

California Bay-Delta Program

Environmental Water Account Program Plan Year 8

(State FY 2007-08; Federal FY 2008)

Implementing Agencies:

Department of Water Resources
Department of Fish and Game
United States Bureau of Reclamation
United States Fish and Wildlife Service
United States National Marine Fisheries Service

June 13, 2007

FINAL

CALIFORNIA



BAY-DELTA
AUTHORITY

Introduction

This Environmental Water Account (EWA) Program Plan identifies the CALFED Program activities that are scheduled to be completed during State Fiscal Year (FY) 2007-2008 (July 1, 2007 to June 30, 2008) and Federal FY 2007 (October 1, 2007 to September 30, 2008). The Plan also describes the accomplishments made during the previous year.

EWA's Purpose

The EWA has been established to provide water for the protection and recovery of at-risk fish species beyond water available through existing regulatory actions related to the operations of the State Water Project (SWP) and the Central Valley Project (CVP). EWA's purpose is to provide protection to the at-risk fish species of the Bay-Delta estuary through environmentally beneficial changes in SWP/CVP operations at no uncompensated water cost to the projects' water users beyond that provided by the projects' water users as their contribution towards a long-term EWA. This approach to fish protection requires the acquisition of alternative sources of project water supply, called "EWA assets," that are to be used to augment stream flows, Delta outflows, to modify exports, to provide fishery benefits, and to replace the regular project water supply interrupted by the changes to project operations for EWA purposes.

EWA Operations

The EWA operates in accordance with California's water year (October 1 – September 30) and started in October 2000, the beginning of water year 2001. EWA is cooperatively implemented by three management agencies and two project agencies. The management agencies are the U.S. Fish and Wildlife Service (USFWS), the National Marine Fisheries Service (NMFS) and the California Department of Fish and Game (DFG), and the project agencies are the United States Bureau of Reclamation (Reclamation) and the California Department Water Resources (DWR). The management agencies are responsible for managing EWA assets and recommending SWP/CVP operational changes beneficial to the Bay-Delta ecosystem and/or the long-term survival of fish species, while the project agencies cooperate with the management agencies in administering the EWA and implementing operational changes proposed by the management agencies, as appropriate.

The EWA provides protection for at-risk species of fish and helps to avoid the need for re-initiation of re-consultation level of incidental take of species listed under the federal Endangered Species Act primarily by primarily reducing export pumping during periods of peak abundance of these species in the Delta. Prior to reaching the level of impact for listed species that necessitates formal re-initiation of consultation, the Project Agencies' and Management Agencies' staff discuss the extent of the take, the relative abundance and distribution of the particular species of concern, and any relevant information on in-stream and Delta conditions. Based on an evaluation of this information, the Agencies may implement a modification of Project operations or "fish action", usually a partial curtailment of project pumping. The cost of fish protection actions at the CVP Tracy Pumping Plant are typically charged against the Central Valley Project Improvement Act's (CVPIA) Section 3406 (b)(2), which provides water for that environmentally beneficial purpose. The water cost of fish protection actions at the SWP Banks Pumping Plant are reimbursed with assets from the EWA. If there is no "(b)(2)" water available, then EWA water may be used for fish actions at the CVP.

The EWA Agencies estimate the need for fish actions (pumping curtailments in the Delta) and replacement water based on their experience since EWA's first year of operation in 2000 (State FY 2000-2001 and Federal FY 2000), modeling studies, and gaming studies that simulate the EWA's operations in a wide variety of hydrologic conditions. Placeholders for pumping curtailments are estimated from review of the life stages of fish, their presence over time near the Delta pumps, projected pumping rates at the project pumps, target pumping reductions, the Vernalis Adaptive Management Program, and other in-Delta actions. Estimates of water to be purchased as replacement

water for the projects are developed from the projected costs of fish actions, the prior modeling and gaming analyses, estimates of water available from operational flexibility (variable assets), and budgetary constraints. In a typical year, the EWA agencies will purchase 200 thousand acre-feet (TAF) to 300 TAF of water per from willing sellers, although there can be variations depending on actual fish behavior and hydrology. Also, not all of EWA's assets are water purchases. Some assets are services such as exchanges of water or deferring delivery of project supplies a contractor has been allocated until a later time in the year to improve the projects' operations affected by EWA fish actions. EWA's water assets are acquired by purchasing water from willing sellers and by capturing surplus water from the Delta. Water purchases would be from existing non-project water storage reservoirs, groundwater substitution, and cropland idling or crop substitution.

