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**To:** ["Tom Stokely"](#); [Scoping\\_Delta\\_Plan@Delta\\_Council](#); [sevans@friendsoftheriver.org](#); ["Carolee Krieger"](#); ["Kier Associates"](#); [Grader\\_Zeke](#); ["Barbara"](#); [barbarav28@gmail.com](#); ["Michael Jackson"](#); [metropulos@sierraclub-sac.org](#); ["Bruce Tokars"](#); ["Jerry Cadagan"](#); ["felix smith"](#); ["Chris Acree"](#)  
**Cc:** ["John McManus"](#)  
**Subject:** Some Good News RE San Joaquin River and CVP Contract Renewals  
**Date:** Tuesday, February 01, 2011 1:36:27 PM  
**Attachments:** [Final Comments Draft EA FONSI for San Luis and Panoche Interim Contract Renewals 12-2010.pdf](#)

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Dear All,

I just heard the Bureau of Reclamation was not able to obtain concurrence from NMFS for the interim contract renewal for San Luis and Panoche Water Districts, largely due to selenium impacts and impacts to salmon on the San Joaquin River.

Stay tuned,

Regards,  
Patty

Patricia Schifferle  
Pacific Advocates  
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December 13, 2010

Rain Healer  
South Central California Area Office  
U.S. Bureau of Reclamation  
1243 N St  
Fresno, CA 93721

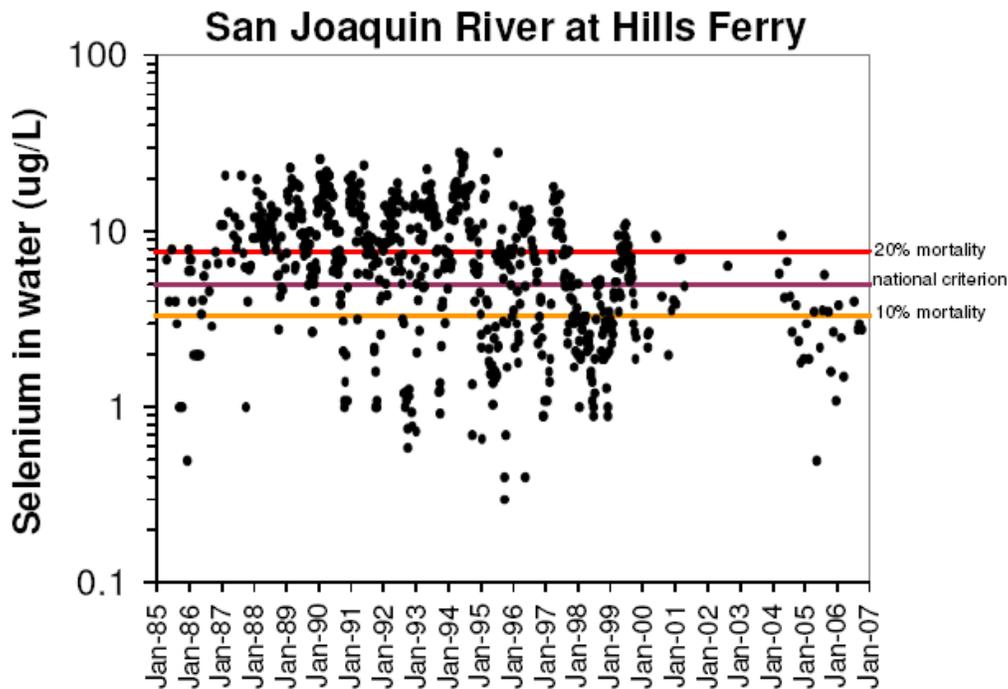
**Subject: Comments on the Draft Finding of No Significant Impact [FONSI] San Luis Water District's [SLD] and Panoche Water District's [PWD] Water Service Interim Renewal Contracts 2011-2013 FONSI-10-070.**

Dear Ms. Healer:

We oppose the adoption of the above referenced FONSI. The proposed contracts and Draft FONSI supported by the Draft Environmental Assessment Number EA-10-070, San Luis Water District's Panoche Water District's Water Service Interim Renewal Contracts 2011-2013 ignore the increased environmental impacts caused by two more years of diversions under these contracts. Comments by the above groups and others were basically ignored.<sup>1</sup>

