

## Program Assessment and Work Plan

**Program Element:** Environmental Water Account  
**Date:** December 15, 2002  
**Work plan Contact:** Teresa Geimer / Jerry Johns

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**Project Agencies and contacts include:**

DWR Jerry Johns  
USBR Dave Robinson

**Managing Agencies and contacts include:**

USFWS Roger Guinee  
DFG Jim White  
NMFS Bruce Oppenheim

**EWA Organizational Chart** – Please see Attachment 4.

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### Section I. Year 2 Program Assessment

A. Accomplishments to Date/ Status of ROD Commitments

1. Water/Power - \* Project Agencies Department of Water Resources (DWR) and US Bureau of Reclamation (USBR) purchased enough water (232,400 acre feet) and optioned enough source shift (>100,000 af) for the Managing Agencies: US Fish and Wildlife Service (USFWS), Department of Fish and Game (DFG), and National Marine Fisheries Service (NMFS) to provide Delta fisheries protection. These actions in addition to other requirements enabled the CALFED Agencies to maintain the regulatory commitments for Year 2. In 2002, EWA purchased additional water supplies beyond those required under the CALFED ROD in order to help make up for some of the loss of expected fish actions using CVPIA section 3406 (b)(2) assets. This loss of assets was due to recent court decisions.

Over the last 2 dry years EWA has made it possible to provide additional protection to Delta fish species consistent with the levels expected by the CALFED ROD. It has also provided water users with water supply reliability by obtaining ESA commitments. Over the past 2 years, EWA has provided over 530,000 acre-feet of export reductions at critical times for fish and obtained water supplies to replace these reductions at a cost of about \$90 million. EWA has averted the fishery and water supply conflicts that plagued the Bay/Delta in the last set of dry years in the early 1990s.

2. Environmental - Started the EIR/EIS process. Selected contractor to help with drafting the document – Scoping Sessions were held.
3. Tier 3 - \* EWA had \$6.25 million proposition 13 funds for Tier 3 water purchases, which has been carried over to year 3.

B. Program delays

- Completion of the Final EIR/EIS has been delayed until May 2003 due to waiting for the CALSIM II modeling program to be completed. Delays are also due to lack of environmental staff availability.

- \* Have not purchased the 200,000 af of storage South of the Delta required in the ROD. Thus far, purchasing extra water or the SWP carrying debt into the next year without an identifiable EWA asset for reimbursement has been used as an equivalent to EWA having access to 200,000 af of storage.

**Section II. Year 3 Work Plan**

**A. Year 3 Tasks and Schedule**

1. Water/Power- Acquire adequate water assets (both fixed and variable) to maintain regulatory commitments that EWA related water project pumping curtailments could be offset with EWA assets. Lead agencies are DWR (Jerry Johns) and USBR (Dave Robinson). All assets are scheduled to be in place May 2003. Each year the EWA Team develops a water acquisition strategy to optimize EWA water purchases based on need and hydrologic conditions. With the passage of proposition 50 EWA will be able to develop a multi-year acquisition and capital investment strategy.
2. Environmental- Completion of the EIR/EIS by May 2003. The lead agencies are DWR (Delores Brown) and USBR (Dave Robinson).
3. Tier 3- Proposition 13 carryover funds exist for Tier 3 assets in case Tier 3 is implemented. Have Tier 3 water assets identified and accessible on short notice. The lead agencies are DWR (Jerry Johns) and USBR (Dave Robinson).
4. Oversight/Coordination/Management- Work with the Science Panel to assist in the Annual Science Review (fall, 2003). Continue coordination of the Managing and Project agencies through weekly meeting at staff and management levels. The lead agencies are DWR (Jerry Johns), USBR (Dave Robinson), USFWS (Roger Guinee), NMFS (Bruce Oppenheim), and DFG (Jim White).

**Table 2. EWA Tasks and Agency Roles**

This table is based on responsibilities under the current governance structure. The new governance structure under the Bay Delta Authority is primarily effective in Year 4.

