



November 29, 2016

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GENERAL MANAGER

Maureen Stapleton  
General Manager  
4677 Overland Avenue  
San Diego, CA 92123

Dear Ms. Stapleton:

Thank you for your letter and response to the October 28 commentary by Department of Water Resources Director Mark Cowin in the San Diego Union-Tribune.

I appreciate your description of the San Diego County Water Authority's previous and planned investments to build regional self-sufficiency in water supply. The Authority and the citizens of San Diego deserve credit for diversifying water supply sources and investing to build local supplies. As you point out, your Agency leads the way in terms of reducing its dependence on the Sacramento-San Joaquin Delta. Your commitment to regional self-reliance matches the direction of both state law and the California Action Water Plan.

We applaud your efforts and hope that in fact the Authority achieves its goal of shrinking dependence on imported supplies. That is why I attended the ceremony celebrating your reservoir expansion and why, when I was a legislator, I thanked your board for our collaboration on urban landscape water conservation efforts.

Such laudable achievements, however, would not eliminate the need for imported water as part of your water portfolio – including the key role played by California WaterFix. Failure to also invest in more reliable Delta supplies would undermine your strategic goal of diversifying the San Diego region's sources of water supplies. Imported Delta water is particularly important because it enables key parts of your diversification effort that rely on an underlying water supply, such as water conservation and water recycling. It also provides a measure of stability given the variables at play over future delivery of Colorado River water.

To ensure any reliable supplies whatsoever from the Delta, we must modernize the way water is diverted by the state and federal water projects. It would be difficult to underestimate the uncertainty we face as average temperatures climb, the Cascade-Sierra Nevada snowpack shrinks, sea levels rise, and precipitation patterns change. As University of California, Davis engineer Jay Lund wrote recently, "The current Delta water supply system is unsustainable." He pointed to research that estimates that a one-foot sea level rise would require almost 500,000 acre-feet a year of additional Delta outflow to meet existing salinity requirements, resulting in a roughly 10 percent reduction in overall Delta project diversions. (The National Research Council projects a sea level rise at the Golden Gate of 5 ½ feet within the next 84 years.)

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As you know, we also face environmental restrictions, drier extremes, additional evapotranspiration, reduced streamflow, and increased demand for Delta water to reduce groundwater overdraft and restore native ecosystems. We must invest if we want to safeguard the State Water Project component of any water district's supply portfolio. In the face of this uncertainty, any sliver of a region's water supply portfolio helps to guard against water shortages and is not easily replaced.

I share your frustration in waiting for more information about how California WaterFix would be financed and what costs your customers might bear. The agencies that contract for delivery of water from the State Water Project and the Central Valley Project must agree among themselves on how they would share the costs and benefits of California WaterFix before you and your board can assess how much water your region might receive from the project and what portion of project costs your ratepayers might be obligated to pay. Those discussions are well underway and should produce proposals soon. Their success is dependent on many pieces of the puzzle falling into place so that a sound decision can be made.

You describe your questions about California WaterFix financing as "fundamental" and emanating from "good government." I agree, and these questions also extend to many of the various local water supply projects that the Water Authority is counting on to further shrink its reliance on imported water supplies. Like WaterFix, these projects have not been permitted or financed and we are all waiting for clarity on financing structure.

The motivation behind Director Cowin's opinion piece was to bring a statewide perspective to the view expressed in Chair Mark Muir's October 14 commentary in the Union-Tribune, "California's twin tunnels plan should raise concerns for San Diego ratepayers." No one has yet asked Water Authority ratepayers to commit to paying for California WaterFix, and that question would only be asked if the questions we all want answers to are answered. So here at the Natural Resources Agency, we do ask that you keep an open mind until we get to that point. And we are working hard to get to that point.

I look forward to continuing to work with you on this and other issues that include the current political uncertainty over Colorado River supplies – which is yet another reminder of the value of water supply diversification. I think this exchange helps all our constituents – both in San Diego and across the state – understand what issues are in front of us as we work toward our mutual goal of water reliability for the future.

Sincerely,



John Laird  
Secretary for Natural Resources