The draft documents are legally inadequate and must be withdrawn. These water contracts whereby provisions of the 1963 water contracts are simply renewed do not reflect the realities of water quality impacts, endangered species impacts, and water supply impacts. Nor do these contracts reflect the water quality permit obligations and mitigation to the areas of diversion that supply this diverted water from the Delta including the Trinity River, Sacramento River and American River. This water is diverted to irrigate toxic selenium soils resulting in return flow pollution to the Delta and Bay estuary. This polluted groundwater and discharge to the San Joaquin River and surrounding wetland areas impacts endangered species along with the environmental and economic well being of the estuary.<sup>2</sup> As you can see from the concentration data below, discharges from these districts and others into the San Joaquin River increase the mortality of federally listed endangered Chinook salmon, Central Valley Steelhead and North American green sturgeon and impact their critical habitat.

**Figure 1. Selenium concentrations measured in the San Joaquin River at Hills Ferry (data from the Central Valley Regional Water Quality Control Board).**



Continuing to divert water to these toxic lands and discharging pollution to the San Joaquin River will only increase the impacts to these endangered species and the garter snake, endangered San Joaquin Kit fox and threatened Delta smelt along with critical habitats. Further, the contract renewals also do not reflect the legal obligations of the Bureau of Reclamation to the areas of origin under their water rights permits.

The Bureau continues to ignore its legal obligations under the Central Valley Project Improvement Act and other state and federal laws to incorporate meaningful reforms in these new contracts and accurate analysis of their impacts in the environmental reviews. For the past decade environmental and federal agencies have raised these concerns that have been ignored. Despite repeated requests to accurately reflect the law the Bureau also continues in this document to suggest that it is an **obligation of the Secretary to** "renew water contracts." This failure to accurately reflect the Secretary's discretion has been repeatedly brought to the Bureau's attention and yet this inaccurate recital is repeated again in this FONSI.

PWD and SLWD have uncontrolled groundwater pollution, polluted drainage and runoff that are not under required water discharge permits from the State Water Resources Control Board, violate Clean Water Act Standards and violate both the Federal and State Water Quality Antidegradation policies. Further we request a full Environmental Impact Statement be completed so the decision makers and the public can:

1. Make an informed decision regarding the impact of approving specific water contract quantities that exceed available supplies;
2. Assess the Bureau of Reclamation's compliance with duties under Federal and State law including the goals and provisions of the 1982 Reclamation Reform Act [RRA] and the 1992 Central Valley Project Improvement Act [CVPIA]. Federal and State law require water delivered is beneficially used, encourages conservation, and will not cause further environmental harm, pollution, or degradation to the waters of the state and other beneficial uses of the land or Public Trust Values.
3. Assess compliance with regulatory actions under the Clean Water Act, the CVPIA, the Migratory Bird Treaty Act, Indian Trust Assets and the Endangered Species Act from renewing contract quantities that do not accurately reflect the delivery capability and water availability of the CVP.

Analysis of the environmental documentation is insufficient to support a finding of no significant impact for the renewal of the San Luis Water District's [SLD] and Panoche Water District's [PWD] Water Service Interim Renewal Contracts 2011-2013 and it does not meet the legal requirements of the National Environmental Policy Act [NEPA].

Further we find the exclusion from the analysis of the environmental impacts of changes to the contractor's service areas, water transfers and exchanges, contract assignments, Warren Act Contracts and drainage to be arbitrary because it fails to provide any analysis or information so there can be an informed decision regarding the environmental impacts from these actions. Nor does this meet the standard of providing sufficient information for public review and comment. The reliance on individual environmental assessments or other programmatic decision making documents segments the information and fails to fully disclose the cumulative and the compounding nature of the environmental impacts

from these proposed actions and the exaggerated quantities of water in these contract renewals.

