Environmental Water Caucus

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By Hand Delivery

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Robert Perciasepe
Assistant Administrator
U.S. Environmental Protection Agency
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RE: Draft Preferred Alternative Document

Dear Secretary Wheeler and Mr. Perciasepe:

We write to express our alarm about the "phasing document" under consideration by the CALFED Policy Group. Time has not permitted a thorough review of the newly released version, although it appears similar to the July 8 draft in major respects. The phasing document is fundamentally flawed in its approach and we are concerned that it is being employed to justify public funding for a range of highly controversial water development facilities. It is of the utmost importance that the Policy Group address our concerns at the meeting scheduled for this week.

1. The Assumption That Storage Will Benefit The Environment Is Unfounded. The document rests on the notion that even more water can be extracted from the severely-depleted Bay-Delta system and manipulated to result in net ecosystem benefits. As we have demonstrated, there is little, if any, support for this untested, unproven hypothesis in the EIS/EIR and there is substantial evidence to the contrary -- that decades of freshwater depletions are in large part responsible for the highly degraded state of the Bay-Delta Estuary. Reliance on the "storage is good" theory permeates the phasing document and EIS/EIR and is a fatal weakness in both.

2. Surface Storage Is Already Included In the Preferred Alternative. The phasing document indicates that new surface storage will be in the preferred alternative as long as certain conditions are met. (Page 14.) This is a major programmatic decision coming before the extensive criticisms of the EIS/EIR have even been considered much less addressed.

This decision is particularly untenable in light of findings by the California Research Bureau (a non-partisan division of the State Library) which has concluded that the EIS/EIR overestimated baseline urban demand by more than 1 million acre-feet, made other key

forecasting errors and thus substantially over-stated projected demand. (See Testimony of Dennis O'Connor before the Senate Select Committee on CALFED 8/5/98.) In other words, the EIS/EIR fails entirely to support CALFED's decision to build new surface storage. We object to any CALFED decision to include new surface storage in the preferred alternative prior to a complete revision of the EIS/EIR's demand projections, as well as the highly flawed analysis of environmental impacts related to such facilities. If storage is included without a rigorous willingness-to-pay test on the part of beneficiaries, CALFED will be extending the long list of environmentally destructive and economically unjustified water supply projects which have caused much of the harm to the Bay-Delta ecosystem.

3. Storage And Conveyance Are Elevated To The Status Of CALFED Objectives. It has been an article of faith for some time that the solutions for the four CALFED problem areas (ecosystem restoration, water supply reliability, water quality and levee system vulnerability) would be implemented through linkages to assure fair and equitable progress in all areas. However, the phasing document identifies Storage and Conveyance as equivalent "program elements" and indicates that forward progress in each must be linked to forward process on ecosystem restoration and all of the other common programs. This is a major departure from CALFED's longstanding definition of its objectives -- in this document, "water supply reliability" becomes synonymous with "storage and conveyance."

We have demonstrated that there are various ways to advance the objective of water supply reliability. New storage and conveyance facilities are not necessarily the best or most effective means of achieving that goal. As crafted, the phasing document indicates that all of the common programs will be held hostage to "progress" in the areas of storage and conveyance. This is a highly inappropriate approach to developing a preferred alternative and inherently biases the process in favor of new water development facilities. The EIS/EIR fails to support the conclusion that new facilities are necessary to achieve the water supply reliability objective.

We have supported the notion of "phased decision-making" in the CALFED program. Unfortunately, the phasing document substitutes adoption of a preferred alternative propr to completion of technical analysis and demonstration of need. The phasing document is flawed for a variety of other reasons as well, not limited to the wholly inadequate discussion of assurances and financing. We will provide a more detailed critique of the August 7 version shortly. (It is our understanding that CALFED has retracted the ill-advised requirement that all comments on this draft be received within two working days.) Thank you for your consideration of our views.

Sincerely,

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cc: CALFED Policy Group
CALFED Management Team