Priorities

For water year 2008 (October 1, 2007 to September 30, 2008), the EWA will be operating on a significantly reduced monetary budget due to decreased funding. However, with available state and federal funds the EWA agencies plan to manage a mixture of purchased water (fixed assets), and operational flexibility (variable assets). Depending on hydrology and fish behavior, various quantities of water will be purchased from willing sellers and either used for fish actions if needed or stored to be used later for fish actions. Variable quantities of assets will be provided primarily through operational agreements and flexibility that allow EWA to take advantage of water and the pumping capacity that becomes available in the Delta. The Program's priorities for 2008 include:

- Provide an average of about 375 TAF of water for fish protective actions (250-490 TAF, depending on type of hydrologic year; average assumes respective year types occur with equal frequency).
- Acquire fixed assets, typically ranging from 200 TAF to 300 TAF per year depending on hydrology and fish behavior, as measured in south-of- Delta equivalents (water used to compensate for Delta pumping curtailments must be returned to the SWP and CVP export services areas south of Delta). That water may be purchased and/or stored upstream of the Delta. In such cases, additional water is usually required to offset conveyance and Delta losses. (The phrase "south of Delta equivalents" indicates the net volume required after accounting for such losses).
- Acquire operational (variable) assets; historically such assets have ranged from approximately 50 TAF per year to 150 TAF per year, depending on hydrology, availability of excess pumping capacity at the CVP/SWP export facilities in the Delta, and fish behavior.
- Acquire south-of-Delta water storage capability and/or its functional equivalent to bridge high-demand periods for the EWA. Functional equivalents may include additional purchases, agreements with the projects to carry debt, or other comparable arrangements.

Accomplishments

Because the EWA operates in accordance with California's water year (October 1- September 30), accomplishments for water year 2007 will not be known until fall 2007. Therefore, summarized below are the program's accomplishments for water year 2006.

Water and Power Acquisitions

The EWA obtained water through operational arrangements and used it to replace project supplies lost during pumping curtailments for fish, thus preserving water supply reliability. Because 2006 was a very wet year and fish protective actions were not needed until the Vernalis Adaptive Management Plan period (usually April 15 to May 15) that resulted in low water cost to EWA, the EWA agencies did not need to purchase water (fixed assets) from willing sellers. State and federal funds not expended were carried over and obligated to multi-year water purchase agreements, respectively, so that they would be available for use in water year 2007 (October 1, 2006 to September 30, 2007). The water EWA owed to the projects was replaced by the acquisition of operational assets, i.e., pumping of excess water from the Delta when export capacity was available.

Environmental Documentation

Throughout water year 2006, the EWA agencies were in the process of preparing an environmental compliance document for the acquisition and management of EWA assets for a proposed long-term EWA program beginning January 2008 and until 2030. However, because of uncertainties associated with Project operations (specifically the reconsultation of the Operations Criteria and Plan for Central Valley Project and State Water Project under the Federal Endangered Species Act), ongoing investigations into the apparent Delta pelagic organism decline (POD), and ongoing planning efforts for a proposed Bay-Delta Conservation Plan, completion of the environmental compliance document for the long-term EWA program, which was expected in fall 2007, has been postponed. Until these uncertainties are resolved, the EWA agencies have determined to extend the existing Stage-1 EWA program for up to four years, beginning January 2008. Extending the program will require extending the EWA Operating Principles Agreement (2000), amending the Memorandum of Understanding between the EWA agencies (2004), extending the assurances provided in the Multi-Species Conservation Strategy (2004), and supplementing the existing EIS/EIR for EWA (2004); all of these related actions are expected to be completed by December 31, 2007.

Tier 3 Reserve

Since 2000 (EWA's first year of operation), the EWA Agencies have avoided the need for implementation of Tier 3. However, with delta smelt apparently at record-low abundance and the uncertainty that EWA water assets may not be sufficient, the EWA agencies have drafted a charge and engaged an expert panel in the event that Tier 3 assets are needed to protect delta smelt.

Oversight and Coordination

In November 2006, the CBDA Science Program and EWA agencies sponsored and organized a biennial technical review of the EWA program for water years 2005 and 2006, which also included a review of the program since its inception in water year 2001. A technical review panel (Panel) consisting of outside experts met for 3 days to review and provide feedback regarding EWA's operations and fish protective actions. The Panel's report summarizing their review and containing recommendations for EWA's operations in water year 2007 and in the future was provided to the CBDA Science Program and the EWA agencies in January 2007. The CBDA Science Program, working with the EWA agencies, will be providing a formal response to the Panel's report in spring 2007. In addition, information gleaned from the biennial technical review will be important in forthcoming policy discussions on the future continuance of EWA or its equivalent beyond 2007.