Finally this document is tiered to a variety of environmental documents including the CVPIA Programmatic EIS (PEIS). Some of the documents are not complete, some of the documents rely on different baselines than this project, and some documents rely on untested or unproven promises of environmental mitigation or benefit. Use of an environmental assessment instead of an environmental impact statement limits full public disclosure and full public comment provisions that are necessary given the complicated nature of the issues raised in contract renewals including impacts to other water users in the state, pollution, water transfers and use of public wheeling facilities.

The environmental analysis provided does not fully disclose the site-specific circumstances of the SLWD and PWD contracts and the specific impacts environmental impacts caused by diverting water to irrigate these agricultural lands. Further the baseline in the various documents is different rendering the analysis of impacts incomplete. Actions taken under this FONSI are not consistent with the project description in the various ESA consultations could render the analysis of impacts on the survival and recovery of proposed and listed species invalid for the proposed action. The baseline used for the consultations is different than the baseline under the proposed project. The public is denied the opportunity to fully evaluate the impacts to endangered species because the biological assessments were not included in the document.

The Draft FONSI supported by the Draft Environmental Assessment Number EA-10-070 does not meet the legal requirements of the National Environmental Policy Act (NEPA). Specifically the document is deficient for the following reasons:

- Insufficient information is provided to make an informed decision of no significant impact.
- Impacts from federal actions associated with the interim contract water delivery were arbitrarily excluded from the analysis, including but not limited to, the impacts from water transfers and exchanges, contract reassignments, water delivery from the California Aqueduct and changes to the contract service areas or places of use.
- The full range of alternatives was not analyzed in the supporting environmental documents including reduced contract deliveries.
- The analysis of the impacts from the implicit promise of unsustainable water contract quantities promised for delivery do not accurately reflect the delivery capability of the CVP, especially after regulatory actions under the Clean Water Act, the CVPIA and Endangered Species Act are considered. This “over commitment” of CVP supplies has adverse impacts that were not fully disclosed.
- Selection of a narrow study area precluded analysis and information needed to assess the impacts of the proposed action on other CVP contractors, surrounding agricultural lands and impacts to the sources of water such as the Delta, the Sacramento, Trinity and American rivers.

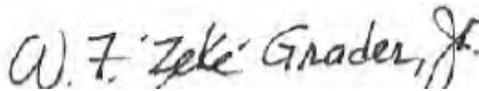
- There is little or no information on the direct, indirect and cumulative impacts of the proposed actions including among other impacts, mobilization of pollutants from applying imported water to toxic soils and movement from the irrigation of upslope toxic lands. Subsurface polluted ground water can contain extremely elevated levels of selenium, salt, boron, mercury and other toxic constituents that can migrate and/or adversely affect surrounding domestic wells, downslope agricultural farmlands, and surface waters and associated wetlands receiving drainage inputs, the San Joaquin River and Delta. Selenium is a potent reproductive toxicant to vertebrate species and can readily bioaccumulate to toxic concentrations in the food chain. We are particularly concerned with adverse selenium impacts to salmonids associated with discharges of polluted groundwater, sump water and drainage to the San Joaquin River.

Thank you for your consideration of our comments. We urge you to reject the proposed Finding of No Significant Impact and instead prepare an Environmental Impact Statement.

Respectfully submitted,



Jim Metropulos  
Senior Advocate  
Sierra Club California



Zeke Grader, Executive Director  
Pacific Coast Federation of  
Fishermen's Associations



Conner Everts  
Executive Director  
Southern California Watershed Alliance



Larry Collins  
President  
Crab Boat Owners Association Inc



Carolee Krieger  
Board President and Executive Director  
California Water Impact Network



Bill Jennings  
Chairman Executive Director  
California Sportfishing Protection Alliance



Byron Leydecker, Chair  
Friends of Trinity River



Jonas Minton  
Senior Water Policy Advisor  
Planning and Conservation League



Bruce Tokars, Co-Founder  
Salmon Water Now

Attachment: Detailed comments

cc: Interested parties

### **DETAILED COMMENTS**

**1. The draft FONSI and supporting environmental document fail to analyze the ongoing impacts and continued impacts of water deliveries on water quality, soils or other natural resources from water to applied to contaminated soils. Insufficient information is provided to support the conclusion there will be “no effect on surface water supplies or quality” or the conclusion that there will be “no significant effect on groundwater supplies or quality.”[Pg.2 FONSI-10-070]**

