General Manager's - Monthly Report: There's been a lot of chatter recently about the State's release of a "water plan" that will take water from our region to benefit the delta and fisheries. The actual Plan's title is; Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary (Plan Amendment) and the supporting Draft Revised Substitute Environmental Document (SED). A mouthful I know. The State Water Resources Control Board, who is comprised of political appointees by the governor, have a legal requirement to update and implement changes to this document every 10 years. Citations used below in this Newsletter can be found in the 3,500 page document located at: www.waterboards.ca.gov/waterrights/waterissues/programs/baydelta/baydeltaplan/waterqualitycontrolplanning/index .shtml. The Water Quality Control Plan (Plan) has 4 Phases to it.

Phase 1 of the Plan was just released. It will address only the San Joaquin River and its tributaries; the Merced, Tuolumne and Stanislaus Rivers. The Plan strangely excludes that portion of the SJ River basin south of the Merced River, which is about 40% of the watershed. The reason being, this portion of the SJ River has a federal salmon restoration project that's ongoing. It's not working very well and they can't afford to be impacted by a State law that makes their situation worse. Hence the State is focused on making our life worse by only focusing on the <u>lower SJ River</u> at this time.

Phase 2 of the Plan will be focused on doing the same to the Sacramento River Basin. Phase 3 of the Plan is Implementation. In order to implement the Plan the State will need to change/modify/restructure the current laws on the books related to the water right priority system. With that done, implementation of the Plan will be easy.

Phase 4 is just "clean up" and a chance to get more water from other rivers and to make a second pass at everybody in Phase 1 and 2 just in case they didn't get all the water they wanted.

The State's Plan to cure water quality and fishery issues in the delta is simple; dump more water down the rivers and into the delta and out to the ocean. That's it. Simple. Nothing else matters and nothing else will work according to what their scientists say, but there's one problem. The problem for the State is, it doesn't own any water on the San Joaquin River. That water is owned by the irrigation districts who hold the water in trust to the benefit of its constituents. In short, it's **your water** they need and **your water** they're going to take to dump out to the ocean, and because it's the State, they're not going to compensate the region for the devastation their action will create.

How much water you ask? As a region, inclusive of the Merced, Tuolumne and Stanislaus Rivers, it will be "on average" about 300,000 acre feet each-and-every year (ref. Table 13-14). To make that up, the region would have to fallow 100,000 acres of productive farmland "on average" or pump from the aquifer an additional 300,000 acre feet.

What's the economic impact of all this? Excluding any economic analysis related to groundwater impacts (the State said that's too hard to analyze so they skipped that piece) the State's analysis puts the regional impact at about \$260,000,000 each and every year. We think that number is low...very low.

What's the upside benefit to fisheries? They predict about 1,100 (ref. Table 19-13) more fish will be added to the ocean population. After the commercial fisherman harvest their share we expect to see about 440 more returning fish (220 nesting pairs) to our rivers. If you're math challenged, that's about \$1,000,000 per nesting pair WE WILL PAY FOR!

Put another way, 1,100 fish is about 22,000 pounds of protein on the plate. You can generate the same 22,000 pounds of protein from what comes off just 10 acres of almond trees. Instead, the State wants us to fallow 100,000 acres of farmland, absorb \$260,000,000 in annual economic losses in order to generate 22,000 pounds of fish protein. Are we living in an asylum managed by bureaucrats with no common sense?

If you want specifics regarding OID impacts; OID's water right would go from an annual available supply of 300,000 acre feet to 223,000 acre feet. That's a haircut of about 25%. Sixty-percent of the time life would be unchanged for OID. Ten-percent of the time (one out of ten years) OID would have just over 100,000 acre feet to distribute. The other 30% of the time it's around 175,000 acre feet. For OID, the water hit is "survivable" but the hit to its revenue stream is not. Somewhere between \$5-\$8 million could be passed onto landowners in our 65,000 acre district. That's \$100 per acre added to your current base rate. That would make a lot of crops in our area unprofitable to farm.

The good news if there is any, OID saw this coming. The Board and management began preparing for this back in 2004. OID is in better "water shape" than others due to the Board's vision in advancing conservation improvements funded by water sale revenues, \$55.4 million to be exact, to meet this challenge. To be clear though, OID and our fellow irrigation districts WILL NOT succumb to the idiocy of the State's Water Plan. It is economically crushing to our region, it is nonsensical in its logic and it is an outright water grab on our future, our livelihoods and our heritage.

This is not a fight about fish versus agriculture. It's about our regional economy, our recreational assets, our kid's health, or future growth. You need to get involved. Visit www.SavetheStan.org or www.WorthYourFight.org to see how.

Water Report as of October 1, 2016

Facility	Max Storage	Current Storage	% Capacity	Inflow (cfs)	Storage Change
	(af)	(af)			Since 9/1 (af)
New Melones - Federal	2,419,523	528,429	22%	540	(15,971)
Donnells	64,325	29,230	45%	75	(4,577)
Beardsley	97,802	58,406	60%	180	(18,769)
Tulloch	66,968	62,561	93%	310	(1,655)

New Melones Inflow since Oct = 965,457 af OID 2015/16 Water Allocation = 300,000 af OID Water Used Oct 1, 2015 to Sept. 30, 2016 = 183,696 af Water Sold this year (April/May) = 42,500 af Water Sold this year (Sept) = 8,000 af Water made available for local use = 5,000 af Local Water Used to date = 432 af OID water lost to Federal Government on September 30 = 65,804 af

