

Agenda Item 8-11

**Delta Improvements Package Update
(Informational Item)**

The Motivating Question

How can we comprehensively optimize the effectiveness of water dedicated to fishery purposes while achieving equitable costs and benefits for competing uses?

Historical Perspective

- Over \$1 billion invested in ecosystem improvements through various Federal and State restoration programs over the last 10 years
- Dedication and management of over 10 million af of water for fishery & wildlife protection over the last 10 years
- Development and authorization of CALFED which emphasizes a collaborative process of resolution of California's water issues

These actions have resulted in increased fishery protection and enhancement.

What Tools Do We Have?

- **CVPIA - *The Central Valley Improvement Act***

Overall, this tool is meant to protect, restore, and enhance the fishery

- B1 This tool is used to modify Project operations to help in the of doubling anadromous fish and does not conflict with contract obligations
- B2 This tool allows us to annually dedicate and manage 800,000 AF for fish, wildlife, and habitat restoration among other purposes
- B3 This tool is used to acquire supplemental fishery water and refuge water

- **CALFED EWA - *Environmental Water Account***

This tool provides additional water for fishery protection and recovery through CVP and SWP operations at no net cost to the water projects

Getting More From These Tools

- Constantly evaluating and exploring ways to:
 - Create a more equitable program balance
 - Make more efficient use of available tools through better coordination, technical evaluation, and science
 - Be flexible and innovative to achieve fishery objectives

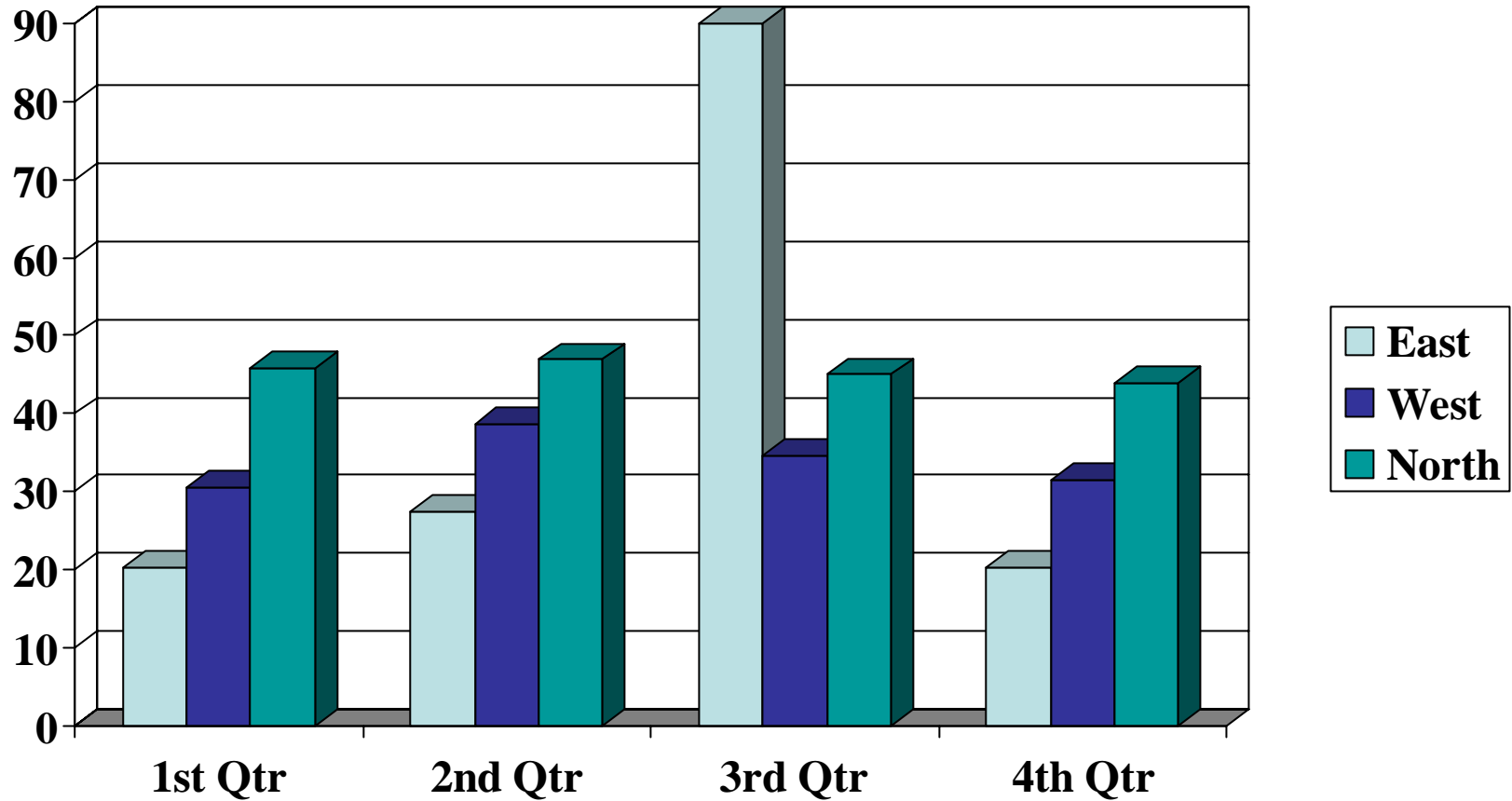
Reclamation and FWS Propose to:

- More thoroughly coordinate 3406(b)(2) with EWA, (b)(1), and (b)(3) to ensure that no more than 800,000 af of water is used for CVPIA fish, wildlife, and habitat restoration purposes under Interior's (b)(2) authority
- Modify (b)(2) accounting period, from January 1 to December 31, to better coordinate use of EWA with (b)(2)

Why Pursue This Proposal?

- **EQUITABLE**
 - To date fish actions have cost the CVP significantly more than 800 taf. The integration of CVPIA actions with EWA actions results in a more equitable distribution of costs & benefits
- **EFFICIENT**
 - To better utilize the suite of tools to improve CVP and SWP reliability and to meet fishery needs
- **ELASTIC**
 - To use EWA's flexibility to expand and contract in size to meet the variable needs of the fishery in excess of 800 taf
- **EFFECTIVE**
 - To enhance ability of the project and fishery agencies to use all of the tools: ... **(b)(1), (2), (3), and EWA** ...

State Response to Proposal



**Considerations Related to
DOI's Nov. 2004 Proposed
Change in b(2) Accounting Year**

- Public Review of Proposed Change
 - Development of Policy by DOI
 - 60 Day review
- Technical Review of EWA Implications
 - No reduction in Fish Protection
 - Resizing EWA – Gaming/Modeling
 - EWA Agencies/Stakeholders/Science Panel
- Development and Evaluation of New Tools
 - Borrowing water from CVP – 200 to 300 TAF
 - Banking b(2) water with EWA
 - Aggressive use of b(1) re-operation
 - EWA Funding

Issues & Concerns

- Proposal is not intended to trigger re-initiation of OCAP consultation
- Proposal is not intended to diminish effectiveness of CALFED ROD Tier 1 and 2 assets
- Proposal is likely to necessitate a larger EWA
 - How big does EWA need to be and how will it be paid for?
 - Will EWA require additional assets to meet upstream flow?
 - What will be the source of funding for an expanded EWA?

Next Steps

1. Federal B2 Proposed Policy Modification
2. Notice draft Policy is available for public comment in Federal Register
3. Public comment period & workshop
4. Respond to comments
5. Final Policy decision

1. CBDA/BDPAC analyze integration of B2 & EWA
2. Gaming & technical analysis
3. WOMT discussion
4. Calfed Operations Group discussion
5. Public Workshop
6. WOMT informational presentation at February 2005 Authority meeting