



The Fertilizer Institute

Nourish, Replenish, Grow

**Fertilizer Outlook and Technology
Conference
Tampa, Florida**

2009 California Water Crisis

Dan Keppen
Executive Director
Family Farm Alliance
October 28, 2009





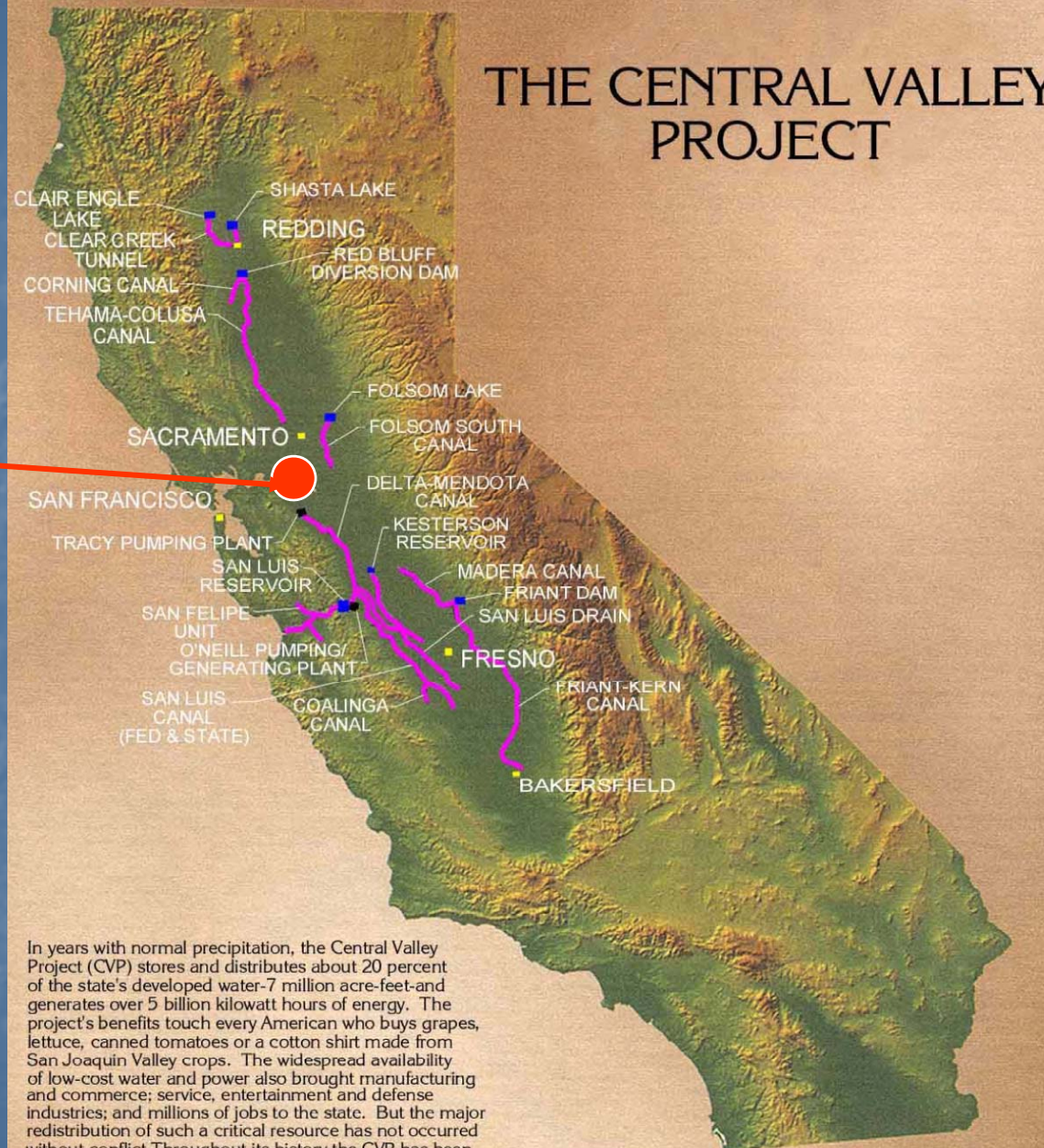
About the Alliance



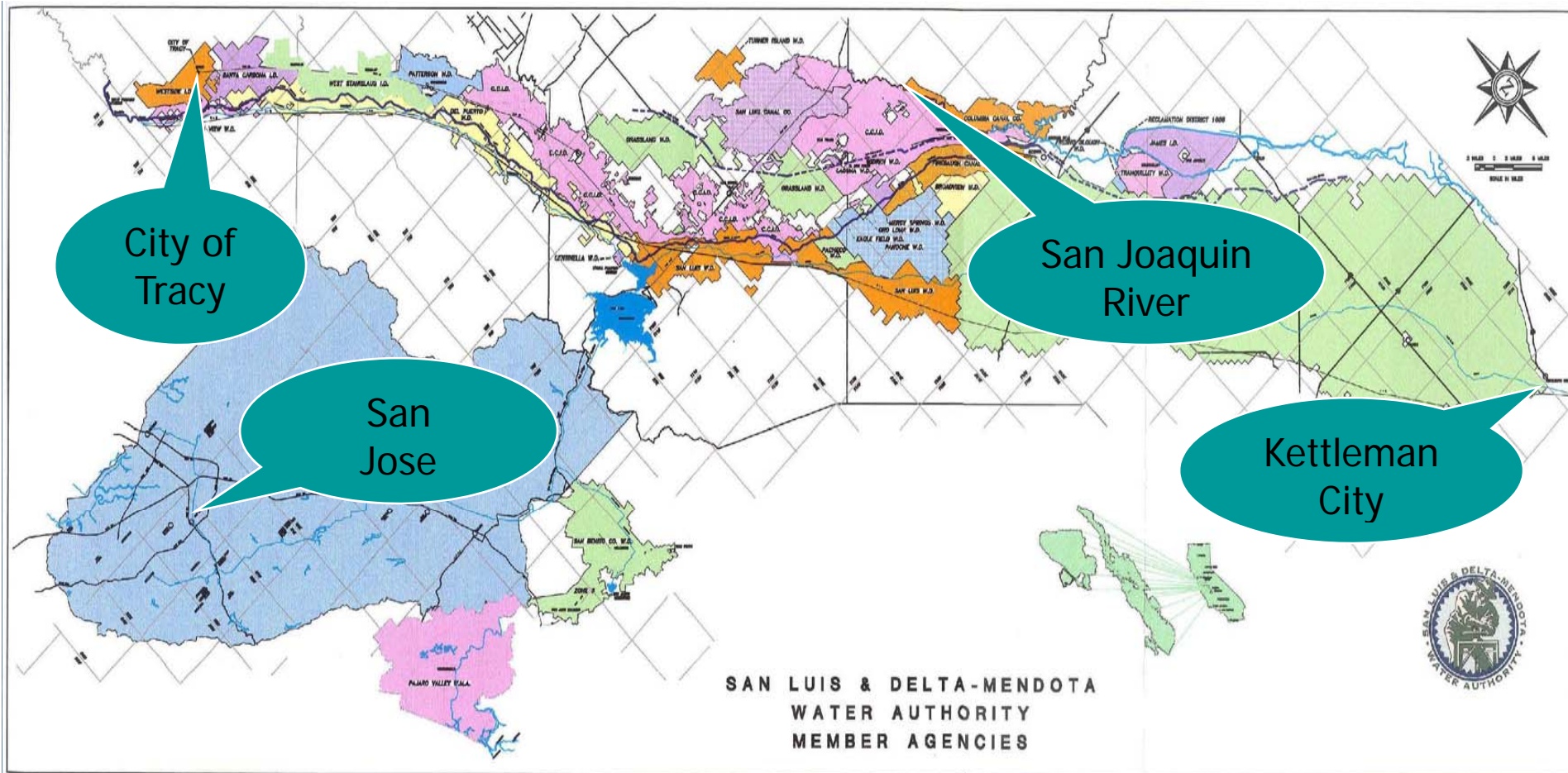
Alliance Directors and Advisory Committee Members discuss priority issues for 2009 in Las Vegas on March 4.

THE CENTRAL VALLEY PROJECT

Bay-Delta



In years with normal precipitation, the Central Valley Project (CVP) stores and distributes about 20 percent of the state's developed water-7 million acre-feet-and generates over 5 billion kilowatt hours of energy. The project's benefits touch every American who buys grapes, lettuce, canned tomatoes or a cotton shirt made from San Joaquin Valley crops. The widespread availability of low-cost water and power also brought manufacturing and commerce; service, entertainment and defense industries; and millions of jobs to the state. But the major redistribution of such a critical resource has not occurred without conflict. Throughout its history, the CVP has been mired in controversy, and no more so than today.