The area affected by the delivery of water under these interim contracts includes waters of the United States (the San Joaquin River and many of the west tributaries, such as Mud and Salt Sloughs and the Grasslands wetland channels) that are listed as impaired pursuant to the Clean Water Act. The 2005 Bureau of Reclamation's DEIS and Supplemental Information for Renewal of Long Term Contracts for San Luis Unit acknowledges that deliveries under these contracts have adversely altered both groundwater flow and quality (pp.3.8-4 and 3.8-6) and that all of the alternatives evaluated in the DEIS, including the no-action alternative (i.e. renewal of the contracts with current terms and conditions) would result in the continuing degradation of water quality in the area.

The draft FONSI and environmental documents do not analyze the irrigation of upslope lands as sources of selenium mobilization into drainage, ground or surface water. Studies since the early 1990's have established that irrigation and associated drainage from the San Luis Unit contribute significantly to the movement of pollutants,

particularly selenium, which affect surface and ground water within the region<sup>3</sup>. Selenium in soils from the San Luis Unit are mobilized by irrigation and storm water run-off [see 1990 Drainage Management Plan for the West San Joaquin Valley, California, Figure 6, p.28] with the highest concentrations of salts and selenium located down slope [Figure 2.5 San Luis Drainage Feature Re-evaluation Preliminary Alternatives Report, Dec. 2001]

According to EPA water deliveries from these contracts where selenium concentrations exceed water quality standards affect important resources such as the Grassland Ecological Area.<sup>4</sup> Concentrations in some canals have reached levels 20 times the standard protective of aquatic health.<sup>5</sup> EPA goes on to note, "*There is potential for the water deliveries to exacerbate mobilization of pollutants and movement (through shallow groundwater) into areas where there could be fish and wildlife exposure.*"<sup>6</sup> Clearly the draft FONSI should have provided information on the San Luis Water District and Panoche Water Districts' role in groundwater accretions and discharges of pollutants into wetland channels and the San Joaquin River and identified the impacts to these wetlands and wildlife.

There is no information or analysis to support the draft FONSI and environmental documents finding that the proposed action "would have no effect on birds protected by the Migratory Bird Treaty Act (16 USC Section 703 et seq.)" In fact the assertion is not supported by existing data. Monitoring data in 2009 shows there has been harm to migratory bird eggs and increased mortality from irrigating these selenium lands

In addition, the draft FONSI's contention that the language in the Section 3404(c) of the CVPIA precludes the Secretary from considering reduced contract quantities as a project alternative is not accurate. The carte blanche elimination of this alternative is not consistent with Secretarial discretion contained in Section 3404 (c) and fails to consider the requirement that Secretary is required to ensure water is put to beneficial use.

The Draft FONSI and environmental documents should include both information on the relationships between irrigation in the San Luis Unit [Westlands and northern districts] and ground water movement downslope, in terms of flow and water quality. It should provide information on how the delivery of water to the San Luis Unit is adversely altering both groundwater flow and quality and the potential for movement (through shallow groundwater of pollutants (e.g. selenium) to the waters of the San Joaquin River and its tributaries, such as Mud and Salt Sloughs and the Grasslands Channels that are listed as impaired pursuant to the Clean Water Act.

Based on this information a full EIS should include mitigation measures, such as monitoring and adaptive tools, farm edge groundwater monitoring, water contract provisions, or changes in water contract amounts and location of water applied, which will reduce groundwater pollution and selenium mobilization.

Such alternatives and mitigation measures would not, however, address the need for environmental water to mitigate the impacts from the creation of such a nuisance or pollution. These additional mitigation measures are needed to meet state and federal law obligations under the Bureau's water right permits.

