

February 28, 1997

Environmental Water Caucus
P. O. Box 471958
San Francisco, CA 94147-1958

Dear Caucus Members:

This is in response to your letter of January 29, 1997 regarding prerequisites for successful evaluation of CALFED Bay-Delta program alternatives. You identified two elements that you described as critical to the design of the environmental review document:

- "Setting performance criteria for achieving the Program's mission of restoring the ecological health of the San Francisco Bay-Delta estuary system" and
- "Ensuring that aggressive strategies to significantly reduce out-of-stream demand for water are adequately captured in the range of options considered by the Program to achieve the water management and water supply reliability objectives."

I will describe the Bay-Delta Program's approach to each of the elements you have identified.

Performance Criteria for Achieving Ecological Health

Establishing measurable performance criteria is essential in the development of a credible ecosystem restoration program.

Specifically, your concerns relative to performance criteria are being addressed in several ways. First, we have redrafted our implementation objectives to include the phrase "in order to" to provide an explicit statement of what we intended to accomplish through implementation of that objective. We believe we can measure progress toward achievement of the objectives. Second, in developing the targets, we have made every attempt to provide numerical statements. The targets are both qualitative and quantitative statements of the implementation objectives. Targets may include a range of values or a narrative description of the proposed value of an ecosystem element. We do still recognize that some of the targets may not be specific enough, however, this is usually due to a lack of technical

CALFED Agencies

California

The Resources Agency
Department of Fish and Game
Department of Water Resources
California Environmental Protection Agency
State Water Resources Control Board

Federal

Environmental Protection Agency
Department of the Interior
Fish and Wildlife Service
Bureau of Reclamation
Department of Commerce
National Marine Fisheries Service

expertise and sufficient scientific data to support quantification. Third, we are currently developing indicators which will be associated with each of the targets and will be assessed by the monitoring program. Those indicators will be primarily an expansion and refinement of the material developed in the *Restoration of the San Francisco Bay Delta-River System: Choosing Indicators of Ecological Integrity* by the Environmental Defense Fund.

Finally, we are currently establishing the peer review process and hope to have this process in place by late May to provide credible scientific review.

Demand Reduction

The element that your letter describes as demand reduction actually encompasses two issues: assurances of adequate implementation and enforcement of water use efficiency measures, and securing adequate flow for ecosystem restoration. Assurances are not fully developed in the current water use efficiency program. This will be remedied in two ways. First, a revised component description now in preparation will more clearly describe three general assurances. Demonstration of appropriate planning and implementation will be necessary prerequisites for an agency to be eligible to:

- receive any "new" water made available by a Bay-Delta solution,
- participate in a water transfer, and
- receive water through the DWR Drought Water Bank. (This is already a policy of DWR.)

Second, additional specific assurance mechanisms will be adopted when we have a better idea of all program assurance needs. We have proposed enactment of an Agricultural Water Management Planning Act if voluntary efforts do not meet our criteria for success, and we look to efforts of the Environmental Water Caucus and the California Urban Water Agencies to help develop appropriate urban conservation assurances.

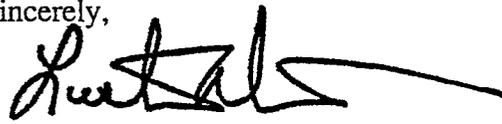
The second issue encompassed in your discussion of demand reduction is securing adequate flow for ecosystem restoration. We recognize that augmentation of flows at particular times will be an essential part of our ecosystem restoration efforts. We will examine several alternatives for acquisition of this water, including reoperation of existing reservoirs, development of new water storage for ecosystem restoration as well as other beneficial uses, changes in local water management that can help us meet multiple objectives, and water transfers from willing sellers. Transferred water may be made available through conservation, conjunctive use programs, or voluntary fallowing of agricultural lands.

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To summarize, the water use efficiency component of our alternatives will be refined to include aggressive strategies to ensure implementation of cost-effective efficiency measures, and the ecosystem restoration component of the alternatives will examine several options for acquisition of additional water supplies for the environment.

I look forward to the continued involvement of the Environmental Water Caucus in the refinement and analysis of our Bay-Delta solution alternatives.

Sincerely,

A handwritten signature in black ink, appearing to read "Lester A. Snow", with a long horizontal flourish extending to the right.

Lester A. Snow
Executive Director