Western San Joaquin Valley

CVP Allocation Forecast

Exchange Contractors

75% contract supply

Wildlife Refuges

75% contract supply

Municipal & Industrial Contractors

50% contract supply

Agricultural Contractors

0% contract supply

Drought Status based on End-of-February Reservoir Storage Levels



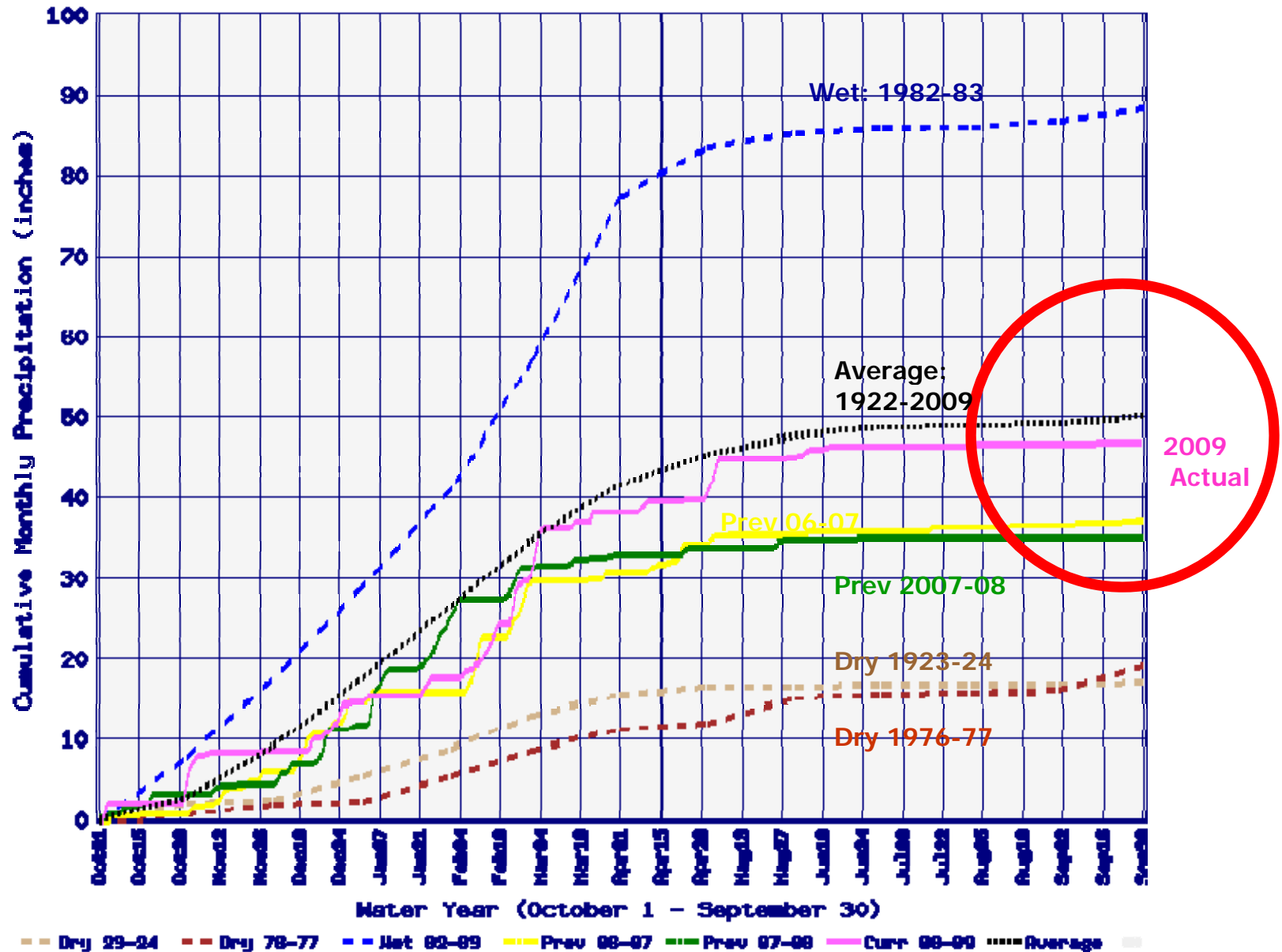
Percentile

0.00 - 0.02
 0.02 - 0.05
 0.05 - 0.10
 0.10 - 0.20
 0.20 - 0.30
 0.30 +

Drought Monitor Category

D4	Drought - Exceptional
D3	Drought - Extreme
D2	Drought - Severe
D1	Drought - Moderate
D0	Abnormally Dry
	Normal

Northern Sierra Precipitation – 8 Station Index – Sept. 30, 2009



CVP Regulatory History

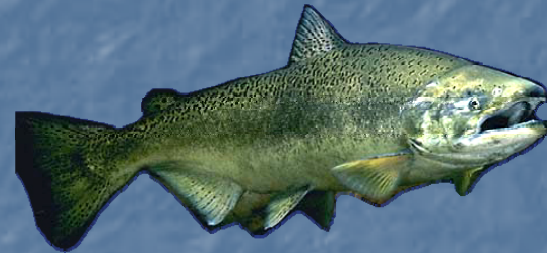
- Mid '90s - Clean Water Act
 - Water Quality Control Plan (SWRCB)
- Mid to Late '90s - CVPIA
