

- **Board of Directors**
Water Planning, Quality and Resources Committee

February 11, 2003 Board Meeting

10-5

Subject

Status report on progress in implementation of CALFED South Delta Improvement Program

Description

Background. The South Delta Improvement Program (SDIP) is a set of actions linked together and designed to allow the State Water Project to operate the Banks Pumping Plant at 8,500 cubic-feet per second for much of the year, provided that all regulatory standards are met and that water is available for export. The Banks Pumping Plant is currently limited by a Corps of Engineers permit to operate at 6,680 cfs, but is physically able to pump more than 8,500 cfs. SDIP is an integral component required by the CALFED Record of Decision, and is the first SWP water supply action to be considered for implementation by CALFED.

Benefits. The SDIP is projected to generate significant supply benefits to the SWP and Central Valley Project. Full utilization of the physical capacity at Banks Pumping Plant will provide improved capture of floodwater during the winter, and additional capacity to transport stored water during the summer and fall. Equally important is a major increase in available capacity to move north-of-Delta purchased supplies during summer and fall. This increase will expand market-transfer capacity by several hundred thousand acre-feet in most years. Finally, increased Banks pumping capacity will increase the volume of excess capacity available for use by the Environmental Water Account, improving the EWA's ability to provide ESA assurances to water exporters.

Process. The expansion of Banks' pumping capacity was originally slated for completion by summer 2003. However, the Environmental Impact Report/Environmental Impact Statement process for this program is approximately one year behind schedule due to the process of reaching agreement on operating rules for the facility. With the urging of stakeholders, including Metropolitan, the state Department of Water Resources convened a facilitated stakeholder process early in 2002, designed to create a broadly supported preferred alternative for CEQA/NEPA analysis. Metropolitan participated at both the technical and policy levels in this process. The facilitated process concluded on November 11, 2002 with a summary report (referred to as the "Harty Report") to DWR by the facilitator, Mike Harty.

Outcome. The "Harty Report" is the product of the facilitated process, and outlines a solution package that is attractive to both the regulatory and water agencies. Environmental groups did not support the proposed solution package. Elements in the alternative include: (1) full utilization of Banks at 8,500 cfs by the SWP for nine months of the year (June 15 - March 15); (2) a moderate increase in Environmental Water Account assets to address any additional environmental impact concerns caused by increased pumping; (3) progress for several habitat projects; (4) funding for improved Delta monitoring and science needed for EWA operations; (5) permanent operable south Delta barriers to protect local farmers from the effects of the pumps; and (6) measures to improve water quality for Contra Costa Water District. A preferred alternative based upon the facilitator's report will be completed in February 2003 by DWR.

Remaining Issues. The most significant remaining challenge is to address the CVP's aggressive efforts to acquire assured access to the Banks Pumping Plant during the summer. Granting the CVP assured access would likely reduce SWP allocations in some years and could constrain Metropolitan's ability to move water purchased upstream of the Delta. Metropolitan, the State Water Contractors, and DWR technical staff believe that the CVP could generate nearly the same level of benefits for its contractors through more aggressive operations and contracts for backup storage in the export area. Metropolitan and the State Water Contractors have resisted the CVP's call for priority access to Banks.

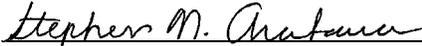
Next Steps. In January and February of 2003, Metropolitan and the other stakeholders will help DWR define the preferred alternative in enough detail to allow CEQA/NEPA analysis over the course of the year. Metropolitan, the State Water Contractors, and DWR will continue negotiations with the CVP and its contractors on a strategy to allow the CVP to increase its export water supplies using the Banks Pumping Plant while maintaining the State Water Project benefits.

Policy

For information only

Fiscal Impact

None

	1/14/2003
Stephen N. Arakawa	Date
Manager, Water Resource Management	

	1/20/2003
Ronald R. Gastelum	Date
Chief Executive Officer	