The EWA agencies continued coordination between its Management Agencies (USFWS, NMFS, DFG) and Project Agencies (Reclamation and DWR) to maximize opportunities to obtain and use EWA assets for fish protection, while helping to ensure water supply reliability for CVP and SWP water users south of the Delta .

Activities

Presented below is a listing of the major EWA activities anticipated for water year 2008 (October 1, 2007 to September 30, 2008). Activities are grouped into the general categories of water and power acquisitions, environmental documentation, Tier 3 reserves, and oversight and coordination. It should be noted that adequate funds are essential in order to carry out the scheduled activities completely.

Water and Power Acquisitions

Activity: Continue to Provide Protection to the Fish of the Bay-Delta Through Changes in SWP/CVP Operations – The EWA will continue its primary objective—fish protection in the Bay-Delta ecosystem through changes in SWP/CVP operations and providing water supply reliability.

Deliverables: Fish protective actions, as needed.

Public Involvement/Outreach: An update of EWA activities is presented at the monthly meetings of the CALFED Operations Group (CALFED OPS). This group consists of agency (state and federal) and stakeholder (CVP/SWP contractors and environmental interests groups) representatives. At CALFED OPS meetings, CVP/SWP water operations (including EWA), fish monitoring studies and results, and related policy and technical issues are open for discussion by all participants. CALFED OPS provides a public forum for disclosing EWA activities.

Every week, stakeholders interested in EWA have an opportunity for involvement in the Data Assessment Team (DAT), which evaluates and discusses current fish monitoring results, and makes operational recommendations beneficial to fish to the Water Operations Management Team (WOMT). The DAT is a technical staff-level meeting while the WOMT is an agency management level meeting. An example operational decision is reducing pumping at the CVP/SWP export facilities when at-risk fish species are present. The DAT is a technical meeting consisting of fish biologists and stakeholders.

In addition, the Operations and Fish Forum (OFF), which reports to the CALFED OPS Group, is another way for stakeholders to provide input on EWA operations. OFF participants include stakeholders and CALFED agency representatives who develop consensus recommendations on operations of the Bay-Delta facilities to protect water quality and fish, and maintain water supply reliability.

Deliverables: Management Agencies' recommendations to Project Agencies through one of the above forums on operations of the CVP and SWP.

Funding: **In state fiscal year 2005-2006**, DWR received \$65 million (\$33 million for an 8-year water transfer agreement under the proposed Lower Yuba River Accord [Yuba Accord], and \$32 million for expenditure in water year 2007) from the State's Proposition 50 fund. For water year 2008, it is expected that the \$33 million will be applied to the Water Purchase Agreement under the Yuba Accord. In addition, approximately \$13 million of Proposition 50 funds will be available in 2008 as well, which were funds not expended in 2006 due to the very wet hydrology. The President's Budget for 2008 contains \$7 million for EWA, subject to congressional approval and federal appropriations.

Schedule: Ongoing

Activity: Short-Term Purchases from Established and New Water Sources – The EWA's strategy will continue to include short-term purchases from existing and new providers, although the volume of water acquired in this manner will likely decline.

Deliverables: Replacement water for CVP and SWP users.

Linkage with Other Programs: The EWA Agencies seek to coordinate water acquisitions with other water acquisition programs, such as the state's Dry Year Purchase Program and the federal's CVPIA Level 4 water purchases for state and federal wildlife refuges in the Central Valley. Also, the EWA Project Agencies work closely together to coordinate water transfers in the state, discussing the establishment of water transfer principles and fine-tuning the water acquisition and transfer process.

Public Involvement/Outreach: In all water purchases for the EWA, water districts' representatives (and in some cases environmental interests groups) are involved with contract negotiations. For some water purchase agreements, willing sellers petition the State Water Resources Control Board (SWRCB) to obtain approval of a proposed water sale and transfer. Public review of the petition is required prior to the SWRCB's approval.

