

**Review, Update, and Issues:
Approach to Agricultural Water Use Efficiency
May 1, 1998**

Summary of Issue

The CALFED approach to agricultural water use efficiency relies heavily on the Agricultural Water Management Council. In 1997 this voluntary consensus-based organization composed of agricultural water suppliers and environmental organizations was formed to provide a forum for the consistent analysis of agricultural water conservation measures and the endorsement of agricultural water management plans that meet standards contained in the Memorandum of Understanding that established the AWMC. CALFED proposed in March 1997 that the new AWMC serve as endorser of agricultural water management plans in order to provide a specific assurance for agricultural water conservation. It was envisioned that the AWMC could serve as a forum for agricultural water suppliers to demonstrate efficient use, enable CALFED agencies to target assistance programs to the agencies that needed help, enable CALFED agencies to withhold Program benefits from agencies that did not use water efficiently, and eventually enable CALFED to target sanctions toward agencies that refused to consider efficiency measures. CALFED proposed acreage and planning criteria that the new AWMC would need to meet by 1999 in order to provide adequate assurance of efficient agricultural water use. It appears that the AWMC will fail to meet these criteria. In addition, there is a low level of consensus support for the AWMC: only three environmental organizations have signed the MOU that established the AWMC. **Different, or additional, mechanisms will be necessary to provide adequate assurance of agricultural water use efficiency.**

Options

There are two different basic approaches that CALFED might use to develop an agricultural water use efficiency program that provides adequate assurance to all stakeholder groups: propose specific mechanisms and then work to develop consensus around the proposal, or provide a forum in which stakeholders can express their interests and collaborate to develop a recommended program. Staff recommends the second option, a collaborative approach.

Collaborative Approach In order to move toward development of an assurance mechanism that meets CALFED needs and has adequate stakeholder support, CALFED could convene one or a series of carefully facilitated focus groups composed of representatives of agricultural and environmental stakeholder groups. These groups could help to clarify stakeholder interests, distinguish interests from positions, and identify areas of agreement and disagreement among stakeholders. Building on this information, the focus groups could develop alternatives leading to selection of specific assurances that meet the needs of CALFED and stakeholders. One

potential outcome of a focus group could be a recommendation to convene an expert panel to examine specific technical, economic, or policy issues.

- Advantages This approach has the best chance of overcoming long-standing disputes over appropriate water use efficiency programs for agriculture; the results that come from this sort of effort will already have a measure of consensus support from stakeholders. This approach does not conflict with support for the AWMC, so CALFED could continue to work toward helping the AWMC function as an acceptable assurance mechanism.
- Disadvantages It could be time-consuming to develop a sense of collaboration among stakeholders who have a history of conflict; recent past efforts among these stakeholders to work collaboratively have achieved minimal success.

Specific Proposals An alternative to a collaborative approach would be for CALFED to propose specific mechanisms that would provide assurance of agricultural water use efficiency, and then work to develop support for the proposal. When the AWMC was included in the proposed water use efficiency program, one specific proposal was included as an alternative assurance mechanism. CALFED recommended that if the organization failed to meet certain criteria related to the acreage represented on the AWMC and the number of water management plans endorsed and implemented, then CALFED would pursue state legislation requiring agricultural water suppliers to prepare water management plans. This would be similar to existing requirements that have applied to urban water suppliers since 1983.

- Advantages: Already proposed by CALFED; consistent with state law governing urban water suppliers; the force of law is perceived as a strong assurance.
- Disadvantages: Agricultural stakeholders have already voiced opposition to this proposal; CALFED support for legislation or other specific action could erode support for the AWMC; legal mandate may be much less effective at achieving conservation than a more collaborative approach.

Other Specific Proposals There are many other specific proposals that CALFED could make to address agricultural water use efficiency, offering a range in the level of assurance that would be provided. Any of these possible proposals would likely face initial opposition from some stakeholder groups.

- At one end of the spectrum is the approach that was advocated by some members of the BDAC Water Use Efficiency Workgroup: a strictly voluntary approach consisting of the AWMC supported by expanded DWR and USBR assistance programs.
- Another option would be to continue the current approach of the AWMC with legislation as a backup, but give the AWMC more time to demonstrate its ability to function as an assurance.

- In 1988 the SWRCB proposed that diverters from the Bay-Delta system should implement specific conservation measures as a water right condition. This idea could be incorporated into the current Bay-Delta effort.
- A new entity could be formed through legislation that establishes a balanced review panel with environmental and agricultural representation. This panel could be empowered to review and endorse water management plans.
- Any water supplier that desires access to CALFED benefits (new water, transfers, drought bank) could be asked to submit a water management plan and implementation schedule to a designated CALFED agency for review and approval. This approach would necessarily be limited to those agencies that desired CALFED benefits.

Related Issue

The AWMC is not the only agricultural water management planning process in California. Under the Reclamation Reform Act and the Central Valley Project Improvement Act, water suppliers served by the Bureau of Reclamation must prepare water management plans. Planning requirements are similar to those of the AWMC but not identical. (The Policy Group directed that CALFED consider requiring Reclamation's water measurement and pricing criteria as conditions to receive CALFED benefits.) If Reclamation and the AWMC used identical planning criteria, or accepted plans prepared under each other's criteria, then planning requirements for water suppliers would be simpler to understand and meet. Reclamation staff and AWMC leadership are starting to work toward reconciling the two planning processes. This effort will probably not be completed during Phase II of the CALFED program.

Recommendation

Staff recommends the following actions to develop adequate assurances of agricultural water use efficiency:

- Continue to work toward helping the AWMC function as an acceptable assurance mechanism.
- Convene one or a series of carefully facilitated focus groups of agency, agricultural, and environmental representatives in an effort to develop assurances of agricultural water use efficiency in a collaborative manner.

It is anticipated that one or more focus groups could be convened by June 1998. Immediate follow up activities recommended by focus groups, such as convening a technical workshop or expert panel, could be conducted by August 1998. At that time CALFED could:

- Assess performance of the AWMC, consider input from the focus groups and any immediate follow up efforts, and determine a course of action for inclusion in the CALFED program.

If collaborative efforts are successful, this course of action will have the benefit of support from stakeholder groups. If our efforts at overcoming longstanding disputes over agricultural water use efficiency are not successful, CALFED may need to continue work on this issue into Phase III or propose an assurance mechanism that is not supported by stakeholders.