EWA Tasks						
	CALFED	DWR	USBR	USFWS	DFG	NMFS
1. Water and Power Acquisition		Co-Lead				
2. Environmental Documentation		Co-Lead				
3. Tier 3 Water		Co-Lead				
4. Oversight/Coordination/Management	Co-Lead					

**B. Category A and B Programs/Funds**

- EWA is Category A with funding from General Fund, Proposition 204, Proposition 13 and federal funds.

**C. ROD Implementation Commitments**

- ESA commitments are based on 3 tiers of assets, the regulatory baseline, a functioning EWA, and tier 3 assets for emergencies. According to the ROD a functioning EWA includes 185,000 af of fix assets, tools in place to allow variable

assets to be acquired, 200,000 af of storage South of the Delta, or the functional equivalent of the above. With these assets in place the water supply reliability commitments were maintained for Year 2.

- The Environmental Justice issues related to EWA involve obtaining water through water transfers. EWA is coordinating its water purchases with the CALFED water transfer program. The water transfers program is assisting in the development of the EJ work plan. EWA will address EJ issues consistent with the recommendations developed through this process. EJ activities include a member of the EWA team attending the Environmental Justice subcommittee meetings when the agenda pertains to EWA.
- Environmental Justice Workplan - See attachment 3

#### D. Management Group

- EWA activities are included in the 2003 operations plan of CVP and SWP, which will be presented to the CALFED management and policy groups in early 2003.
- Update the Management Group on the Draft EIR/EIS in fall of 2002 and on the Final EIR/EIS in early 2003.

#### E. Public Participation

- Continue weekly meetings with stakeholders on operations and fishery issues (DAT, OFF, and CALFED Ops meetings).
- Continue public involvement on the Draft and Final EIR/EIS for the program, including public meetings throughout the State.

#### F. Agency participation

- The five participating agencies (USBR, DWR, USFWS, DFG, and NMFS) meet twice weekly, once at staff level (EWA Team) and once at management level (Water Operation Management Team – WOMT), to discuss the program and decide on program actions. EWA activities are coordinated with the WOMT and are an integral part of the annual operating plan for the CVP and SWP. A multi-year EWA water acquisition strategy is developed as part of the annual operating plan. EWA water purchase strategy will be part of the 2003 operations plan that will be developed in December of 2002.

#### G. Science Review

- The science review of EWA is a critical aspect of EWA. As better information is obtained on the effects of exports at key times of fish, the EWA will be adjusted to optimize the effectiveness of EWA actions.
- The EWA program operates on a calendar year basis. The science panel conducts a review of the year's activities during the fall. EWA program began this process January 2001 and the first science panel review was conducted in the fall of 2001 and recommended more staff time on the program. EWA prepared BCPs to request 5 more positions for year 4 to accommodate the science panel's recommendations. The panel will review the EWA Year 3 program in the fall of

2003. The science panel review of EWA will be coordinated with the science work plan.

NOTE: The Science Work Plan Executive Summary is under review by program staff. Upon completion of this review, changes and additions may be made to this section of the Work Plan.

H. Budget by Task – (See table on attachment 1)

I. Review of EWA – EWA is authorized in the ROD for the first 4 years of CALFED. By year 4 EWA is to be reviewed and a determination made on whether EWA is to continue, the form it will take, and the funding sources for a larger term EWA. This review will begin in year 3 with a decision on the continuation of EWA expected by the end of summer 2003.

### **Section III. Stage 1**

A. Stage 1 Projected Expenditures (See table on attachment 2)

EWA Years 1 and 2 combined budgeted funding totaled \$110 million (State funding totals \$87.23 million and Federal Funding totals \$22.5 million.)

The ROD projected \$200 million in Stage 1 (\$50 million per year for 4 years). Funding is proposed to be increased each year to approximately \$72 million and carried out an additional 3 years.

EWA's proposed expenditure plan differs from the ROD of 2000 due to power and conveyance costs not being originally identified.

In attachment 2, Years 1 and 2 reflect the actual prior year expenditures; year 3 is the current work plan funding. In the summer of 2003, EWA will be re-evaluated and a determination made as to whether it will continue past year 4. All future proposed funding is uncertain based on the result of the re-evaluation of EWA by year 4.

