

Ron,

I cannot be at today's DNCT meeting. I am sending this to give the group my thoughts on the next runs.

I understand that the next runs will be discussed at the Quinn-Spear meeting Monday. I think we should try to give Q-S a clear picture of the issues and some choices for them to make.

As I see it, we have the following situation. CalFed has released its Phase II/Programmatic EIR/S. The water users preliminary analysis has compared this report with their list of "have-to-haves," which some of them have characterized as "modest." The summary score is Yes, 12 and No, 42. Most of the No's involve the more important items such as water supply, water quality, and regulatory assurances. Most water users have trouble seeing how CalFed is going to produce a plan that they and their constituents can support.

I would not be surprised to learn that similar concerns are shared by other interest groups.

This does not bode well for CalFed. In fact, there are those who already say it is too late.

However, everyone seems to have considerable (justified?) faith in the Environmental Water Account to bridge the gap among the key interest groups and agencies and produce the compromise that could make CalFed a success.

Water users are hoping that the EWA can produce the water supply benefits, water quality improvements (or, at least, no further degradation) and regulatory assurances that would allow them to support CalFed. As a first step, there must be at least one game that clearly satisfies the water users. There should be at least one game that produces the desired 400 TAF/year increased supply relative to the Accord plus upstream AFRP by the end of Stage 1. If fishery agencies and environmentalists are unwilling even to game that possibility, that will be a clear sign to water users of what the final CalFed outcome will be.

Such a game will almost certainly require the flexible, real time application of more than just the E/I ratio. Water users strongly support the use of flexible, real time application of environmental requirements affecting water project operations. We would like to see at least one game that applied this principle broadly. We believe that more efficient use of water would result.

Therefore, I propose that the next game should have the following characteristics:

End of Stage 1

EWA assets and operating rules such that water users have a high expectation of getting the nominal 400 TAF/year more than the Accord plus upstream AFRP.

Broad application of flexible, real time requirements in place of prescriptive requirements. Key prescriptive requirements should be replaced by flexible, real time requirements. No requirements should be excluded from consideration.

Operation of EWA to improve exported water quality, relative to the Accord plus upstream AFRP, provided this is not inconsistent with the water supply goal. In no event should there be a net and general degradation in exported water quality.

The DNCT would work out the details of such a game.

It would also be desirable to have a comparable game for early or mid Stage 1. We should ask Q-S for guidance in this regard. I would recommend both.

I hope this is helpful.

BJ