Before the State Water Resources Control Board

In the Matter of the Proposed Revocation of Water Right Permits Nos. 16209, 16210, 16211 and 16212 (Applications 18721, 18723, 21636 and 21637) of the United States Bureau of Reclamation

Policy Statement of El Dorado Irrigation District

El Dorado Irrigation District ("EID") appreciates the opportunity to provide this policy statement to the State Water Resources Control Board ("Board") in response to the Notice, dated April 28, 2008, concerning the potential revocation of the Bureau of Reclamation's water right permits for the Auburn Dam Project. EID and its customers have long supported the Auburn Dam project because of the flood control, water supply, and recreational benefits the project would provide the region. EID also has a significant and specific interest in protecting and preserving the water resources that are the subject of those permits to meet the existing and future needs of the region. EID believes that the best way to advance *both* of these objectives is for the Board to leave the approved permits in place.

EID is organized and operates under the Irrigation District Law, Water Code sections 20500 et seq. Since 1925, EID has supplied retail and wholesale customers with irrigation and drinking water, primarily from the American River watershed. Today, EID serves a population of about 100,000 people within a 220 square-mile service area in western El Dorado County with treated water, wastewater disposal, recycled water, and recreation services. EID also generates hydroelectric power for the wholesale market. EID is the largest water purveyor in El Dorado County.

EID and a majority of the citizens it serves believe that the public purposes and benefits identified in Congress' original authorization for the Auburn Dam project remain valid to this day. Although Congress has not appropriated sufficient funds to construct the project, neither

has it revoked its authorization for the project to proceed. As recently as 2006, Congress appropriated funds to update analyses of the project's costs and benefits.

Meanwhile, the Sacramento region remains at significant risk of flooding, which this project would mitigate. The 2006 Auburn Dam cost-benefit analysis estimated \$20 billion in potential flood damage to Sacramento. Construction of the Auburn Dam would raise Sacramento's worst-in-the-nation flood protection to about 1 in 500 year protection level that is more comparable to other major cities. Pressures on state-wide water supplies are ever-increasing, and the Auburn Dam would also address that problem. Projections indicate that climate change will further exacerbate both problems in the future. Under these conditions, it is poor public policy for state authorities to hinder or turn their back on the Auburn Dam and similar projects.

Moreover, the Auburn Dam project would provide substantial recreational benefits, both directly at Auburn Reservoir and indirectly by enabling higher water levels, longer into the summer recreation season, at Folsom Reservoir.

Auburn Dam is a major project with regional and even statewide benefits, including prospective municipal water supplies. In analogous situations, the Board has taken a flexible approach to its diligence criteria for completing construction and putting water to beneficial use. Recognizing the importance of such projects and the protracted timelines that public funding, political processes, and regulatory compliance impose, the Board has liberally granted time extensions to the projects' water right permits. Auburn Dam is no exception, and the Board should take the same approach to it.

EID is also a steadfast champion of the area-of-origin preferences embedded in California water rights law. EID believes that leaving the subject water rights permits in place would best serve area-of-origin interests, as well.

When this Board approved the Auburn Dam water rights in 1970 (Decision 1356), the Board granted the Bureau of Reclamation's request to release the priority represented by state-filed Applications 7936 and 7937, thereby subordinating those state filings to the Auburn Dam Project water right permits. To offset this harm to area-of-origin interests, the Board imposed a permit term to ensure that the Auburn Dam project would not hinder future development of the areas upstream. The Bureau, the El Dorado County Water Agency ("EDCWA"), and the Georgetown Divide Public Utility District stipulated to the imposition of this permit term, which is similar to permit terms included in the Bureau's Folsom Reservoir water rights by Decision 893. The term provides that to the extent the Auburn Dam water rights are put to beneficial use outside of the watershed tributary to

Folsom and Auburn reservoirs, those rights are subject to reduction by future appropriations within that tributary watershed. (D-1356 at p. 17, \P 20.)

The parallel term in the Bureau's Folsom water right permits was key to EID's and EDCWA's successful acquisition of Water Right Permit 21112, and EID therefore believes that the term included in the Auburn Dam water rights is an important confirmation of protected area-of-origin preferences in this context.

Revoking the water right permits would make the water encompassed by them available for new appropriation, including by assignment of the prior state-filed applications. EID believes that these water resources are best applied to existing and future regional needs, and notwithstanding the statutory area-of-origin protections, EID is concerned this post-revocation scenario would be less favorable to those regional needs than the status quo. Therefore, EID believes that legitimate area-of-origin interests are best recognized and protected by a Board decision not to revoke the permits.

In summary, EID partially concurs in the policy statement submitted by Placer County Water Agency – if the Board determines that the Bureau's water right permits are to be revoked, any resulting unappropriated water should be reserved to local American River watershed purveyors for development to meet present and future area of origin demands. However, for all of the reasons stated above, EID urges the Board not to revoke the water right permits for this congressionally authorized project. Leaving the rights in place best serves the public purposes for which they were first granted, including flood control, water supply, and the preservation of area-of-origin protections afforded by state law.

PROOF OF SERVICE

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I, Patricia A. Johnson, declare that:

I am employed at the El Dorado Irrigation District, County of El Dorado, State of California. I am over the age of eighteen years, and am not a party to this action; my business address is 2890 Mosquito Road, Placerville, California 95667.

On June 24, 2008, I served a copy of the foregoing document described herein as **POLICY STATEMENT OF EL DORADO IRRIGATION DISTRICT** on parties set forth in the:

- 1. Attached Revised Service List
- 2. Electronic submission to "wrhearing@waterboards.ca.gov"

(XXX)(MAIL) I am readily familiar with my employer's business practice for collection and processing of correspondence for mailing with the United States Postal Service. By following ordinary business practice, I placed a true copy thereof enclosed in a sealed envelope for collection and mailing with the United States Postal Service where it would be deposited for first class delivery, postage fully prepaid, in the United States Postal Service that same day in the ordinary course of business.