Tribal Interests: Groundwater extraction via groundwater substitution actions near Indian Trust Assets (ITAs) has the potential to lower groundwater levels beneath the ITAs, thereby impacting tribal water rights and water supplies. The EWA has required monitoring of groundwater levels and an action plan should groundwater levels be impacted for groundwater substitution occurring away from Indian Trust lands. To date, the lowering of groundwater levels beneath ITAs resulting from groundwater extraction activities on adjacent lands for the EWA has not been evident. In the event an impact on tribal water supplies/rights is identified, consultation between the affected federally recognized tribal governments and the EWA agencies will be initiated. This may be expanded to include the Bureau of Indian Affairs, the Office of the Solicitor and the Office of the American Indian Trust. In addition, the following items should help foster more meaningful tribal input and participation on issues or concerns of the tribes.

- Tribal Water Programs (Clean Water Act 106, 319H, etc.)
The majority of California Tribes have developed USEPA Tribal Environmental Programs that have extensive water protection and water quality programs that should be taken into consideration during environmental water account planning and implementation.
- Tribal Water Quality Standards
Some tribes have USEPA approved Water Quality Standards (WQS's) and many are in the process of obtaining them. The exchange and sharing of such documents are necessary when it comes to upstream and downstream impacts and/or cumulative impacts that affect the tribes. EWA agencies anticipate that such information would be provided to the agencies by the tribe possessing such standards, should consultation commence for a specific EWA action.
- Role of the Bureau of Indian Affairs (BIA)
Although the BIA is not a CALFED member agency, it is the lead federal agency for the protection of Indian Trust Assets.

Environmental Justice: To date, EWA agencies have acquired water from willing sellers through groundwater substitution, as well as from stored reservoir water and through extraction of stored groundwater. In water 2008 and beyond, EWA may also acquire water made available by willing sellers through crop idling; an action that could potentially affect farm laborers and other individuals associated with farming activities (including farm supply companies, custom operators and other related businesses). The agribusiness industry employs wage earners of all income levels and ethnic backgrounds. The concern for environmental justice is that minority and low-income individuals could be disproportionately affected.

Funding: Same as above.

Schedule: Ongoing

Activity: Multi-Year Purchases – Multi-year purchases provide some important advantages to the EWA, including increased certainty of the availability of assets and reduced unit cost. An example multi-year purchase expected to be completed in 2008, is Yuba County Water Agency's commitment to sell and transfer water and the EWA Project Agencies commitment to purchase at least 60,000 acre-feet of water under the proposed Lower Yuba River Accord for 8 years. (See description provided above.)

Deliverables: Replacement water for CVP and SWP users.

Linkage with Other Programs: Same as above

Public Involvement/Outreach: Same as above.

Tribal Interests: Same as above.

Environmental Justice: Same as above.

Funding: Same as above.

Schedule: Ongoing

Potential Problems: The availability of full funding is necessary for EWA to carry out the above water and power acquisition activities in their entirety. All of these activities are directly or indirectly related to protecting the at-risk fish of the Bay-Delta and precluding any water supply losses to the SWP and CVP water users. However, funding for EWA in water year 2008 is likely to be deficient. Therefore, one or more of the above activities will likely have to be curtailed or discontinued, which will adversely impact EWA operations in water year 2008. For example, if sufficient funds are not available for the acquisition of water and power assets through short and long-term contracts with willing sellers, the EWA fishery agencies will be unable to continue providing regulatory commitments, which could result in uncompensated cuts in SWP and CVP pumping. The loss of such assets will reduce the ability of the EWA agencies to provide the fish protections, water supply assurances, and implement the EWA program in an effective manner.

Environmental Documentation

Activity: Complete the Supplemental EIS/EIR for EWA - Reclamation, on behalf of the EWA agencies will enter into a contract with a consultant to prepare the Supplemental EIS/EIR for EWA. DWR is the CEQA lead agency. Reclamation is the lead NEPA agency. DFG is a trustee agency under CEQA. The USFWS and NMFS are cooperating agencies under NEPA. This Supplemental EIS/EIR will analyze the effects associated with extending EWA's existing operations through 2011 (2010 for Federal participation since existing authorization expires in 2010). Acquisitions from new sources may require supplemental CEQA and/or NEPA compliance.

Deliverables: Final Supplemental EIS/EIR

Public Involvement/Outreach: Upon release of the Draft Supplemental EIS/EIR in fall 2007, the public will have 60 (or 45) days to review and comment on the environmental analysis contained therein. In addition, there will be public hearings during the 60 day review period at which the public can comment. All public comments received will be addressed in the Final Supplemental EIS/EIR.