 - Refuge Water Supply - 400 TAF
 - (b)(2) - 800 TAF
 - Trinity River Restoration - 400 TAF
- 1991 to Now - Endangered Species Act
 - Listed
 - Winter Run, Spring Run, Delta Smelt, Sturgeon, Steelhead
 - Pending and of concern
 - Longfin, Sacramento Splittail, Fall Run Chinook

Endangered Species Act



Delta smelt

1993 – Threatened (CESA/FESA)



Chinook Salmon

1989 – Winter-Run: Endangered (CESA)
1990 – Winter-Run: Endangered (FESA)
1999 – Spring-Run: Threatened (CESA/FESA)



Steelhead

1998 – Threatened (FESA)
No CESA listing



Longfin smelt

2007 – Petition under consideration
(FESA & CESA)



Sacramento Splittail

1999 – Threatened (FESA)
2003 – FESA listing removed
No CESA listing



Green Sturgeon

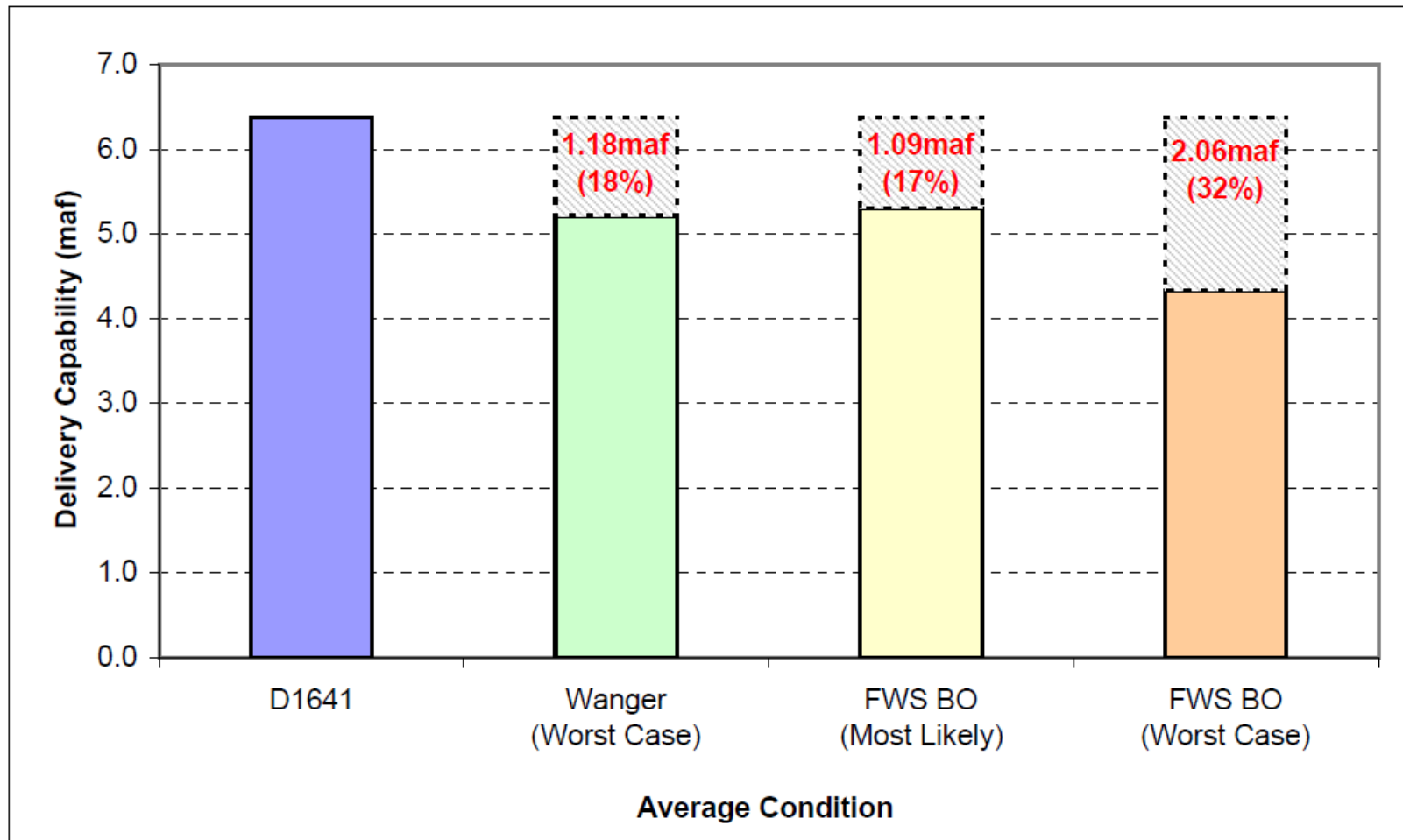
2006 – Threatened (FESA)
No CESA listing