1. Water & Power Acquisitions – Years 4 – 7 include \$50 million per year for water/asset acquisitions and \$10 million for power and conveyance costs and \$1 million for staff support.
2. Environmental Documentation – Years 1, 2 and 3 funding supports the EIR/EIS documents (expected to be completed May, 2003). An additional BCP is anticipated for Year 6 based on year 1 expenditures to finance the process of environmental documentation compliance for Stage 2 assuming EWA continues past year 4.
3. Tier 3 Water - In Year 3, \$6.250 million is proposed for Tier 3 asset purchases. The \$6.250 million is from year 2 Proposition 13 carryover funding. Years 4 – 7 reflect a BCP for the proposed water bond, Proposition 50 (Nov, 2002) to ensure adequate reserve funding and support additional proposed staffing.  
*(Tier 3 funding is assumed to be needed only in an emergency, which is estimated to happen every third year. The Tier 3 funding is planned in the first of the three years and carried over in the next two years until it is estimated to be spent in the third year).*

4. Oversight and Coordination – \$163,000 for oversight staffing per year. This includes funding for the science panel review of EWA.

**B. State, Federal, Local/Water User Cost Sharing**

- The ROD anticipated that the State and Federal Governments would share EWA costs in the first 4 years. The State has provided 80 percent of the EWA costs thus far.
- Cost sharing for this program will be reviewed as part of the overall Finance Plan described in the Oversight & Coordination Work Plan.

Environmental Water Account - CALFED Program Year 3 Workplan (\$ in thousands) December 15, 2002									
EWA	CALFED	Resources	DWR	DFG	State Subtotal	USBR	Federal Subtotal	Local/User	Total
<b>1. Water &amp; Power Acquisitions</b>	\$0	\$38,233	\$416	\$160	\$38,809	\$6,000	\$6,000	\$0	\$44,809
<b>Fund Source</b>									
General Fund			\$416	\$160	\$576		\$0		\$576
Prop 204		\$28,233			\$28,233		\$0		\$28,233
Prop 13 carry over					\$0		\$0		\$0
Prop 204 Carrover		\$10,000			\$10,000		\$0		\$10,000
Bay Delta					\$0	\$6,000	\$6,000		\$6,000
<b>2. Environmental Documentation</b>	\$0	\$0	\$207	\$0	\$207	\$0	\$0	\$0	\$207
<b>Fund Source</b>									
General Fund			\$207		\$207		\$0		\$207
Prop 204					\$0		\$0		\$0
Prop 13 carry over					\$0		\$0		\$0
Prop 204 Carrover					\$0		\$0		\$0
Bay Delta					\$0		\$0		\$0
<b>3. Tier 3 Reserve</b>	\$0	\$0	\$6,250	\$0	\$6,250	\$0	\$0	\$0	\$6,250
<b>Fund Source</b>									
General Fund					\$0		\$0		\$0
Prop 204					\$0		\$0		\$0
Prop 13 carry over			\$6,250		\$6,250		\$0		\$6,250
Prop 204 Carrover					\$0		\$0		\$0
Bay Delta					\$0		\$0		\$0
<b>4. Oversight, Coordination and Management</b>	\$163	\$0	\$0	\$0	\$163	\$0	\$0	\$0	\$163
<b>Fund Source</b>									
General Fund	\$163				\$163		\$0		\$163
Prop 204					\$0		\$0		\$0
Prop 13 carry over					\$0		\$0		\$0
Prop 204 Carrover					\$0		\$0		\$0
Bay Delta					\$0		\$0		\$0
<b>PROGRAM SUMMARY</b>	\$163	\$38,233	\$6,873	\$160	\$45,429	\$6,000	\$6,000	\$0	\$51,429
<b>Fund Source</b>									
General Fund					\$0		\$0		\$0
Prop 204					\$0		\$0		\$0
Prop 13 carry over					\$0		\$0		\$0
Prop 204 Carrover					\$0		\$0		\$0
Bay Delta					\$0		\$0		\$0
					\$0		\$0		\$0
<b>EWA</b>	<b>CALFED</b>	<b>Resources</b>	<b>DWR</b>	<b>DFG</b>	<b>State Subtotal</b>	<b>USBR</b>	<b>Federal Subtotal</b>	<b>Local/User</b>	<b>Total</b>
EWA Approved Funding	\$163	\$38,233	\$6,873	\$160	\$45,429	\$6,000	\$6,000	\$0	\$51,429
General Fund	\$163		\$623	\$160	\$946		\$0		\$946
Prop 204		\$28,233			\$28,233		\$0		\$28,233
Prop 13 carry over			\$6,250		\$6,250		\$0		\$6,250
Prop 204 Carrover		\$10,000			\$10,000		\$0		\$10,000
Bay Delta					\$0	\$6,000	\$6,000		\$6,000
variance program/funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**ATTACHMENT 2**

