

## PHASE II Program Element Issues and Concerns

The following are summaries of issues and concerns, which have been, raised by stakeholders and CALFED agencies with respect to the Phase II program elements. These summaries are to be inserted in the sidebar boxes provided in chapter 3.

### Levee System

- Concern has been expressed that the cost of implementation may exceed the benefits and that alternative forms of risk management should be considered.
- Proper integration of the Levee, Water Quality, and Ecosystem program elements is essential and may require a specific management entity to assure integration.
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### Water Quality

- The program should contain more specificity on constituent objectives and actions.
- Disparate views have been expressed regarding the program approach; some have advocated a regulatory framework in order to enforce the objectives, whereas others have advocated a "safe harbor" approach to encourage voluntary partnerships in addressing non-point source problems.
- This element needs a clear implementation plan showing integration with other program elements
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### Ecosystem Restoration

- Broad interest in development of the implementation strategy which integrates resource priorities, scientific oversight, and collaborative decision-making.
- Concern that while adaptive management decision making is essential it creates unique and difficult assurance issues, which has lead to discussion of new institutional structures.
- The habitat restoration actions represent potential significant agricultural land conversion particularly in the Delta. Efforts to reduce and avoid impacts should be included at both the program and subsequently the project level.
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### **Water Use Efficiency**

- The program does not include direct demand management actions such as agricultural land conversion in order to avoid water diversions and lessen or delay the need for storage facilities.
- Program implementation is very dependent on a robust water market in order to provide the economic incentive to implement water conservation measures, which may not be cost effective on a local basis.
- There is some stakeholder disagreement over the current program approach, which is ~~largest~~ market based versus a more aggressive regulatory framework.
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### **Water Transfers**

- Market transfers are critical to several other program elements in that increased economic incentives are necessary to ensure proper implementation of important water management tools. Concern has been expressed that adequate implementation of the Water Use Efficiency program is unlikely without the economic incentives provided by a market. Additionally, a viable market helps to avoid premature or over investment in supply facilities such as surface storage.
- Protecting rural economies and lifestyles from unintended transfer impacts is difficult but essential.
- An independent transfers Clearing House may be necessary to provide adequate public review of transfers.
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### **Watershed Management**

- Must include a high level of public and local government partnerships.
- Concern that there is over-focus on the lower watershed and there needs to be a long-term commitment to upper watershed investment.
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### **Storage**

- Some stakeholders view surface storage as a physical assurance to avoid groundwater impacts of conjunctive management programs.

- There are concerns that storage must be financed on a strict beneficiaries pay basis out of concern that subsidizing the cost of water from storage would undermine a transfer market and limit implementation of water use efficiency measures.
- It has been suggested that surface storage should only be considered in a staged alternative. That is storage could not be constructed until certain milestones had been achieved (such as in transfers and water use efficiency).
- Storage can be utilized to facilitate transfers (enabling the transfer of water between seasons and years).
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### **Conveyance**

- Objective consideration of a new Delta channel (or isolated facility) may not be possible due to the political stigma resulting from the peripheral canal debate in the early 1980's
- Consideration of major conveyance modifications requires significant assurances.
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