Court Order and the New Biological Opinion

- Feb 2005: USFWS Issues OCAP Biological Opinion
- May 2005: USFWS sued on the Opinion
- Jul 2006: Reclamation requests re-consultation
- **May 2007: Judge invalidates 2005 FWS Opinion**
- May 2008: Reclamation delivers new OCAP Project Description and Biological Assessment to the USFWS
- **Dec 2008: USFWS releases new Biological Opinion**

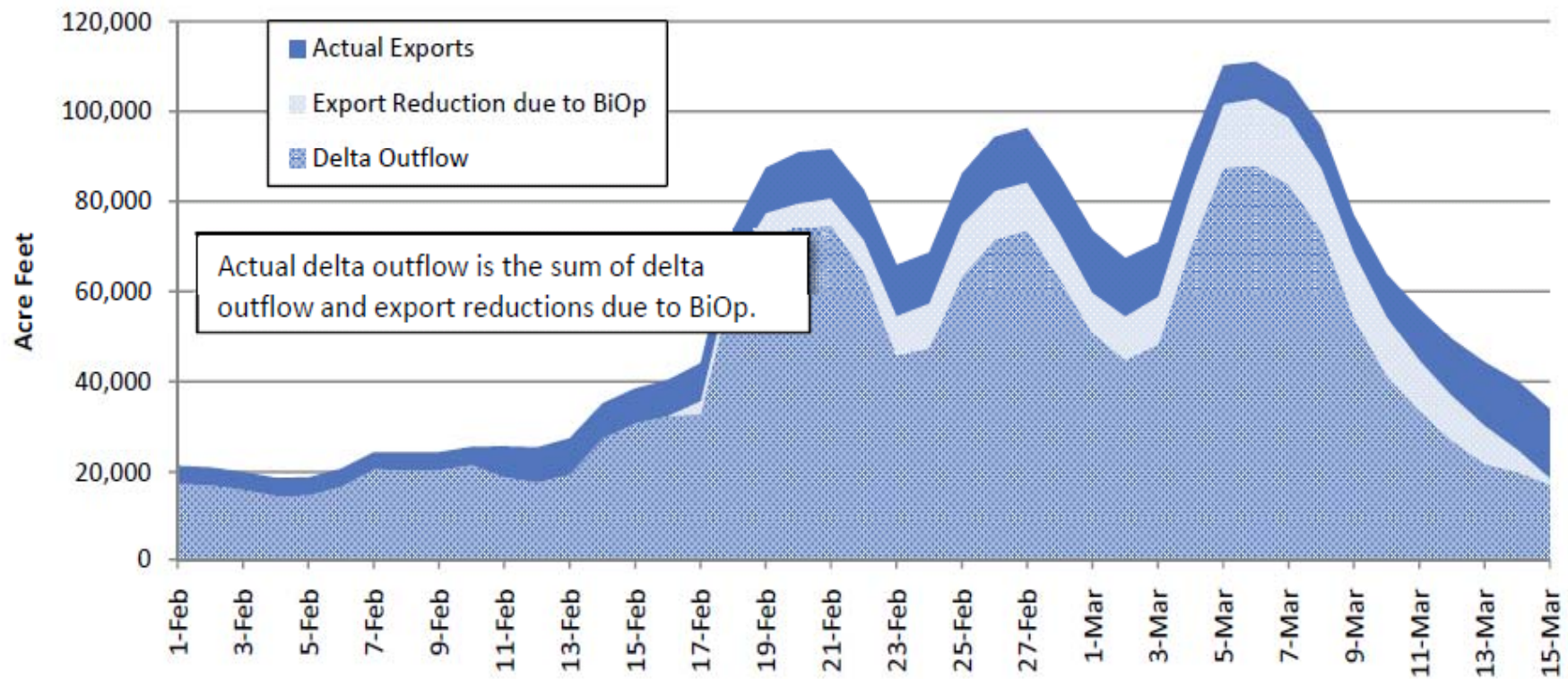
Court Order and the Smelt Opinion

Estimated SWP and CVP Delivery Impacts
(Reduction from pre-Wanger regulation (D-1641))



Initial Impact of the New Biological Opinion

2009 Export Impacts From Delta Smelt Biological Opinion



Preliminary Estimated Impacts from NMFS Salmon B.O. and Other Environmental Rulings