Tribal Interests: Groundwater extraction via groundwater substitution actions near Indian Trust Assets (ITAs) has the potential to lower groundwater levels beneath the ITAs, thereby impacting tribal water rights and water supplies. The EWA has required monitoring of groundwater levels and an action plan should groundwater levels be impacted for groundwater substitution occurring away from Indian Trust lands. To date, the lowering of groundwater levels beneath ITAs resulting from groundwater extraction activities on adjacent lands for the EWA has not been evident. However, in recognition that the issue could come up in future acquisitions, the EWA agencies will, in the process of preparing the EIS/EIR for the proposed long-term EWA, study it and develop protective environmental measures and mitigation actions (such as, requiring monitoring plans for all groundwater pumping for EWA) to minimize the impacts of such an operation to a less than significant level. In the event an impact on tribal water supplies/rights is identified, consultation between the affected federally recognized tribal governments and the EWA agencies will be initiated. This may be expanded to include the Bureau of Indian Affairs, the Office of the Solicitor and the Office of the American Indian Trust. In addition, the following items should help foster more meaningful tribal input and participation on issues or concerns of the tribes.

- Tribal Water Programs (Clean Water Act 106, 319H, etc.)
The majority of California Tribes have developed USEPA Tribal Environmental Programs that have extensive water protection and water quality programs that should be taken into consideration during environmental water account planning and implementation.

- Tribal Water Quality Standards
Some tribes have USEPA approved Water Quality Standards (WQS's) and many are in the process of obtaining them. The exchange and sharing of such documents are necessary when it comes to upstream and downstream impacts and/or cumulative impacts that affect the tribes. EWA agencies anticipate that such information would be provided to the agencies by the tribe possessing such standards, should consultation commence for a specific EWA action.
- Tribal Representatives on BDPAC decision-makers available
The tribes have been involved with some aspects of CALFED for a number of years. There are currently two tribal BDPAC members. The input of these members serving on the BDPAC should be made available to all tribes, with the assistance of the CBDA's Tribal Coordinator. EWA agencies support such information releases to the tribes.
- Role of the Bureau of Indian Affairs (BIA)
Although the BIA is not a CALFED member agency, it is the lead federal agency for the protection of Indian Trust Assets. The BIA reviews and comments on EWA's environmental compliance documents.

Environmental Justice: In the process of preparing the Supplemental EIS/EIR for the proposed extension of the EWA program, the EWA agencies will be carrying out a detailed study of environmental justice concerns related to crop idling associated with EWA's water acquisitions (such as, limiting the amount of crop idling to no more than 20 percent in any one county). The study will include analysis of the impacts and consequences of crop idling that are related to environmental justice, as well as formulation of actions to minimize these impacts/consequences. The findings of the study will be provided in the Draft Supplemental EIS/EIR, which is scheduled for release for public review in fall 2007.

Funding: Sufficient federal FY 2007 funds have been obligated for completing the Supplemental EIS/EIR.

Schedule: Expected completion – December 2007

Tier 3 Reserve

Activity: Ensure Availability of Assets for Tier 3 – While negotiating contracts for acquisition of EWA (Tier 2) assets; ensure that options and/or assets are acquired sufficient to cover Tier 3 water purchases as well, if needed.

Deliverables: Replacement water for CVP and SWP users, if required.

Funding: Proposition 13 and Proposition 50 funds have been committed. Additional 2008 funds may be required.

Schedule: Ongoing

Potential Problems: It has not been necessary to implement Tier 3 protection since EWA's first year of operation in 2000. If, in water year 2008, EWA assets are exhausted and a pumping curtailment is necessary to avoid jeopardy to a listed species and Tier 3 cannot be implemented due to lack of sufficient funds, the resulting uncompensated cuts in SWP and CVP pumping could lead to water losses to the SWP and CVP contractors and increased conflict over Delta operations.

Oversight and Coordination

Activity: Development of Performance Measures – The EWA Agencies, with the CBDA, are committed to developing performance measures. Performance measures translate the EWA program's priorities into measurable benchmarks of success. Performance measures range from relatively simple metrics to complex cross-program assessments. As such, current work on Performance Measures includes counting the simple metrics and laying the technical and scientific groundwork that will allow us to perform more complex assessments at a later date. The Science Program and the EWA have been continuously working to design performance measures for the program. The Science Program has articulated the following three levels of Performance Measures:

- Level 1: Simple administrative measures. These are site-specific indicators that track direct responses of specific

projects or groups of projects (such as number of dollars spent and the number of projects funded).