<p align="center"><b>Program Element: EWA</b>  <b>Stage 1 Projected Expenditures</b>                      (\$ in millions)                      December 15, 2002</p>												
<p align="center"><b>Original ROD Stage 1 Projected Expenditures</b></p>												
	Years	1	2	3	4	5	6	7	TOTAL	Fed	State	
	<b>EWA ROD TOTALS</b>	\$50.0	\$50.0	\$50.0	\$50.0	---	---	---	\$200.0	\$100.0	\$100.0	
<p align="center"><b>REVISED Projected Expenditures</b></p>												
Task #	Tasks/Projects	Program Year(s)							Total	Cost Sharing (%)		
		Stage 1 (Yrs 1-7)								Fed	State	Local
		1	2	3	4	5	6	7				
1	Water & Power Acquisitions	\$57.5	\$41.3	\$44.8	\$61.0	\$61.0	\$61.0	\$61.0	\$387.6	50%	50%	-
2	Environmental Documentation	\$1.4	\$0.2	\$0.2	\$0.4	\$0.4	\$1.4	\$0.4	\$4.4	50%	50%	-
3	Tier 3 Water*	\$0.0	{6.250}	\$6.3	\$10.0	\$10.0	\$10.0	\$10.0	\$46.3	50%	50%	-
4	Oversight and Coordination	\$0.2	\$0.2	\$0.2	\$0.2	\$0.2	\$0.2	\$0.2	\$1.1	50%	50%	-
	<b>Total</b>	\$59.1	\$41.7	\$51.4	\$71.6	\$71.6	\$72.6	\$71.6	\$439.4			
*Year 2 Proposition 13 Carryover funding of \$6.250 million applied to year 3.												

## ENVIRONMENTAL WATER ACCOUNT (EWA)

The Environmental Justice Workplan prepared by the BDPAC Environmental Justice subcommittee has been reviewed. Those activities that can be performed in year 3 based on available staffing and funding are described in the table below.

### Attachment 3 EWA Environmental Justice Workplan Activities

Environmental Justice Workplan Tasks	Program Element Response
EJ Subcommittee and CALFED Programs draft goals, objectives, strategies, and performance measures for integration of environmental justice into CALFED program element workplans with technical assistance from EJ reps on each Subcommittee, EJ Coordinator, and/or EJ Subcommittee.	EWA Team will work with the EJ subcommittee to develop a process for addressing EJ issues.
Integrate EJ annual plan goals and objectives into program element workplans during program subcommittee meetings	Program will discuss matter with the EWA agencies.
Ensure at least one EJ representative on each BDPAC Subcommittee	EWA Team does not have its own subcommittee.
Develop specific criteria, guidelines, community partnership requirements, and outreach process for program PSP's that address existing and emerging environmental justice issues faced by low-income populations and communities of color in CALFED's solution area. Identify within scope of work and budget activities to address environmental justice objectives of the project.	EWA Team will work with the EJ subcommittee to develop a process for addressing EJ issues.
For each meeting of the EJ Subcom, ensure participation of at least 1 CALFED program manager and appropriate Subcommittee chairs when appropriate, based on agenda	EWA Team members will attend as needed.

**DRAFT  
OVERSIGHT & COORDINATION  
ORGANIZATION CHART  
FOR EWA**