	<u>Acre-Feet</u>	<u>% Reduction</u>
Original South Delta CVP Ag Supply	1,800,000	
Water lost to CVPIA, Clean Water Act, and ESA	630,000	35%
Left over....	1,170,000	
Water lost to FWS '08 Delta Smelt B.O.	337,500	29%
Left over...	832,500	
Water lost to '09 NMFS Salmon B.O.	195,750	24%
What's left?	636,750	35%

More on the Horizon

- “X2” fall outflow increase
 - Potential supply cost 500,000 to 1,000,000+ AF
- Longfin Smelt pumping restrictions
 - Additional constraints on “reverse” flows
 - Potential supply cost up to 700,000 AF
- Salmon pumping restrictions
 - Additional constraints on “reverse” flows
 - Potential supply cost yet unknown

Consultation on Orcas?



IMPACTS to San Joaquin Valley

UC Davis report:

- Estimates of income losses approaching \$1 billion.
- Job losses in excess of 20,000.
- Already, unemployment in many SJV communities is approaching 50%.

IMPACTS to San Joaquin Valley

- Fresno County saw more than 1/3 of it's 1.64 million acres of farmland lose federal water.
- Growers are digging deeper wells to find the right quality and amounts of ground water to keep their permanent crops alive.
- Others let fields go fallow.
- Farmers who cannot plant still have to pay the property taxes on land that is not bringing in money.

OTHER DROUGHT IMPACTS

- Statewide, fallowing of dried up farmland is impacting truckers who haul produce, processors who package it and marketing departments that persuade people to buy it.
- In Southern California, San Diego County lost 4,000 acres of avocado trees to drought.
- Drought drove down the water level at Lake Shasta, and fishing tournaments and resort reservations have been canceled.

Northern California Geography

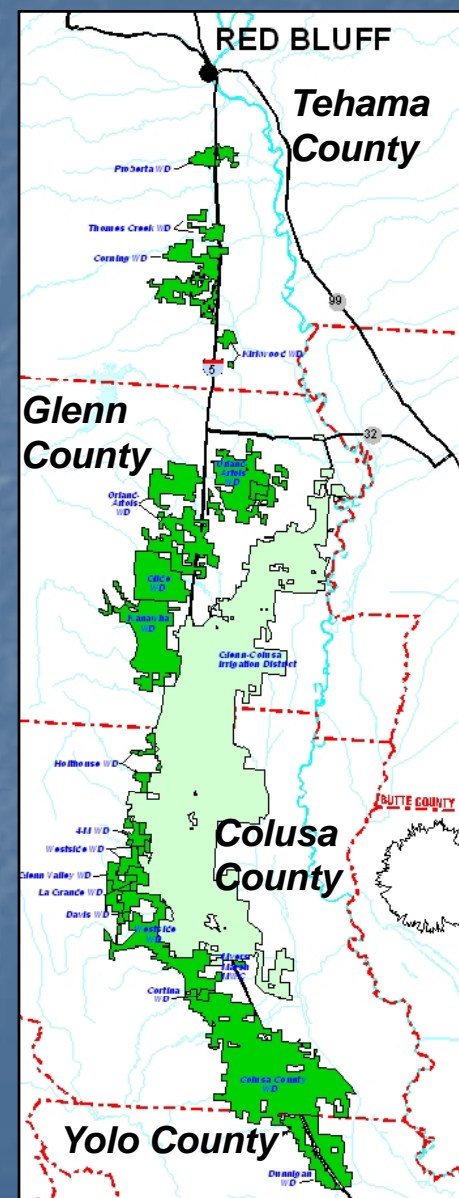
- Majority of Sacramento River spawning habitat is upstream of RBDD.
- RBDD impedes fish passage both upstream and downstream.



Western Sacramento Valley Agriculture

- Tehama-Colusa Canal Authority
 - Delivers CVP water
 - Serving 18 water districts
 - Over 120,000 irrigated acres
 - \$100m crop value
 - Rice, tomatoes, but increasingly orchards and vines
 - 111-mile canal spanning four counties