**2. The FONSI for this water contract renewal narrowly defines the project and assumes the impacts of importing water and exporting pollution does not extend to the San Francisco Bay Estuary and Sacramento-San Joaquin Delta.**

Exporting water supply from the Delta, which affects key habitat variables such as channel configuration, delta hydraulics, delta inflows and water quality are identified as one of the contributors in the decline of key fish species. The FONSI and supporting environmental documents exclude any analysis of these impacts from the proposed action. Further the FONSI and environmental documents exclude any analysis of Warren Act contracts, water transfers and exchanges, all of which could increase the diversions from the Delta under the proposed action to renew these contracts at quantities which exceed available supplies.<sup>7</sup>

Additionally the California Regional Water Quality Control Board, September 10, 2005, identified potential Delta impacts from constituents that originate in the San Luis Unit project area. In particular, analyses related to implementation of the salinity/boron TMDL have pollutant loads coming from sub-watersheds such as the Grasslands area, which includes the Northern contract area. Also the proposed action does not provide sufficient information or analysis from the combination of impacts that could result from this action and the recent federal action under the USBOR Grasslands Bypass ROD December 22, 2009 where selenium discharges that do not meet protective aquatic objectives will be discharged into tributaries of the San Joaquin until January 1, 2020.

**3. The proposed action does not reflect legal and environmental constraints on water deliveries. The impact of this package of false promises to the financial markets and other CVP contractors is not disclosed.**

**Financial Assurances based on exaggerated water supplies are false and lead to increase risks to bondholders.** The quantity of the interim contract renewals should be based on existing, developed project supplies. The needs assessment contained in the draft FONSI and environmental documents do not accurately reflect environmental needs, Indian Trust obligations, and Public Trust obligations. The environmental documents readily admit relying on a 2007 needs assessment that is faulty. In the environmental documents "the analysis for the Water Needs Assessment did not consider that the CVP's ability to deliver CVP water has been constrained in recent years and may be constrained in the future because of many factors including hydrologic conditions and implementation of federal and state laws".

The proposed action should accurately reflect realistic contract quantities with existing developed water supplies and reasonably foreseeable water availability. Failure to

truthfully reflect actual contract amounts can potentially lead to financial market speculation based on unrealistic water contract deliveries. The San Luis Delta Mendota Water Authority and its member districts, including the San Luis Water District and Panoche Water District, have already leveraged these federal water contracts to borrow from the financial markets in 2009 over \$50 million dollars.<sup>8</sup> Even the environmental documents suggest retaining these inaccurate water quantities in the contracts provides assurances for investments. These are false assurances and could lead to substantial financial dislocations to bond holders and financial markets. These impacts have not been analyzed or disclosed.

All contracts should include an honest and full disclosure that water service contracts are not permanent entitlements. The rationale that these false representations provide assurance is misleading. Further the FONSI and supporting draft environmental assessment suggest that the Bureau is bound to this charade because of the PEIS for the CVPIA. NEPA compliance and the law require an accurate analysis of the impacts of a proposed project action. The cumulative effects of this exaggeration of water delivery quantities will only become more acute as senior water rights holders upstream develop their water supplies [See PEIS, Figures IV-79 and IV-80 and accompanying text.] These exaggerated contract amounts lead to false assurances to financial institutions and bond holders.<sup>9</sup> These false assurances by the San Luis Water District and Panoche Water District use exaggerated water contract amounts as collateral claiming the water can be marketed outside of the district boundaries to buyers in Southern California and San Francisco.<sup>10</sup> No analysis or information regarding the environmental impacts of water sales, transfers or exchanges is provided despite the fact numerous transfers are taking place within, outside and into the Westlands.

**Environmental Impacts from Exaggerated Water Contract Amounts Are Not Disclosed.** The draft FONSI and environmental documents allow for the continued obligation of contract water quantities above the amounts that are currently delivered. No detailed evaluation of the environmental effects caused by the delivery of water above currently delivered amounts is provided. Failure to provide this information leaves out critical impacts of the proposed action and understates the cumulative impacts. For example, the American River Division plays a key role in the operation of the CVP to meet Endangered Species Act [ESA] requirements, water quality regulations, and water supply demands within, and south of the San Francisco Bay-Delta.<sup>11</sup> A detailed analysis of these environmental effects is important because increased diversions from the American and Sacramento Rivers to meet these contract renewal amounts can adversely affect beneficial uses, such as water quality and habitat for threatened and endangered anadromous fishery.

