectives in response to current dry conditions. The effect of the proposed change would be to conserve limited water supplies in storage upstream of the Delta and potentially increase the opportunity to export water to areas of the state that are expected to experience severe shortages. For the reasons described below, approval of the subject petition would also be a potentially significant benefit to the Central Valley Project's Friant Division water service contractors and their customers.

The Friant Water Authority, Friant Water Users Authority and Friant Division

Both of our agencies are joint powers authorities formed under California law. The FWA is composed of 19 member agencies that receive water deliveries from the 152-mile-long Friant-Kern Canal in portions of Kern, Tulare, Kings and Fresno counties. The FWUA includes 20 member agencies (in portions of Merced, Madera, Fresno, Kings, Tulare and Kern counties) that contract with the U.S. Bureau of Reclamation for water from the Friant Division of the CVP. In total, there are 28 agencies – districts, cities, communities and counties – with Reclamation contracts for Friant water and eight agencies that contract for a supply of CVP water from the Delta delivered through the Cross Valley Canal in Kern County.

The Friant Division service area includes approximately one million acres of the world's most productive farmland. It ranges along the central and southern San Joaquin Valley's East Side from southern Merced County to the foot of the Tehachapi Mountains in Kern County. The Friant service area annually produces about \$4 billion in gross agricultural production. Friant water supports and sustains a tremendous variety of crops. The majority of the area is dedicated

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to permanent plantings of grapes, nuts, tree fruit and citrus. A significant amount of row and field crops is produced within the Friant Division and the region leads the nation in dairy production.

The Friant service area's agricultural variety and productivity are extraordinary in their scope and value. What makes the region even more unique is its ability to achieve this diverse and internationally important production on small family farms that average approximately 100 acres in size. The approximately 15,000 Friant Division farmers, most of whom operate small family ranching operations, are known for their highly efficient use of irrigation water. In addition, the irrigation and water districts that contract with the USBR for Friant and Cross Valley water have developed sophisticated management, conservation and conjunctive use programs to make the best possible use of often limited water supplies.

Friant's Dependence Upon the San Joaquin River Exchange Contractors

Among the Friant Division' unique characteristics is reliance upon historic water rights and a substitute supply of water used for deliveries to the original San Joaquin River water rights holders. The majority of the water rights to the San Joaquin River allowing for the diversion of water at Friant Dam were obtained by the USBR in the 1930s through purchase and exchange agreements with individuals and entities that held those rights at the time the Friant Division was developed. The single largest of these agreements requires annual delivery of 840,000 acre-feet of water to agencies within the central San Joaquin Valley near Mendota (commonly referred to as the Exchange Contractors). Thus, the Friant Division is dependent upon other features of the CVP, including Shasta Dam, San Luis Reservoir, the Tracy Pumping Plant and the Delta-Mendota Canal, to facilitate this required exchange. If for some reason the USBR is unable to meet the demands of the Exchange Contract out of Delta export supplies, the Exchange Contract provides for water to be released from Friant Dam to meet Exchange Contractor demands.

Even though, on an annual water supply basis, the Friant Division is operationally separate from the balance of the CVP, the current Delta pumping restrictions and natural drought conditions have created a strong likelihood that the USBR may be compelled this year to make a "call" on the historic San Joaquin River water rights with releases from Friant Dam in order to meet water supply obligations to the Exchange Contractors. Such a situation has never occurred since the Friant Division became operational in 1944.

Should delivery of Friant water to the Exchange Contractors be required, the obvious immediate impact would be to further significantly spread the negative economic and social effects already being experienced around California as a result of Delta export pumping curtailments. Because the San Joaquin River watershed is currently experiencing below normal precipitation, the water supply reductions to Friant contractors that would be necessary to supply water to the Exchange Contractors could result in supply reductions near, and possibly even below, historic drought supply levels.

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The Friant Division was conceived and designed to create and support an overall regional water supply that depends upon the conjunctive use of surface water and groundwater, but reductions in surface water supplies would inevitably negatively affect the quantity and quality of groundwater available to sustain the region in the absence of like amounts of surface water. The Friant service area is no stranger to problems, such as land subsidence and escalating pumping costs, caused by reduced groundwater availability. In fact, a condition of critical groundwater overdraft still exists in parts of Friant's service area and in neighboring areas in the southern San Joaquin Valley.

Justification for Granting of the DWR-USBR Petition

The FWA and FWUA believe the circumstances as described by DWR and USBR and this letter sufficiently demonstrated the urgent need caused by dry conditions and pumping restrictions to warrant approval of the petition. In order to provide relief to water users on the east side of the San Joaquin Valley and all other Californians reliant upon Delta water exports, our agencies respectfully request that the State Water Board approve the subject petition to modify the requirements in D-1641 regarding Delta Outflow and San Joaquin River Flows objectives for the month of February, 2009.

Sincerely,

Ronald D. Jacobsma

FWA General Manager

FWUA Consulting General Manager