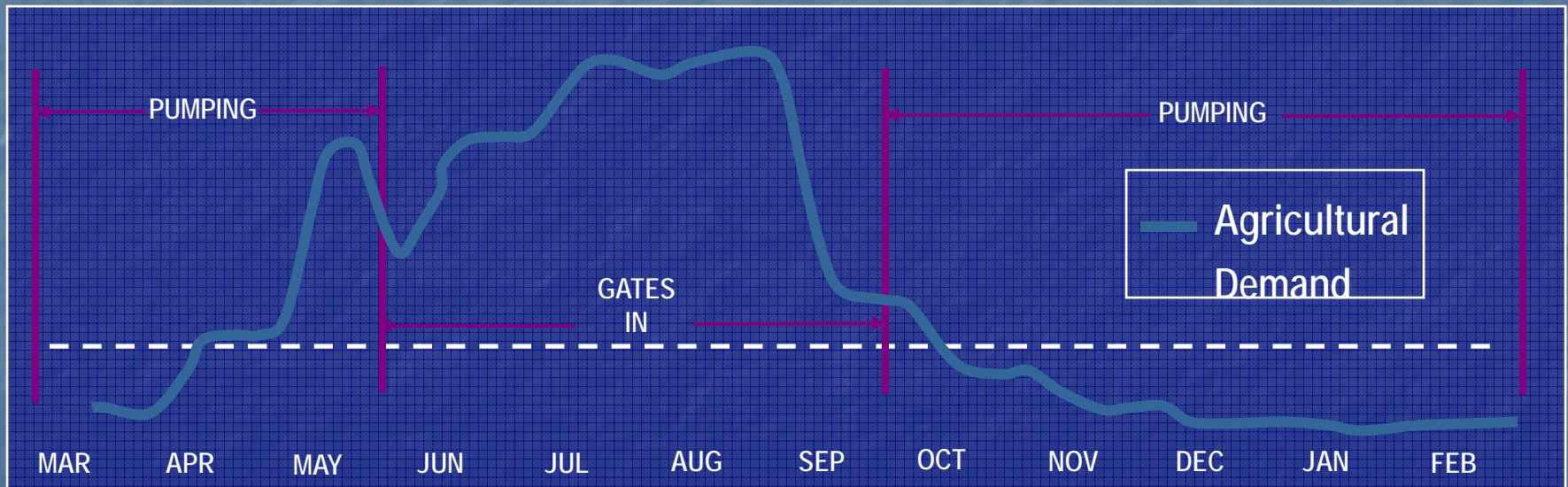
TCCA DISTRICTS



Red Bluff Diversion Dam



Challenges to Agriculture: West Side Sacramento Valley



A Stimulus Coup....

Interior Secretary Announces \$260
Million in Drought Aid to California

Los Angeles Times – 4/15/09

By Jim Tankersley

*“....\$109.8 million to build a screened
pumping plant at the Red Bluff Diversion
Dam to protect fish populations while
delivering water to agricultural users
irrigating approximately 150,000 acres...”*

Solutions?

- Water infrastructure and regulatory processes are BROKEN.
- Durable solutions will require:
 - Comprehensive Approach
 - Political Will
 - Billions of Dollars
 - Decades to Fully Implement

Solutions?

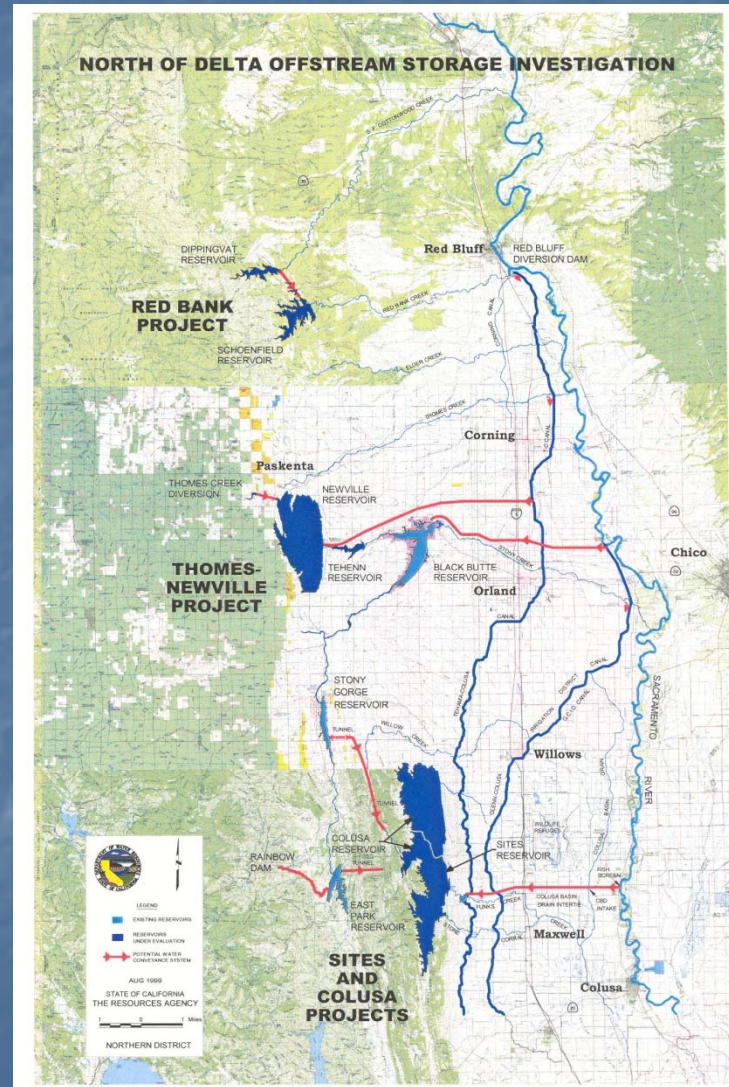
- Long Term:
 - Bay Delta Conservation Plan
 - Permits 2011
 - New Surface Storage
 - Delta Habitat Conservation and Conveyance Program
 - New conveyance as early as 2016

Economic Stimulus Package



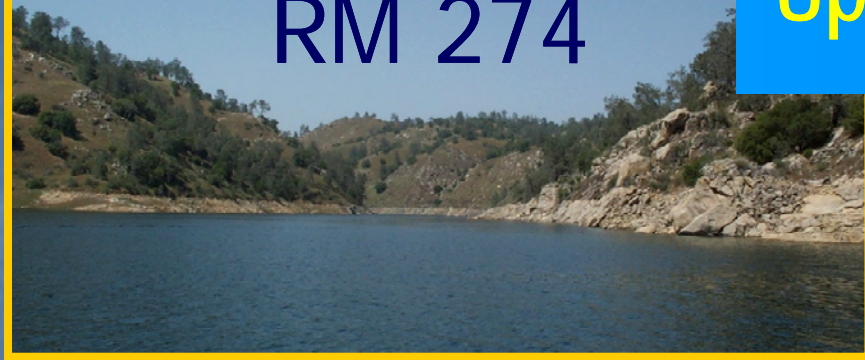
Red Bluff Diversion Dam Fish Passage Project