- Level 2: Quantifiable accomplishments directly related to program actions. These are indicators that track the responses of groups of projects on a local or regional level (such as acre feet of conserved or storage water, miles improved levees, or fish counts).
- Level 3: System-wide indicators. These are indicators that track broad, often complex, responses of groups of projects (such as water supply reliability or ecosystem health).

The EWA Agencies have identified preliminary Performance Measures for the EWA. Some key Level 1 and 2 Performance Measures include: science-based fish action decision making, increase water supply reliability for CVP and SWP contractors, timely and successful completion of water purchase agreements, comprehensive and defensible environmental compliance documents, and a “balanced checkbook” regarding the ability of the EWA Agencies to obtain water assets and pay off debt owed to the Projects without incurring debt beyond that allowed (100 TAF) in the current EWA acquisition strategy. A crucial Level 3 Performance Measure yet to be adequately addressed is evidence of protection and recovery of at-risk native fish species.

Deliverables: Performance measures

Public Involvement/Outreach: The public is involved with the Bay-Delta Public Advisory Committee (BDPAC) as well as in its subcommittees. BDPAC meetings and subcommittees consist of state and federal agency managers and stakeholders representing water contractors and districts, environmental interests groups, Indian tribes, as well as others. At BDPAC meetings, key topics related to the EWA and other CALFED Program elements, such as performance measures, are disclosed and discussed. The BDPAC serves as a public venue for the entire CALFED Program. BDPAC meetings occur at least quarterly during the year.

Funding: Same as for Water and Power Acquisitions

Schedule: Ongoing.

Activity: Continue Participation in the Planning of California Bay-Delta Program Storage and Conveyance Programs – An important way the EWA, or a future equivalent program, could obtain long-term water assets to help assure fishery protection and water supply reliability is by obtaining conveyance capacity and storage rights in new or expanded reservoirs, as envisioned in the ROD. Several projects have been proposed, including the expansion of existing Los Vaqueros, Shasta and Folsom reservoirs; the Delta Wetlands Project; the Sites Reservoir; and the Westlake Farms Multi-Benefit Reservoir.

Deliverables: None required.

Linkage with Other CALFED Programs: CALFED Storage and Conveyance Programs

Funding: Costs for EWA Agencies’ staff participation in the planning of CALFED Storage and Conveyance Programs are included in the amounts requested under “Water and Power Acquisitions”, as noted above.

Schedule: Ongoing

Activity: EWA Science - The EWA agencies, in collaboration with the CBDA Science Program (including the Interagency Ecological Program) continue to pursue the collection, synthesis and application of scientific information relevant to the biological needs and population dynamics of the anadromous and Delta fish species and to pursue the factors affecting the health and function of the Bay-Delta ecosystem. Methods of estimating abundance and distribution have been improved. Decision making processes have been adapted based on new information. Increased involvement of the academic community and other scientists is expected to increase through the Science Program PSP and the Ecosystem Restoration Program Monitoring PSP, providing expertise that has been lacking. Workshops, seminars and other scientific discussions will continue to contribute to improved scientific understanding and more effective EWA management.

In Fall 2008 (beginning of water year 2009), the CALFED Science Program, with assistance by the EWA Agencies, may sponsor a biennial (water years 2007 and 2008) technical review of the EWA, if extended. Technical reviews of EWA are instrumental to improving the management and operation of the EWA in fulfilling its goal: the protection and recovery of at-

risk fish of the Bay-Delta. Scientific knowledge is continually being gained and influences the decisions of groups, such as the Environmental Water Account Team (EWAT) and the Data Assessment Team (DAT), on fish actions and EWA assets management. As more reliable information is obtained on the effects of exports and upstream actions taken for fish benefits, the operation and management of EWA are adjusted to optimize the effectiveness of the program.

Deliverables: Technical review, workshop, seminar, and other EWA science related materials, as needed.

Public Involvement/Outreach: The public is invited to attend technical workshops on specific EWA related issues such as Chinook salmon and delta smelt monitoring and population studies. In addition, the public has been involved and will continue to be involved with the EWA Technical Reviews conducted and sponsored by the CALFED Science Program in conjunction with the EWA Technical Review Panel. As previously stated, in Fall 2008, a biennial (water years 2007 and 2008) technical review of the EWA may be planned; if such a review occurs, then the public would be invited to participate in and attend this review.

Funding: Same as for Water and Power Acquisitions.

