

**DRAFT**  
**DEFT-NoName Coordination Team (DNCT)**  
**Meeting Notes**  
**1/19/99**  
**1:30-4:30**

**Attendees:**

Mike Fris, Matt Vandenberg, Karl Halupka, Pete Chadwick, Jim White, Dale Sweetnam, Bruce Herbold, Sushil Arora, Sheila Greene, George Barnes, Curtis Creel, Jim Snow, Paul Fujitani, Pete Rhoads, Ed Winkler, Peter Louie, Art Hinojosa, Dave Briggs, Speck Rosekrans, Dave Fullerton(phone), Russ Brown, Mark Cowin, Ron Ott, Tom Cannon, Terry Erlewine, Dave Forkel, Jim Easton, Brent Walthall, Joan Maher.

**Agenda:**

- i. Issues related to Environmental Water Account (EWA)
- ii. Technical and policy issues
- iii. EWA development process
- iv. 1999 EWA Activities
- v. Stage 1 EWA Activities

**Actions:** (see bold underlines)

**Issue Suggestions**

- 1. Scientific basis for underlying assumptions - alternative hypotheses evaluations could be developed through DEFT\CMARP. Our objectives overlap somewhat with CMARP so they can help address science issues.
- 2. Baseline issue should be addressed - what is starting point for water needs. Need baseline issues solved before we can determine how large EWA assets should be. **Action:** again get management to address this concern and provide direction.
- 3. Integration of EWA into other CALFED programs (e.g., water transfers, ERP, WQ).
- 4. Two ways of generating credits. Should EWA be actual water stored south of Delta or simply credits for water SOD. Credit approach is simpler and less subject to conflict. Credit approach would still involve conflicts.
- 5. EWA should be integrated with SWRBC process. If EWA could be funded with water generated from JPOD, then SWRBC needs to know this is one of the objectives of JPOD. (They failed to approve JPOD this week.)
- 6. Indirect effects of EWA actions (e.g., adjusting reservoir storage)
- 7. What gets covered by EWA and what new standards.
- 8. EWA generated rule changes to WQCP (gaining water by relaxing standards)
- 9. How are burdens shared - who takes hit for new upstream demands. Storage or demands?

**May EIR/EIS Needs**

10. How do we model effects of EWA? By bracketing with other alternatives (FWS, WQCP)?
11. We must describe the impacts of EWA. Need to show range of effects.
12. Possible to define range of rules that act as book ends.
13. How do we convince people/managers that EWA will work?
14. Need to agree on Stage 1 needs.

### **1999 EWA Prototype - Pilot Program**

15. Agressively test varied concepts of EWA to show how EWA works. Value will be in indentifying problems, not in the degree of implementation.
16. Can we use some of CALFED's 14.5 million available for water purchases?
17. Can we relax standards to get some water for EWA? Salvage numbers are very low right now - we could pump some water into available San Luis storage.
18. Develop a diversified portfolio - a diverse portfolio would provide greater flexibility to protect fish.
19. 1999 pilot program will help in developing long term rules.
20. Should fund options for moving water SOD. SOD stored water is our most reliable EWA water.
21. Need to expand discussion of 1999 options to a larger group.
22. Urgency to identify potential impacts - start developing environmental documentation.
23. Need to test an array of options (e.g., surface, groundwater, storage, purchases, etc.)
24. Three options being considered: Castaic MWD, KCWA, KWB.
25. Groundwater banks have limited return ability.
26. Space in storage reservoirs is limited right now for EWA activities.
27. EWA would have low priority on use of water and facilities.
28. Having low priority may not be all that risky - chances are minimal that everyone will need their capacity.
29. Consider demand purchases: Yuba; exchanges, others.
30. Coordinate with ERP purchases and needs.
31. Make the water do something before we store it in EWA account somewhere.
32. Buy some Yuba water to meet demands on Shasta/Oroville storage - keep EWA water in Shasta or Oroville.
33. Should we consider a combination of cheaper less reliable sources and some more expensive more reliable sources? North of Delta water will be cheaper than SOD storage.
34. We should look for ways of filling available holes in upstream reservoirs.
35. We should shift water south, relax E/I, test whole range of portfolio and accounting rules; try long-run actions out; experiment; test; refine.
36. We should attempt to define how the process works - learn how to optimize; define tools and how to use them effectively and efficiently - determine how to get water into account and how to use/apply it - develop, refine, and test all these features.
37. As a minimum we should try as a default position to - extend VAMP with EWA water/money; reduce exports during any high take periods.