(XXX)(EMAIL SERVICE) Transmission via electronic mail was consistent with the requirements of California Code of Regulations, title 20, sections 1209, 1209.5, and 1210. All electronic copies were sent to all those identified on the attached Revised Service List of Participants to Exchange Information: Water Right Hearing Regarding Proposed Revocation of Auburn Dam Project Permits, Scheduled to Commence on July 21, 2008.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration was executed on June 24, 2008, at Placerville, California.

Patricia A. Johnson

WATER RIGHT HEARING REGARDING PROPOSED REVOCATION OF AUBURN DAM PROJECT PERMITS, SCHEDULED TO COMMENCE ON JULY 21, 2008

REVISED SERVICE LIST (June 18, 2008)

<u>PARTICIPANTS TO BE SERVED</u> WITH WRITTEN TESTIMONY, EXHIBITS AND OTHER DOCUMENTS. (Note: The participants listed below <u>agreed to accept</u> electronic service, pursuant to the rules specified in the hearing notice.)

Bureau of Reclamation, U.S. Dept of the Interior James E. Turner, Assistant Regional Solicitor 2800 Cottage Way, Rm. E-1712 Sacramento, CA 95825 rsahlberg@mp.usbr.gov

Auburn Dam Council c/o Michael R. Schaefer 7050 Walnut Avenue Orangevale, CA 95662 Mikeret 99@yahoo.com

California Sportfishing Protection Alliance c/o Michael B. Jackson P.O. Box 207 Quincy, CA 95971 mjatty@sbcglobal.net

Sacramento County/Sacramento County Water Agency c/o Sandra K. Dunn Somach, Simmons & Dunn 813 Sixth Street, 3rd Floor Sacramento, CA 95814 sdunn@somachlaw.com

San Luis & Delta-Mendota Water Authority c/o Jon D. Rubin Diepenbrock Harrison 400 Capitol Mall, Suite 1800 Sacramento, CA 95814 JRubin@Diepenbrock.com SWRCB/DWR Prosecution c/o David Rose State Water Resources Control Board Office of Chief Counsel P.O. Box 100 Sacramento, CA 95812 DRose@waterboards.ca.gov

American River Authority c/o Christopher D. Williams, Esq. P.O. Box 667 San Andreas, CA 95249 cwilliam@goldrush.com

Friends of the North Fork c/o Michael Garabedian 7143 Gardenvine Avenue Citrus Heights, CA 95621 mikeg@gvn.net

[Address through July 13, 2008]

Friends of the River, Save the American River Association, and Defenders of Wildlife c/o Ronald M. Stork 915 20th Street Sacramento, CA 95811 rstork@friendsoftheriver.org

[Address effective July 14, 2008]

Friends of the River, Save the American River Association, and Defenders of Wildlife c/o Ronald M. Stork 1418 20th Street, Suite 100 Sacramento, CA 95811 rstork@friendsoftheriver.org

<u>PARTICIPANTS TO BE SERVED</u> WITH WRITTEN TESTIMONY, EXHIBITS AND OTHER DOCUMENTS. (Note: The participants listed below <u>agreed to accept</u> electronic service, pursuant to the rules specified in the hearing notice.) (<u>Continued from previous page.</u>)

South Delta Water Agency c/o John Herrick 4255 Pacific Avenue, Suite 2 Stockton, CA 95207 Jherrlaw@aol.com

Westlands Water District c/o Jon D. Rubin Diepenbrock Harrison 400 Capitol Mall, Suite 1800 Sacramento, CA 95814 JRubin@Diepenbrock.com Stockton East Water District c/o Karna E. Harrigfeld, Esq. 2291 W. March Lane, Suite B100 Stockton, CA 95207 kharrigfeld@herumcrabtree.com

County of San Joaquin and San Joaquin County Flood Control and Water Conservation District c/o Thomas J. Shephard, Sr. Neumiller & Beardslee P.O. Box 20 Stockton, CA 95201-3020 tshephard@neumiller.com dgillick@neumiller.com

LIST OF PARTICIPANTS ONLY MAKING POLICY STATEMENTS PARTICIPANTS ARE NOT REQUIRED TO SERVE THE FOLLOWING PARTICIPANTS WITH WRITTEN TESTIMONY, EXHIBITS AND OTHER DOCUMENTS

California Department of Fish and Game c/o Nancee Murray
1416 Ninth Street, 12th Floor
Sacramento, CA 95814
nmurray@dfg.ca.gov

Assemblyman Ted Gaines Attn: Kelly Garman State Capitol, Room 2002 Sacramento, CA 95814 Kelly.garman@asm.ca.gov

El Dorado County Water Agency c/o Bradley J. Herrema Brownstein Hyatt Farber Schreck 21 E. Carrillo Street Santa Barbara, CA 93101 BHerrema@bhfs.com

Theresa L. Simsiman 7969 Madison Avenue #1706 Citrus Heights, CA 95610 t.simsiman@att.net Western States Endurance Run Foundation c/o. Antonio Rossmann 380 Hayes Street San Francisco, CA 94102 AR@LANDWATER.COM

Placer County Water Agency c/o Janet K. Goldsmith 400 Capitol Mall, 27th Floor Sacramento, CA 95814 jgoldsmith@kmtg.com

Sacramento County Taxpayers League c/o Ken Payne 8854 Tapaderas Loop Roseville, CA 95747 KENPAYNE65@YAHOO.COM

El Dorado Irrigation District c/o Thomas D. Cumpston 2890 Mosquito Road Placerville, CA 95667 tcumpston@eid.org pjohnson@eid.org