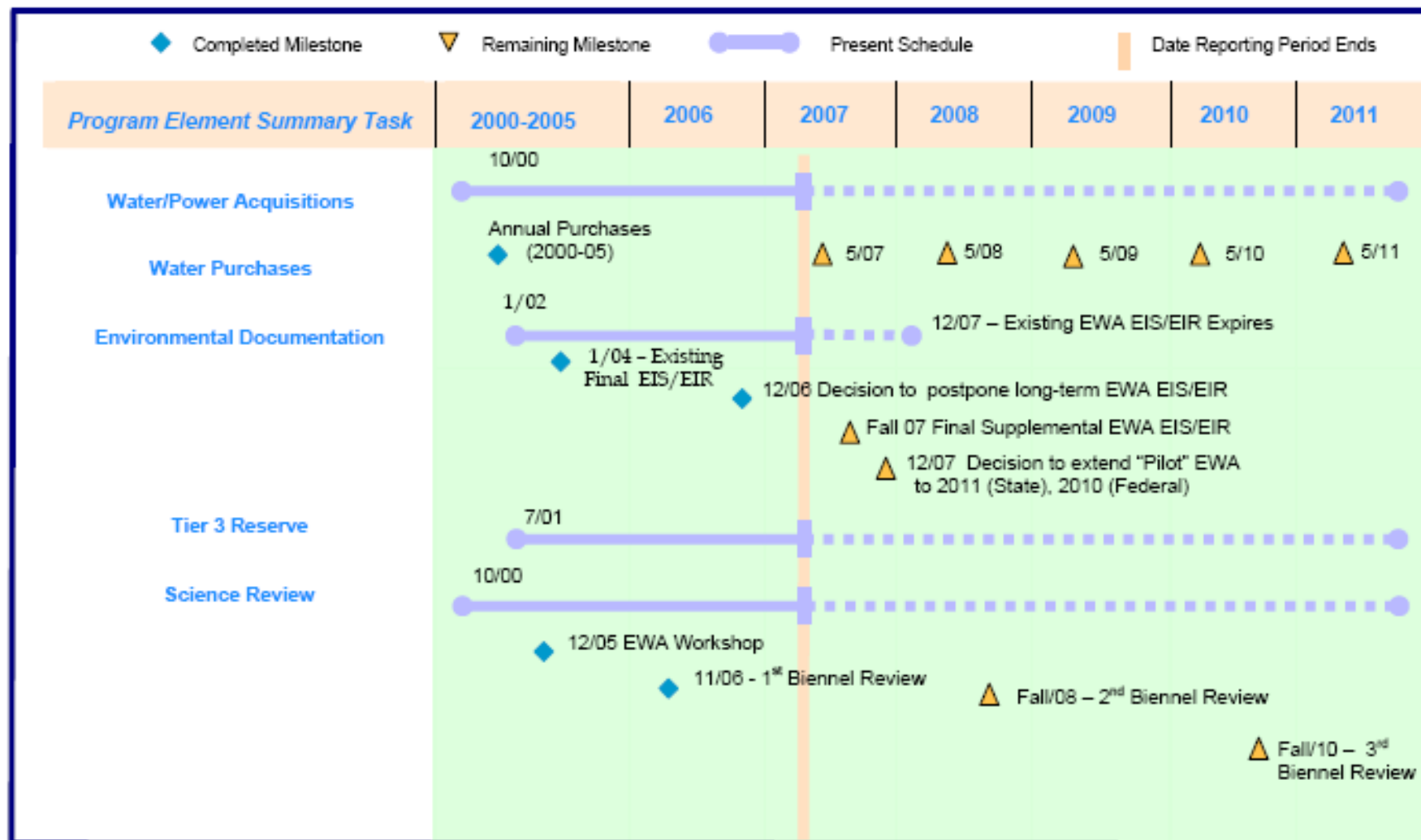
Schedule: Ongoing

Potential Problems: EWA's ability to obtain long-term water assets, and to providing a review of EWA's past performance and developing guidelines for future performance – i.e., collectively, these tasks are directly related to enhancing and optimizing EWA's operation in the future. The absence of adequate funds to fully carry out these tasks would impair the efficiency of future EWA, or an equivalent program's, operations.

EWA Beyond 2008: The Bureau of Reclamation, USFWS, and NMFS have received Congressional authorization to participate in the EWA at least through 2010. However, for these Federal agencies to continue participation in the EWA beyond 2010, additional authorization will be required. For the Department of Water Resources and the Department of Fish and Game to continue involvement in the EWA, beyond 2008, CEQA requirements must be met.