**4. The water contract quantities are arbitrarily fixed and renewed without regard to updated site specific situations and impacts.**

**5. Despite completion of the Programmatic EIS for the Central Valley Project Improvement Act (CVPIA PEIS), the Draft FONSI and environmental documents do not adequately address site specific impacts of the Proposed Action. These proposed environmental documents do not fill in the gaps contained in the CVPIA PEIS.**

**6. Given the changes in the CVP operation and specifically the potential increase of water deliveries to selenium soils within the San Luis Water District and Panoche Water District from exchanges, water transfers, Warren Act contracts or contract assignments along with the proposed changes to the Grasslands Bypass project and the proposed actions contained in this draft FONSI and environmental documents, consultation should be reinitiated with USFWS and National Marine Fisheries Service (NMFS) for the proposed action.** The baseline of the original consultations has changed. These consultations need to analyze the cumulative effects of this proposed project along with new information regarding the impact of selenium and other contaminants upon the anadromous fishery in the San Joaquin River<sup>12</sup> and wildlife within the Study Area described in the Programmatic Environmental Impact Statement for the CVPIA.

**7. Contract terms to include repayment of costs for the Trinity River Restoration Program as Operation and Maintenance costs pursuant to CVPIA Section 3406(b)(23) should have been included in the Proposed Action.**

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<sup>1</sup> We incorporate by reference: Comments of the Bay Institute and NRDC on Draft EA and Draft FONSI for the San Luis Unit interim renewal contracts (Central Valley Project, California); Sierra Club California, Friends of the River and the Planning and Conservation League January 29,2010; and California Water Impact Network and California Sportfishing Protection Alliance January 29,2010.

<sup>2</sup> Oppenheimer and Groeber 2004 noted, *The Grassland Subarea contains some of most salt-affected lands in the LSJR watershed. This subarea is also the largest contributor of salt to the LSJR (approximately 37% of the LSJR's mean annual salt load). Previous studies indicate that shallow groundwater in the LSJR watershed is of the poorest quality (highest salinity) in the Grassland Subarea (SJVDP, 1990).* The authors further found that, *The Grassland Subarea contributes approximately 400 thousand tons of salt and 490 tons of boron per year to the LSJR, which accounts for approximately 36 percent of the rivers total salt load and 50% of the rivers total boron load at Vernalis... Subsurface agricultural drainage from the DPA in the Grassland Subarea represents the most concentrated source of salt and boron in the LSJR Watershed.*"

References: **Oppenheimer, E.I. and L.F. Groeber. 2004a. Amendments to the Water Quality Control Plan for the Sacramento River and San Joaquin River Basins for the Control of Salt and Boron Discharges into the Lower San Joaquin River. Draft Final Staff Report of the Central Valley Regional Water Quality Control Board, San Joaquin River TMDL Unit, Sacramento, CA, 121 pp.** Available at:

[http://www.waterboards.ca.gov/centralvalley/water\\_issues/tmdl/central\\_valley\\_projects/vernalissaltboro](http://www.waterboards.ca.gov/centralvalley/water_issues/tmdl/central_valley_projects/vernalissaltboro)

[n/index.shtml](#)

and

**Oppenheimer, E.I. and L.F. Groeber. 2004b. Amendments to the Water Quality Control Plan for the Sacramento River and San Joaquin River Basins for the Control of Salt and Boron Discharges into the the impacts associated with this drainage discharge allowance for the GBP go beyond selenium Lower San Joaquin River. Draft Final Staff Report Appendix 1: Technical TMDL Report. Central Valley Regional Water Quality Control Board, San Joaquin River TMDL Unit, Sacramento, CA, 109 pp.** Available at:

[http://www.waterboards.ca.gov/centralvalley/water\\_issues/tmdl/central\\_valley\\_projects/vernalissaltboron/index.shtml](http://www.waterboards.ca.gov/centralvalley/water_issues/tmdl/central_valley_projects/vernalissaltboron/index.shtml)

Also see: G Fred Lee at the Bay Delta Science Conference in September 2010 suggested that discharges from the Grasslands Bypass Project to Mud and Salt slough were a significant source of nutrients contributing to the low dissolved oxygen (DO) and fish die-offs at the Stockton deepwater ship channel.

