

**CALFED
BAY-DELTA
PROGRAM**

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September 25, 1998

The Honorable Maurice Johannessen
Chair, Senate Select Committee on CALFED
State Capitol, Room 5061
Sacramento, CA 95814

Dear Senator Johannessen:

Thank you for your letter of September 1, 1998, regarding the connections between Department of Water Resources' Bulletin 160-98 water demand projections and the CALFED Bay-Delta Program.

As your letter suggests, these connections have become the subject of much discussion. I believe these discussions have intertwined two separate issues. One issue is the use of Bulletin 160 demand projections to establish water supply goals for the CALFED Program. My earlier correspondence pointed out that the CALFED Bay-Delta Program does not have a goal of satisfying these demand projections. I also noted that we have long recognized that the Bay-Delta system CALFED Program actions will not generate water supplies sufficient to satisfy these statewide demand projections.

The second issue is the use of Bulletin 160 demand projections to evaluate the results of CALFED's proposed water supply reliability actions. In this evaluation, potential results of Program alternatives are compared to two "baselines." One baseline is called 'existing conditions.' This baseline describes the environmental and water supply conditions that currently exist. The second baseline is called the 'no action alternative.' Here, the baseline is a reasonable approximation of the physical, operational, and regulatory features that would be in place in 2020. For complex projects such as the CALFED Bay-Delta Program, the no action alternative and conditions resulting from the no action alternative are based on assumptions about dozens of actions that may occur in the future.

One question behind these evaluations is "how do water supply opportunities expected for each of the Program alternatives compare to existing water supply opportunities and to the 'no action alternative' water supply opportunities?" However, it is important to note that

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
U.S. Army Corps of Engineers

Department of Agriculture
Natural Resources Conservation Service
Department of Commerce
National Marine Fisheries Service

Senator Maurice Johannessen
September 25, 1998
Page Two

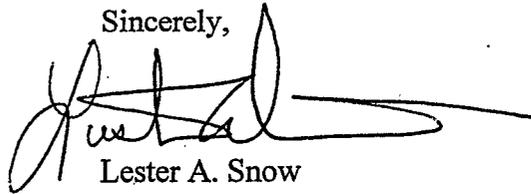
the answer to this question is only one of many factors that should be considered in deciding which Program alternative should be selected as a 'preferred alternative.'

For 'existing conditions,' we have used DWR's estimates of demand for 1995 and assumed that the level of demand remains constant throughout the analysis period to 2020. For the 'no action alternative,' we have used DWR's demand projections for 2020. We believe this a reasonable approach which give us a wide range of potential demands with which to evaluate alternative actions.

We are aware, however, that DWR's projections are not universally accepted. We intend to soon convene a group of CALFED agency personnel and representatives of interested parties to meet to clarify the differing points of view and to discuss the implications of various levels of demand projection on CALFED's overall water management strategy.

I hope the Committee finds this information to be helpful. If you have further questions on this material, please call me at 657-2666 or Daniel McCarroll, Legislative Coordinator, at 653-5704.

Sincerely,



Lester A. Snow
Executive Director

cc: Sen. Jim Costa
Sen. Dede Alpert
Sen. David Kelley
Sen. Richard Rainey
Sen. Hilda Solis
David Kennedy