

BAY-DELTA ADVISORY COUNCIL WATER USE EFFICIENCY WORK GROUP

Process for Participation in Component Refinement

The Bay-Delta Advisory Council has appointed a Water Use Efficiency Work Group to provide input on options and policy issues related to efficient water use and demand management. This paper describes the process and schedule that the Work Group will follow.

Background

The CALFED Bay-Delta Program proposes to include water use efficiency as a common program in its solution alternatives. A common program for water use efficiency would apply the same institutional approach to water use efficiency in each alternative. The level of implementation of water use efficiency measures would vary from one alternative to another. This variation would depend on other elements of the alternative such as new conveyance, new storage, or reoperation of existing conveyance and storage.

Categories of water use efficiency include urban water conservation, agricultural water conservation, water recycling, and temporary or permanent land fallowing. For each of these areas, the Work Group will examine policy issues and provide advice to BDAC and CALFED on institutional approaches that will be most likely to produce optimum levels of implementation of efficiency measures. The recommended approaches may be different for each of the four categories of water use efficiency.

Development of Proposals

The Work Group will be integrally involved in CALFED development and refinement of the water use efficiency component that will be a part of each solution alternative. For each of the four categories of water use efficiency the Work Group will have an opportunity to provide policy recommendations over the course of several meetings. For each category, an initial meeting of the Work Group will be devoted to discussion of policy issues and possible approaches. Following the initial meeting the CALFED staff will develop a draft proposal. This draft proposal will be the subject of discussion at one or two subsequent Work Group meetings. Finally, the Work Group will have an opportunity to provide input or potential refinements of the staff proposal. Refined proposals may be the topic of public workshops, and will be forwarded to the full Bay-Delta Advisory Council for comment and to the CALFED agencies for approval.

Approaches to Water Use Efficiency

The Work Group was formed as a fact-finding group to assist BDAC in providing policy guidance and advice to CALFED. Work Group input will be important in the development of

approaches that are taken to ensure that water use efficiency is appropriately incorporated into Bay-Delta alternatives. There are three general approaches that might be used:

Market: incentives or disincentives are offered to encourage water users to optimize the efficiency of their water use. Examples include low interest loans, tax credits, tiered pricing, water markets.

Regulatory: laws, regulations, contract provisions or other constraints are implemented to prohibit inefficient uses or require efficiency measures. This approach may be either performance based or prescriptive in nature. Examples include contract provisions, water right permit conditions, planning requirements.

Conditional: some level of efficiency is required as a condition for a water user to receive goods, services, or status (eg, an agency must implement BMPs before receiving water from a drought water bank). The conditional approach may be viewed as a hybrid of the other approaches.

The most valuable input for the Work Group to offer will be evaluation of strengths and weaknesses of approaches, and advice on an effective and implementable approach or combination of approaches that CALFED can use to ensure efficient use. Work Group input will also be very helpful in recommending the tools that are most suitable to implement selected approaches. Within each approach there are many tools available to achieve more efficient use. Only a few examples are provided above.

Schedule

CALFED has set an ambitious schedule for preparation of a programmatic EIR/EIS during Phase II of the Program. In order for the refined components to be incorporated in the CALFED Phase II analysis, this information must be available before the end of 1996. Therefore, the Work Group must examine issues, provide input, and offer refinements promptly. The attached figure, *Generalized Component Refinement and Implementation Strategies Process*, depicts the general process for development and refinement of components through December 1996.

Relationship to Other Work Groups

BDAC has established Work Groups to examine several subjects related to solution alternatives. Two of these Work Groups include Finance and Assurances. It is likely that institutional and policy approaches considered by the Water Use Efficiency Work Group will need to be coordinated with these other Work Groups.

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