

Will this shot-gun marriage last?

By Tom Philp

As engagements go, this one has been trouble from the beginning. For starters, a threesome is awkward, especially a feuding one whose concept of courtship is an afternoon before a federal judge in Fresno. There, they argue about their favorite topic.

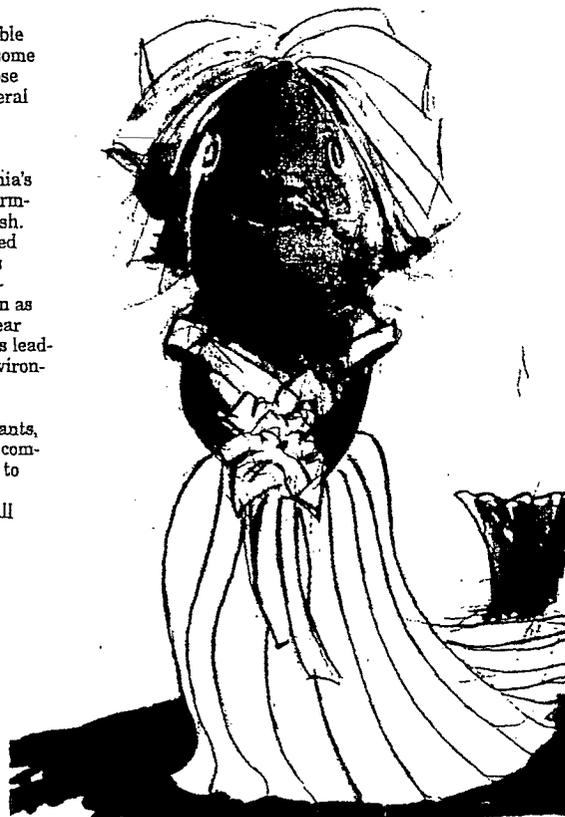
Water.

This isn't a marriage of people, but of California's three ever-thirsty institutions — the cities, the farmers and the environmentalists on behalf of the fish.

Their nuptials, to be embodied in environmental documents and "records of decision" pronounced in the church known as CalFed, would define a 30-year state-federal political process leading to new plumbing and environmental restoration projects

throughout Northern California.

For nearly five years, a small army of consultants, politicians and bureaucrats has undertaken the complex task of studying water policies and projects to sustain agriculture, provide reliable and clean drinking water and revive dwindling fisheries. All this through busts and booms, El Niños and



droughts, for better or worse.

On Friday, CalFed unveiled to the public a preliminary sketch of that plan. The occasion had an element of suspense, for long before this looming moment of decision, the prospective brides got wobbly at the prospect of delivering their vows. It was left to their parents, the leaders of the state (Cal) and federal (Fed) governments, to secretly hatch the details of a California water plan.

CalFed began in 1994 as an attempt at consensus, a group hug of the water warriors. As the water lieutenants representing U.S. Interior Secretary Bruce Babbitt and Governor Gray Davis emerged Friday with their plan, CalFed felt more like a shotgun wedding.

Closing the CalFed deal "is as tough as they come,"

said David Hayes. As Babbitt's top deputy within the Interior Department, Hayes gets many of the hard assignments, such as making peace among the Western states that compete for the waters of the Colorado River. This year Babbitt assigned Hayes to CalFed.

"The stakes are so high, and so many sophisticated parties are involved," said Hayes. Sophisticated, yes. Compromising, no. Inside water politics, said Hayes, "there is a history of procrastination and denial and advocacy."

Jason Peltier, representing Central Valley Project water users, was understanding of the secrecy of the final CalFed negotiations.

"We knew that if we got in the discussions, the envoys would have to be in the room," said Peltier. "It would be a food fight. We knew that there would be no progress."

A closer look at three parts of the CalFed strategy proposed Friday may help to explain the depth of differences, the challenges of deal-making and why even ideas that have broad support quickly dissolve into conflict with the very first details.

The peripheral canal

The Sacramento-San Joaquin Delta is the hub of California's water system, the heart of a massive estuary's ecosystem and the center of the CalFed debate. Two schools of thought clash over how to manage the Delta. One school (the environmentalists, some north valley and Delta farmers) says leave the basic plumbing alone. The other (cities, some farming interests, some environ-

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Bee illustrations/Rex Babin

The only thing worse than this deal is no deal

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mentalists) wants to improve upon the existing manipulations.

The mother of all manipulations would be to create two distinct Delta water systems. The fish would get the water in the existing maze of sloughs and river stems. For humans, a new canal would be dug to skirt the Delta, transporting fresh Sacramento River water to San Joaquin Valley farms and Southern California suburbia: a peripheral canal.

Voters in 1982 rejected the Peripheral Canal (big P, big C, reflecting both the massive size of this specific canal and its historical importance). When CalFed was born in 1994 out of attempts to end the skirmishing, the Peripheral Canal loomed over the water world as an old, unwelcome ghost.

Six years later, "the ghost is alive and well, it would appear," said Tim Quinn, deputy manager of Southern California's Metropolitan Water District, much to his dismay.

A few years back CalFed tried a ghost-busting strategy — change the canal's name and reduce its size. Proponents called it an Isolated Facility, Dual Conveyance, Option 3, Fish Protection Device. Opponents called it the Peripheral Canal.

The opponents won the name game. "It just kind of disappeared," Peltier said of a canal.

In recent months, talk of a full-blown canal has been replaced by a scaled-down re-engineering of the Delta. "A Delta screen," Quinn (a proponent) calls it. The idea is to build one of the world's largest fish screens somewhere on the Sacramento River near Walnut Grove. The screen would keep the fish swimming in the Sacramento.