Sites Reservoir



Upper San Joaquin River Storage

RM 274



Millerton
Lake



RM 274

RM 279



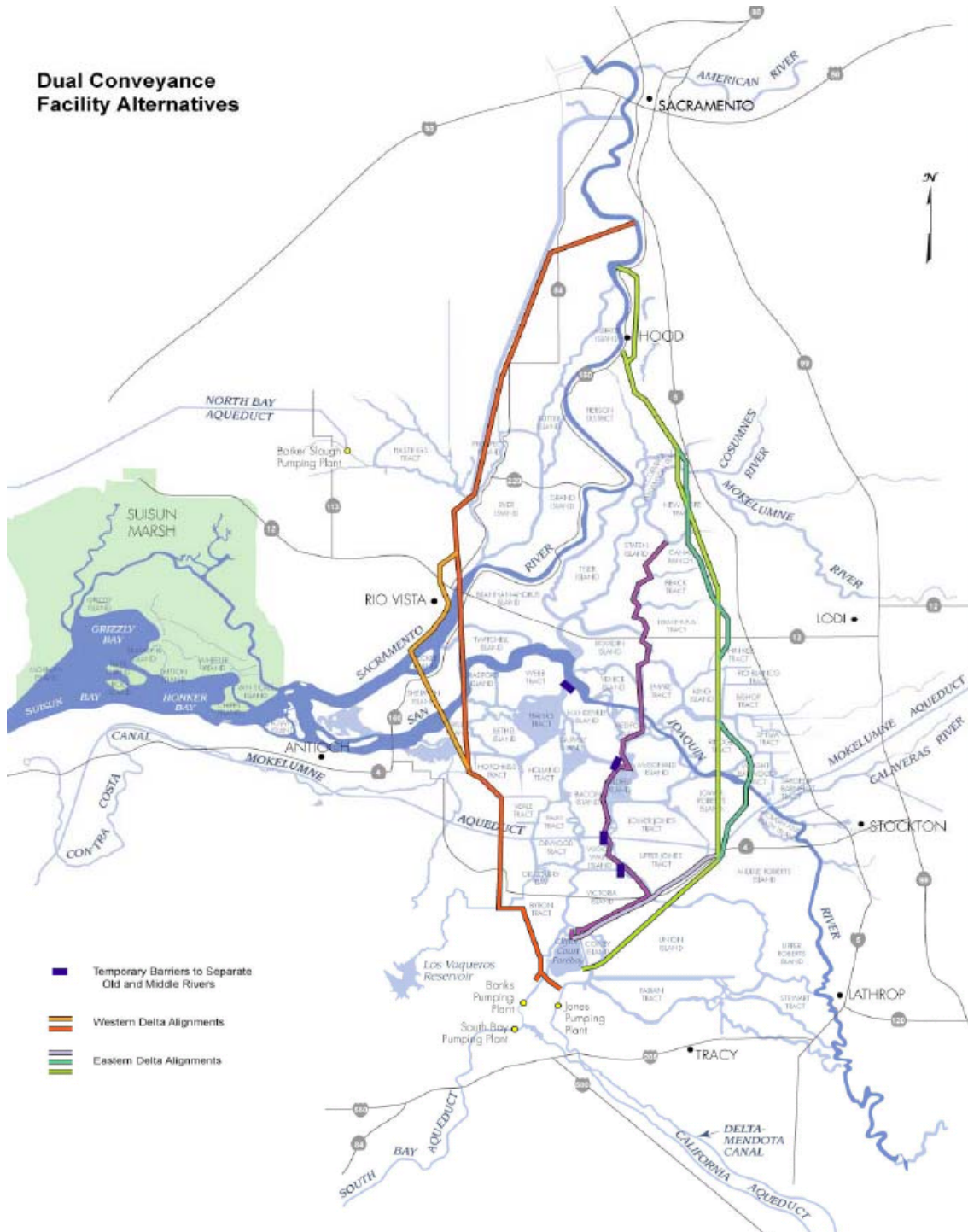
RM 279



Temperance
Flat Area



Dual Conveyance Facility Alternatives



Components of Dual Conveyance

- **Seismic and Flood Durability**

- **Cost Estimates:**

Western: \$7.4 B

Eastern: \$4.2 B

Thru Delta (Range): \$1.2 B - \$9.8 B

Totals:

Western:	IC Only	\$7.4 B
	Siphon/Barriers	\$8.6 B
	Siphon/Setback	\$17.2 B

Eastern:	IC Only	\$4.2 B
	Siphon/Barriers	\$5.4 B
	Siphon/Setback	\$14 B

Solutions?

- Near Term
 - Pump-In
 - Water Transfers
 - Operational Changes
 - Habitat Restoration
 - Re-Consultation
 - Litigation
 - IQA

ESA Implementation: Family Farm Alliance Actions



- Information Quality Act Request – Delta Smelt BO – Dec. 2008
- CSU Fresno Smelt Symposium – March 2009

Central Valley Congressional Delegation Supports FFA Action

Congress of the United States
Washington, DC 20315

January 21, 2009

Mr. Rowan W. Gould, Acting Director
U.S. Fish and Wildlife Service
Department of the Interior
1849 C Street NW, Room 3012
Washington, DC 20240

Dear Mr. Gould:

We are writing to respectfully request your urgent and thorough response to the Family Farm Alliance's Information Quality Act (IQA) request made on December 14, 2008, for the Correction of Information in the Effects Analysis of the Delta Smelt Biological Opinion on the Continued Long Term Operations of the Central Valley Project and the State Water Project.

As you know, the purpose of the IQA is to ensure the "quality, objectivity, utility, and integrity" of information disseminated to the public. The Act directs the Office of Management and Budget (OMB) to issue guidance to federal agencies to meet these goals. It also requires federal agencies to issue their own information quality guidelines and to establish administrative mechanisms to allow affected persons to seek the correction of information maintained and disseminated by the agencies that does not comply with the OMB guidance.