He stated that high phosphorus and algal "seeding" from the drainage resulted in algal blooms further downstream that strips the San Joaquin River of DO in Stockton. He also noted that the low DO at Stockton could impair fall run salmon migration. A copy of Dr. Lee's presentation is available at:

<http://www.gfredlee.com/psjriv2.htm>

With respect to mercury pollution of the San Joaquin River and Delta from Westside irrigation practices see **Reference: Wood, M.L., C. Foe, and J. Cooke. 2006. Sacramento – San Joaquin Delta Estuary TMDL for Methylmercury. Draft Staff Report for Scientific Peer Review. Central Valley Regional Water Quality Control Board, Rancho Cordova, CA, 177 pp.** Available at:

[http://www.waterboards.ca.gov/centralvalley/water\\_issues/tmdl/central\\_valley\\_projects/delta\\_hg/scientific\\_peer\\_review/delta\\_hg\\_rpt.pdf](http://www.waterboards.ca.gov/centralvalley/water_issues/tmdl/central_valley_projects/delta_hg/scientific_peer_review/delta_hg_rpt.pdf)

<sup>3</sup> "A Management Plan for Agricultural Subsurface Drainage and Related Problems on the Westside San Joaquin Valley," September 1990 [Bureau of Reclamation, Fish and Wildlife Service, US Geological Survey, Ca Dept. of Fish and Game and California Department of Water Resources.]

<sup>4</sup> EPA Detailed comments for the DEIS and Supplemental Information for Renewal of Long-Term Contracts for San Luis Unit Contractors, CA, April 17, 2006.

<sup>5</sup> Ibid.

<sup>6</sup> Ibid. Attachment A. See also EPA comments re The Notice of Intent for Long-term Contract Renewal, Central Valley Project, California, January 8, 1999. And EPA comments re Proposed Long Term Contracts and Associated Environmental Assessments. December 8, 2000.

<sup>7</sup> See Public Hearing 1998 Bay-Delta Water Rights Hearing, Wednesday, April 7, 1999 pp 13231-32  
*"Mr. Sagouspe [President of San Luis Water District]: ..Or another alternative was to transfer water from other districts or purchase other supplies that landowners individually could do or the district could do....A lot of farmers in all the west side districts farm in more than one district. So, they will transfer water between districts...There has been water available on certain occasions from some of the state contracting districts. There has been various means of and ways to get certain amounts of water..."*

<sup>8</sup> Fitch Rates \$50MM San Luis & Delta Mendota Water Auth., California Revs 'A'; Outlook Stable © Business Wire 2009-03-05. The Fitch Bonding Agency states, "The inherent value in the district's extensive water entitlements through its role as the contractor with the federally owned CVP is a credit strength."

<sup>9</sup> See Public Hearing 1998 Bay-Delta Water Rights Hearing, Wednesday, April 7, 1999 pp 13208-09

*“Mr. Sagouspe [President of San Luis Water District]: In the years since 1977, the district has borrowed money a number of times. In each case, but one, the bonds were certificates of participation, were sold to the public at large and the debts were secured by the district's ability to bill these lands for water deliveries into successive lands based on the value of irrigated farmland.”*

<sup>10</sup> Ibid. Business Wire 3-5-09. “There is concentration amongst WWD water purchasers. But offsetting this risk somewhat is the value of the cash crops farmed in the district (about \$1.3 billion in fiscal 2008) and the absence of alternative/equivalent supplies or infrastructure to deliver water. In addition, WWD potentially has the ability to sell and transfer water rights outside the district should agriculture cease to be economic, as the demand for water in southern California and the San Francisco Bay area by users with connectivity to the CVP is very high.”

<sup>11</sup> FEIS for Renewal of Long-Term Municipal and Industrial Service Contracts for the American River Division, Central Valley Project [CVP] (pgs. 4-4 and 4-6)

<sup>12</sup> C-WIN Letter to Hayes regarding the Dr. Lemly Memo 12-9-09