Meanwhile, some river water would pass into a new canal. This canal wouldn't circumvent the entire Delta water system. Instead, it would feed into the lower reaches of the Mokelumne River, which feeds the sloughs that eventually feed the pumps of the two giant aqueducts (for the Central Valley and State Water projects) in the southern reaches of the Delta near Tracy.

"The screen is just good, simple common sense," said Quinn.

Oh yeah? "It is the first half of the Peripheral Canal," countered Barry Nelson, a water wonk for the Natural Resources Defense Council.

The plumbing changes, the fight lives on, at least for three years.

The plan announced Friday calls for a full-scale study of building a giant screen somewhere in the Delta. In 2003, CalFed would then decide whether to stay with the status quo or build the screen.

Reservoirs

For California's feuding threesome, few things are as divisive as a dam. Two prevailing doctrines define the clashing views.

There are those who believe in the "soft path," water-speak for a philosophy of easy-on-the-landscape approaches: more low-flow toilets, more drip irrigation, more banking of water underground. Those who believe in the "hard path," on the other hand, look at California's never-ending growth and see the inevitability of more reservoirs, more conveyance facilities and bigger Delta pumps.

The construction of new reservoirs "is for purely religious reasons, a litmus test for some water users," said Nelson of NRDC. Make that the Rev. Nelson, an environmental evangelist of the Church of the Soft Path. In 1998, the Environmental Water Caucus helped distribute throughout California a batch of bumper stickers with a three-word creed:

No New Dams.

Meanwhile, inside the CalFed, a deal was emerging that borrowed elements from both doctrines. CalFed long ago took off the table the water storage option most hated by environmentalists — plugging a pristine river canyon with a dam. Serious discussion centered on three options: storing more water below ground (all factions like this); raising existing reservoirs (the debate warms up); and building a new reservoir off-stream (the debate simmers). It boiled over on the issue of who would pay.

"We're trying to break the junkie of the habit," said Nelson of the Soft Path. "Water development in California has been massively subsidized."

Countered Quinn of Metropolitan: "Every time the environmental community sees storage, they say supply, supply, supply." These reservoir ideas aren't about new supply, Quinn said,

but making the existing system more reliable for fish as well as farmers. Storing more water is "a way for farmers to support environmental restoration." Inside CalFed, Quinn's spin seemed to prevail. The deal announced Friday supports expanding Los Vaqueros Reservoir in Contra Costa County, slightly raising Shasta Dam and converting some islands in the Delta into reservoirs.

"The new rage is Los Vaqueros," said Tom Graff, a water activist for nearly three decades for Environmental Defense (formerly Environmental Defense Fund, its name was cut back during the lean '90s). "We're going to make that one real difficult."

Surprise, surprise.

The insurance policy

Farmers have water budgets. Cities have water budgets. The fish don't — at least not yet. CalFed is mulling how to start "banking" water for those troubling times (too much pumping, not enough rain, an early or late migration of fish, record tides) when Delta wildlife needs a quick dose of water. Instead of draining some San Joaquin farmers' supply, the idea is to draw down on the fishes' water bank. Inside CalFed, the concept is called an Environmental Water Account.

"In effect, you'd have an insurance policy," said Patrick Wright, a top water adviser inside the California Resources Agency.

Everybody seems just fine with the concept.

"It's not a bad idea," said Nelson.

"It's great in theory," said Peltier.

"This is an extraordinary step, if you ask me," said Quinn.

The problem begins when CalFed attempts to make that very first deposit into a water account for the environment.

"You can't have an account without an accounting," noted Graff of Environmental Defense. And CalFed simply can't establish a bean-counting system for water without wading neck-high into lingering conflicts over divvying up the water in the Delta.

The conflicts go by codes that are part of California's water-speak: B2 (not an airplane, but 1992 federal code section detailing a fuzzy reallocation of some of federal water from farmers to fish) and the 1994 Accord (not a car, but a debate over a fuzzy state-federal pledge to stop wresting water from farmers and cities for the sake of endangered species).

"This is the first battleground," said Peltier. With ongoing lawsuits between farmers, environmentalists and the feds, with nasty letters flowing back and forth, it is a nasty battleground at that. "Things have gotten worse," he said. "It couldn't get any more twisted."

These accounting details are "extraordinarily difficult, and arguably, a fatal problem," said Quinn.

Nevertheless, CalFed found this concept worth fighting over, and it may become the signature accomplishment of the deal. The plan announced Friday sets up a bank account of water, with deposits north and south of the Delta of roughly a third the size of Folsom Reservoir.

A deal?

The Interior Department's David Hayes is one of those rare humans who relishes solving a California water conflict. "I love this kind of thing," he said in an interview, before quickly asking that the confession be stricken from the record (fat chance).

The real thrill for a California water deal-maker would come later this year, if the state's water threesome grudgingly accepts a CalFed structure on how to debate future increments of progress.

If a deal is to be sealed, Hayes and other CalFed leaders must succeed in painting two different visions of the future. One "is what happens if there is no deal," said Hayes: more lawsuits; more fighting over the Endangered Species Act, B2, the Accord. This is the political shotgun that CalFed can aim at the threesome.

The other vision is the pleasant one, "the potential upside to a deal," said Hayes: increased certainty, more money from Congress and perhaps from state voters through future bonds. In other words, something for everybody.

"If the parties are not able to see those two things, it will be difficult to reach an accommodation," Hayes said. The wedding will be off. And where we'd go from here, nobody knows.

Water politics involve "all this technical complexity, the long-term emotions, the religion and the philosophy," said Quinn. This "gets in the way of solving the problem. In the end [this] is what I hope we get: leadership."