38. No need to actually do something, only show we had the capacity to do something to test and simulate EWA. Game in real-time as well as in hind sight. Real time gaming is important because we can show how we would deal with uncertainties of the future - real time water management factors.
39. Learn from and study existing examples such as refuge purchases from exchange contractors.
40. Buy and using immediately is cheapest - buying and holding assets increases costs 3 to 4 fold.
41. Two ways: cut deals and options, and strict accounting. Who gets JPOD water? Develop rules for using San Luis storage?
42. Use of EWA is for FWS/NMFS/ DFG to decide with some help by CALFED Ops and CMARP data teams - open process involving stakeholders offers advantages.
43. Need to decide how to use available funds. Define how much we hold in a reserve account.
44. Need to decide based on full benefits including synergies of other benefits (WQ, etc).
45. We should consider prefilling San Luis with EWA water.
46. EcoEntity may be an independent institution to manage EWA.
47. ESA agencies will need assurances on how water is developed and used. How water is used will have some bearing. For example, they would like to see some used for experiments; some water set aside for when smelt show up at the pumps. They will want to know how these features be worked out. How will this group affect these decisions?
48. Who will decide how to use EWA water this year? Should DNCT provide some guidelines?
49. Develop an array of possible ways to use water; test options in 1999; try to see if we can actually do some of these things; set them up as experiments in keeping with Adaptive Management.
50. What baseline to we operate/test under? Without baseline defined we will get nowhere. Baseline arguments will be hard this year - can we work around them in testing EWA?
51. Consider B2 decisions.
52. Skepticism about this group's ability to manage this years efforts. Need an agency team to take responsibility and do this test program in 1999. This group should focus on Stage 1 and the overall process, and look to learn from the 1999 experiments.
53. The Bureau has a team that has been buying water - maybe they should be the focus of the test team. Activities would include contract negotiations; SWRBC permits, environmental review. April 15 is a good time to have EWA water under contract. Much work needed to meet that date.
54. How can we get these federal and state actions approved by April 15? Contracts can be done and ready for when permits are obtained. We should have a programmatic process set up for EWA permits.
55. Of the \$14.5 million available this year some will be needed for water transfers and Battle Creek. Another \$20 million should be funded this year.

**Other Considerations**

56. These issues will be brought to small management team.
57. NMFS is consulting on steelhead; DFG is consulting on spring run. Need to get EWA into these processes to show that other things can be done.

### EWA Stage 1

58. Responsibilities of DEFT, NoName, and CALFED Data Assessment Team should be defined.
59. Someone in or subgroup of DNCT needs to oversee what 1999 EWA program is doing.
60. We should continue our simulation efforts as we learned a lot from the process in December. Simulations are tool for educating (get to play operator); get to consider real operations decisions, use real-time model that captures today's system with probable payouts and rules. DWR built CALSYM (to be described at Asilimar) to do this.
61. Strategic gaming of real-time and historic conditions.
62. Subgroups could feed info to DNCT - suggestion for four subgroups:
  - (1) 1999 implementation group
  - (2) water acquisition group
  - (3) legal barriers (governance)
  - (4) Bio rules - science; monitoring (CMARP); priorities; options; clarifications, modeling, computer simulations.
63. Need to define who is in which of these four groups. What coordination is needed for each box. What issues are addressed by each group. **Action:** Subteam of BH, MF, PR, DF, CC will work on this and bring proposal to DNCT.
64. Need to determine combinations of assets of EWA that could meet needs of NMFS/FWS proposal. Needs defined by alternatives.
65. Rules and Games should include science - we must consider science that underlie rules and gaming tools.
66. The May target may not leave much time to consider variances due to science. Science is more fundamental than rules and games.
67. Adaptive management will help us address science.
68. Science should be on list of issues. Science should be important consideration in developing rules. CMARP will need to consider science as well. Better science is the interface needed to avoid conflicts. The Services require that all actions are based on the best available science. Right now some science is better than others. Need to know where better science is most needed, and where it is most sound. With what science are we most confident. Where is improvement needed.
69. There is a limit on what we can learn from our EWA experiments in 1999. We need a longer term evaluation period that covers science.
70. We should divide the 13 issues in handout into our four boxes (see item #62).
71. Which box contains developing rules for EWA? Each box may provide some rules. Water acquisition box will develop many of the rules.
72. **Action:** need to define data needs for real time simulation gaming. What output simulations will provide. Rules for accounting. Need a modeling group to develop

gaming tools (GB, JS, CC, PL, DB, SR, and RB should start thinking about this).

73. **Action:** need to develop new DNCT team email reflector.

74. **Schedule:** Thursday morning meetings - 9:30am starting 1/28/99.