November 13, 2017

Honorable Felicia Marcus, Chair California State Water Resources Control Board 1001 I Street Sacramento, CA 95814

Dear Chair Marcus:

Sustainable Conservation appreciates the opportunity to provide input on the development of the program for implementation for the Phase II Update to the Bay-Delta Plan. In our March 17, 2017 comments on the Bay-Delta Phase I SED we stated that, in order to achieve the environmental goals of the Bay-Delta Plan revision while minimizing the impact those actions could have on successful implementation of the Sustainable Groundwater Management Act (SGMA), the Water Board, the Department of Water Resources (DWR), and other relevant agencies "must work together to develop a coordinated strategy including wet year diversions for groundwater recharge, non-flow alternatives for fishery improvement, and water conservation and efficiency measures..." This sort of coordinated strategy is essential for Phase II as well, and should be fully incorporated into the SED in the current stage of its drafting rather than retrofitted into it later in the process. We believe that Questions 8, 9, and 11 put forth in the October 4, 2017 Notice of the Opportunity to Provide Input should be addressed with this coordinated strategy in mind. Some more specific ideas about how this could be done follow.

Question 8: How should the State Waste Board ensure that non-flow measures included in voluntary tributary or regional plans are implemented in a timely and effective manner?

A: The best way to ensure the implementation of non-flow measures is to provide regulatory and economic incentives for project applicants. Developing and using multi-agency programmatic permits will save both agencies and applicants significant amounts of time and money. Dedicated funding from bonds, GGRF, and other sources will provide motivation for timely action by applicants and demonstrate the sincerity of the State's commitment to encouraging voluntary settlements that incorporate non-flow measures.

Question 9: What specific drought measures should be included in the Bay-Delta Plan?

A: It is critical to implement drought measures when water is plentiful. Specifically, the Bay-Delta Plan should include provisions calling for the aggressive diversion of wet year flows that exceed instream environmental needs to accelerate aquifer recharge in order to enhance groundwater supplies for dry years. Increased groundwater replenishment will reduce reliance and demand on surface flows during drought years.

Implementation of this strategy will require close collaboration between the Water Board, DWR, particularly as it affects SGMA implementation. In our March 17 comments on the Phase I draft SED we expressed concern about the need to consider and address the impacts that the

implementation of the proposed Bay-Delta Plan revisions would have on the efforts of regional GSAs to meet the requirements of SGMA. The Water Board should take this opportunity to work with DWR and regional GSAs to fully consider both the impacts of the Bay-Delta Plan revisions on SGMA implementation and ways to minimize or mitigate those impacts, and to incorporate those considerations in the draft SED for Phase II.

The Plan should also include provisions calling for accelerated floodplain reconnection and associated aquatic and riparian habitat restoration. These activities – high-priority objectives in the recently approved 2017 Central Valley Flood Protection Plan Conservation Strategy – will augment surface return flows through enhanced wetlands function and improve aquifer recharge, providing important water supply benefits in dry years.

Question 11: How could the SWB incentivize creative voluntary drought measures?

A: Our response to this question mirrors our response to the question concerning non-flow measures: a combination of permitting and funding incentives to encourage groundwater recharge, water conservation, and irrigation efficiency <u>at a scale great enough to make a substantial difference in both water use and supply.</u>

Our hope in providing these responses is that the draft Bay-Delta Plan Phase II SED will include a commitment to a coordinated strategy that will provide regulatory and financial incentives for voluntary non-flow and drought measures, and reflect coordination between the Water Board, DWR, Central Valley Flood Board and other relevant agencies, and an understanding of the need for the Bay-Delta Plan to harmonize with SGMA and the Central Valley Flood Protection Plan.

Thank you for your consideration of our comments.

Sincerely,

J Stacey Sullivan Policy Director