The Biological Opinion will be extremely influential on our districts and our constituents. Its requirements will affect the future operations of the pumping projects in the San Joaquin-Sacramento Delta, which supplies water to the farms and families of the Central Valley, as well as to millions of other Californians. As a result, it is incredibly important to us that the Biological Opinion be based on quality, factual, and scientific data, as required under the IQA. Additionally, assumptions and effects within the Biological Opinion must be supported by this data.

The Family Farm Alliance's IQA Request asks for several corrections to the Effects Analysis of the Biological Opinion.

The corrections requested by the Family Farm Alliance include that the FWS did not comply with the federal guidelines intended to exclude biased and inaccurate information and ensure the integrity of expert peer reviews. Specifically, the IQA request states that the peer review included individuals that are authors of papers that the Biological Opinion is based upon or who received funding from the federal agencies authoring the Effects Analysis.

Additionally, within the Effects Analysis, the Family Farm Alliance points out an inconsistency where the FWS states that the decline of the smelt is due to entrainment at the state and federal export pumps in the Delta, while at the same time FWS

Sincerely,


George Rangel
Member of Congress


Jim Costa
Member of Congress


Devin Nunes
Member of Congress


Dennis Cardoza
Member of Congress


Ken Calvert
Member of Congress


Kevin McCarthy
Member of Congress

CC: U.S. Department of Justice, Environment and Natural Resources Division

Independent Peer Review



Judge Craig Manson moderates a panel of 5 individual fisheries scientists at an event co-sponsored by the Family Farm Alliance and Center for Endangered Species Act Reliability. Fresno State University, March 14, 2009.

Independent Peer Review: Initial Findings

- Current smelt research contains serious flaws
- Inadequate Peer Review: those who actually contributed to the USFWS opinion reviewed it themselves instead of having unbiased peers look it over.

Independent Peer Review: Initial Findings

- It is not clear that reducing export pumping is a necessary and effective means of protecting the delta smelt from extinction.
- Operation of the water project pumps does not have important effects on abundance of delta smelt.

Independent Peer Review: Initial Findings

- Because there is no correlation between abundance of delta smelt and project export pumping activities, it cannot be said that project operations are responsible for declines in delta smelt abundance.
- And yet, the federal agencies continue to focus on those pumps.

Independent Peer Review: Initial Findings

- To best protect the smelt, we need to truly understand the numerous other factors that do have important effects on the abundance of delta smelt, and to develop appropriate management plans.

Independent Peer Review: Next Steps

- Production of DVD of Fresno State University Symposium
- Working to incorporate IQA request / peer review into the judicial record
- Journal Publication

ESA Implementation: Family Farm Alliance Actions



Delta smelt

1993 – Threatened (CESA/FESA)

- Recent Correspondence With USFWS
- *Family Farm Alliance v. Salazar*

Crisis Preparedness....SJV Communities Look to Klamath

Crisis Working Group:

- San Joaquin Valley elected officials
- Water district policy and public affairs officials
- Community leaders
- Family Farm Alliance
- California Farm Water Coalition
- Farm Bureau

Crisis Preparedness

- New website:
www.ourvalleywatercrisis.org
- Coordination with local food banks
- Briefings with Community leaders

California Crisis: Other Alliance Engagement



- 10,000 March for Water – April
- Massive Media Coverage
- Congressional Attention

MASSIVE MEDIA COVERAGE

THE WALL STREET JOURNAL.

REVIEW & OUTLOOK
SEPTEMBER 1, 2009, 7:24 P.M. ET

California's Man-Made Drought The green war against San Joaquin Valley farmers.

California has a new endangered species on its hands in the San Joaquin Valley—farmers. Thanks to environmental regulations designed to protect the likes of the three-inch long delta smelt, one of America's premier agricultural regions is suffering in a drought made worse by federal regulations.

MASSIVE MEDIA COVERAGE

The Newsweek logo, featuring the word "Newsweek" in a bold, white, sans-serif font, centered within a solid red rectangular background.

Dying on the Vine

As another water war rages, the west side of California's storied San Joaquin Valley waits for relief that may not come.

By Katie Paul | Newsweek Web Exclusive Aug 24, 2009 | Updated: 2:08 p.m. ET Aug 24, 2009

High-Level Political Attention

White House intervenes in state water crisis

San Diego Union-Tribune-10/1/09
By Kevin Freking

The Obama administration yesterday urged California Gov. Arnold Schwarzenegger to call state lawmakers into a special session to deal with the state's water crisis.

Recent Developments



Hope....?

Public Perceptions, Preferences, and Values for Water in the West

A Survey of Western and Colorado Residents

James Pritchett
Alan Bright
Andrea Shortsleeve
Jennifer Thorvaldson
Troy Bauder
Reagan Waskom

February 2009

Special Report No. 17

Colorado Water Institute

Colorado
State
University

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA

SAN LUIS & DELTA-MENDOTA WATER
AUTHORITY; WESTLANDS WATER
DISTRICT,

Plaintiffs,

v.

KENNETH LEE SALAZAR, as
Secretary of the Interior, et
al.,

Defendants,

NATURAL RESOURCES DEFENSE
COUNCIL and THE BAY INSTITUTE,

Defendant-Intervenors.

1:09-CV-00407 OWW DLB

MEMORANDUM DECISION AND
ORDER RE EVIDENTIARY
OBJECTIONS RE PLAINTIFFS'
MOTION FOR PRELIMINARY
INJUNCTION

I. INTRODUCTION

This case concerns the United States Fish and Wildlife Service's ("FWS") December 15, 2008 biological opinion ("BiOp" or "2008 BiOp") concerning the impact of coordinated operations of the Central Valley Project ("CVP") and State Water Project ("SWP") on the threatened delta smelt. San Luis & Delta-Mendota Water Authority ("Authority") and Westlands Water District ("Westlands") (collectively "Plaintiffs") moved for a preliminary injunction to enjoin the application of Component 2 of the

Thank you for this opportunity

Contact Information

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