

Difference Between State and Federal Water Conservation Programs

Currently two standards regarding measurement of water deliveries and water pricing:

- USBR conservation criteria require accurate measurement of deliveries, volumetric pricing.
- Agricultural MOU, supported by DWR, allows more flexibility, is perceived as weaker.

CALFED has proposed using the more flexible Ag MOU approach.

Recently the federal CALFED agencies have asked that CALFED hold irrigation districts to the USBR criteria as a condition for receiving CALFED benefits (new water, transfers).

CALFED is preparing an information package to help the agencies make a decision on this issue.

Background on this issue is attached.

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There are currently two different standards of water use efficiency that California water suppliers, in particular irrigation districts, may be asked to meet. The U. S. Bureau of Reclamation requires its water contractors to prepare water management plans. The Central Valley Project Improvement Act (CVPIA) directed the establishment of criteria to evaluate these plans, and the Bureau has responded by developing *Criteria for Evaluating Water Conservation Plans* which set minimum standards for plan content and implementation. A second standard of water use efficiency is the *Memorandum of Understanding Regarding Efficient Water Management Practices by Agricultural Water Suppliers in California*. This MOU was negotiated by agricultural interests and a small number of environmental groups over the last seven years, with very strong support from the California Department of Water Resources.

There is very little difference between these two standards of efficiency. The most prominent differences are the approaches taken to the measurement of water deliveries and water pricing. The *Memorandum of Understanding Regarding Efficient Water Management Practices by Agricultural Water Suppliers in California* requires each water supplier to "measure or calculate the volume of water delivered within a reasonable range of accuracy," and to "undertake a net benefit analysis" of water measurement. A water supplier's "current form of implementation will suffice if the supplier demonstrates that no other form of measurement or calculation will improve net water management benefits over current practice." Regarding pricing, the Ag MOU requires water suppliers to include pricing or other incentives "in some form in the Water Management Plan." A supplier's "current form of implementation will suffice if the supplier demonstrates that no other form of pricing and incentives will improve net water management benefits over current practice."

On the other hand, the CVPIA *Criteria for Evaluating Water Conservation Plans* require districts to "measure, with a device that is rated to have a maximum error of +/- six percent, the volume of water delivered by the District to each customer" and "adopt a water pricing structure for District water users based at least in part on quantity delivered."

In other words, the Bureau's criteria require accurate measurement and volumetric pricing while the Ag MOU offers the flexibility for irrigation districts to continue some other way of estimating deliveries and charging customers if costs of change would outweigh benefits.

Recently the Bureau has started to examine the potential for regional criteria, which might eventually modify the criteria imposed upon certain contractors when warranted by unique regional conditions. No change in Bureau policy is likely for several years, pending the outcome of current studies.

CALFED's proposed approach to water use efficiency has been based on the Ag MOU. Recently, the federal CALFED agencies have asked that irrigation districts be held to the stricter criteria of the Bureau of Reclamation as a condition of receiving CALFED benefits such as access to new water supplies. CALFED is preparing an information package to help the CALFED agencies make a decision on this issue.