



**Kern County Water Agency and State Water Contractor's Opening
Statement for the State Water Resources Control Board Hearing on
Change Petitions for the Lower Yuba River Accord
December 5-6, 2007**

Good Morning Members of the Board, Hanspeter Walter, Kronick Moskowitz Tiedemann & Girard, representing both the Kern County Water Agency ("Kern") and the State Water Contractors. ("SWC").

The petitions before you today ask the Board to modify certain water rights permits of the Yuba County Water Agency, namely permits numbers 15026, 15027, and 15030, through amendments to the Board's Revised Water Right Decision 1644. The petitions also seek approval under Water Code section 1735 et. seq. of a long-term water transfer from Yuba County Water Agency for use by the SWP, the Environmental Water Account, and Central Valley Project water users.

While the State Water Project contractors have focused their efforts primarily on the water transfer element of the Yuba River Accord, they have done so because they recognize that this element is vital to realization of the larger public good that can be derived from the Accord as a whole. The Accord comprises a set of carefully and comprehensively crafted agreements, which the SWC and Kern believe represents a win-win-win scenario for both its parties and the people of California.

The Accord is a win for the public's fisheries, biological, and recreational resources, which will be aided by the Accord's consensus-based Lower Yuba River Fisheries Agreement. Rather than litigation, we have a fish protection program that is supported by a broad coalition of interests.

Additionally, funding provided by parts of the Accord will be used to support the River Management Fund. For Kern and the SWC, this is a central reason why they have spent the time and resources needed to develop the water transfer agreements that are before the State Board today. Revenue derived from the water sales will support the River Management Fund. In addition, under the water transfer agreements, multiple use of the Yuba water after it serves its Yuba River fisheries purposes will support the continued operation of the Environmental Water Account and provide drier year water supplies for the SWP and CVP water users. All these actions represent forward thinking water management that provides significant benefits to the natural resources and water needs of California.

The Accord is also a win for local water users within Yuba County. The Accord's Conjunctive Use Agreements and funding provided by water transfers will assist and improve local water surface and groundwater management efforts to cope with annual variability in hydrologic conditions in the Yuba River Watershed.

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Lastly, as noted above, the Accord represents a public victory for California in terms of its creative and efficient allocation of water resources to better face the continuing water supply challenges that lay ahead. The Water Purchase Agreement represents the kind of innovative thinking and cooperation that will continually be necessary throughout the state to ensure efficient allocation of water resources and avoid damaging water supply reductions in the next drought. The SWP contractors have reached full agreement with Yuba and DWR on the terms of the various contracts needed to implement the water purchases and, along with the CVP export contractors, will provide the required funding.

Numerous, state and federal, and local agencies have been involved for many years trying to make this Accord a reality. DWR, USBR, DFG, YCWA, and representative of the SWP and CVP contractors are but a few examples. Other private and public interests have also been involved, including Trout Unlimited, The Bay Institute, and PG&E. The opportunity before you today is a unique one – to take actions benefiting all these multiple interests, to set an example of good water policy and management, and to prevent potentially divisive litigation and ongoing water disputes regarding the Yuba River.

In sum, the SWC and KCWA urge you to take this significant step forward for all of California and approve the petitions before you today. In this way, the Yuba Accord will serve as a positive example of cooperative water negotiations and management as California moves into a changing hydrologic future.