



**CALFED
BAY-DELTA
PROGRAM**

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April 1, 1997

Alex Hildebrand
23443 S. Hays Road
Manteca, CA 95337

Dear Alex:

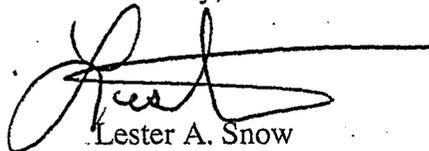
This is in response to your letter of March 5, 1997 regarding water use efficiency. The program described to BDAC on January 30 and presented at a public workshop on March 20 was developed by CALFED staff, in consultation with staff of state and federal CALFED agencies, and with extensive input from stakeholders including the BDAC Water Use Efficiency Work Group.

The proposed approach to agricultural water use efficiency was carefully crafted to avoid intrusive government regulation. It relies heavily on a non-governmental stakeholder-driven process to determine what is reasonable in the complex area of agricultural water use. Legislative or regulatory actions would only be implemented if the preferred stakeholder process fails to proceed in a timely and effective manner. Any discussion of the acceptability of these legislative or regulatory actions must begin with a discussion of the role of assurances in our process and the legitimacy of diverse interests to expect assurances.

Regarding water transfers, Governor Wilson outlined five minimum criteria for acceptable water transfers in his 1992 water policy. These five criteria, which we presented to BDAC on October 25, 1996, provide us with a framework for the development of necessary regulation of a transfers market.

Regarding watershed management, we are in the process of developing a watershed management function as a part of CALFED. This function will, I believe, be the most appropriate forum for addressing larger scale watershed management issues, such as integrating multiple use and reuse of water throughout the watersheds tributary to the Delta.

Sincerely,



Lester A. Snow
Executive Director

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