Schedule

Fish protection and water supply reliability benefits were achieved in 2006, which was a very wet year. A two-year (water years 2005 and 2006) comprehensive technical review of the EWA occurred in fall 2006. Also, the Supplemental Final EIS/EIR is expected to be completed in December 2007.



Funding

Environmental Water Account ¹ (\$ in millions)	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Grand Total
State ²	\$56.30	\$24.75	\$30.30	\$23.30 ⁶	\$32.30	\$9.02 ⁷	\$8.95	\$62.71	\$247.63 ⁸
Federal ³	\$0.10	\$13.00	\$2.54	\$2.10	\$1.20	\$5.20 ⁹	\$8.0	\$7.0	\$39.14
Actual Total Expenditures⁴	\$56.4	\$37.75	\$32.84	\$25.40	\$33.50	\$14.22	\$16.95	\$69.71	\$286.77
Projected Needs Estimate⁵	\$50.0	\$50.0	\$50.0	\$50.0	\$61.8	\$35.2	\$36.2	\$47.2	\$380.40
Original ROD Estimate (Aug, 2000)⁶	\$50.0	\$50.0	\$50.0	\$50.0					\$200.0

NOTES:

1. Funding for Years 1 - 6 reflect actual State, Federal and Local obligations, commitments, encumbrances and expenditures updated to reflect actual fund amounts for each task. State funds for Years 6 & 7 reflect the Governor's Budget May Revision. Federal funds are the Year 7 enacted and President's FY 2008 proposed budget.

2. The State budget includes funding for the California Bay-Delta Authority (Authority), Department of Water Resources (DWR), Department of Fish and Game (DFG), and the Resources Agency (RA).

3. The Federal budget is funding for the U.S. Bureau of Reclamation (Reclamation).

4. The Actual Total Expenditures are the actual annual costs incurred by the EWA Agencies to implement the program and meet its CALFED objectives to help protect at-risk native fish of the Bay-Delta and to help maintain water supply reliability for SWP and CVP water users.

5. The Projected Needs Estimate includes \$25.5 million in Year 5 for a bankroll fund. The Projected Needs Estimates are based on funding targets from the 10-year finance plan (December 2004).

6. Original ROD Estimate represents the original Stage 1 (Years 1-7) funding estimates from the Record of Decision (Aug 2000). The ROD included estimates for water acquisitions for the first 4 years only. Cost estimates were not included in the ROD for staff, power, or Tier III water.

7. Unspent funds in Year 4 became the baseline State budget for EWA in Year 6.

8. Excludes \$9.02 million to avoid double counting in total.

9. Fiscal Year 2006 federal appropriations for EWA totaled \$8.2 million; however, the full amount was not required in 2006 due to wet hydrologic conditions. Of this total, \$3 million was re-aligned to help fund development of the proposed Bay-Delta Conservation Plan.

Funding by Task

Environmental Water Account ¹ (\$ in millions)	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Grand Total
1) Water & Power Acquisitions	\$54.8	\$31.2	\$31.39	\$20.60	\$32.52	\$13.82 ⁵	\$16.09	\$69.61	\$270.03 ⁶
2) Tier 3 Water*		\$6.25		\$3.20					\$9.45
3) Environmental Documentation	\$1.60	\$0.30	\$1.45	\$1.60	\$1.00	\$0.40	\$0.86	\$0.10	\$7.31
4) CBDA Oversight and Coordination	\$0.40	\$0.50	\$0.30	\$0.20	\$0.20	\$0.03	\$0.03	\$0.03	\$1.69
Actual Total Expenditures ²	\$56.8	\$38.25	\$33.14	\$25.60	\$33.70	\$14.25⁵	\$16.98	\$69.74	\$288.48⁶
Projected Needs Estimate ³	\$50.0	\$50.0	\$50.0	\$50.0	\$61.8	\$35.2	\$36.2	\$47.2	\$380.40
Original ROD Estimate (Aug, 2000) ⁴	\$50.0	\$50.0	\$50.0	\$50.0					\$200.0

NOTES:

1. Funding for Years 1 - 6 reflect actual State, Federal and Local obligations, commitments, encumbrances and expenditures updated to reflect actual fund amounts for each task. State funds for Years 6 & 7 reflect the Governor's Budget May Revision. Federal funds are the Year 7 enacted and President's FY 2008 proposed budget.

2. The Actual Total Expenditures are the actual annual costs incurred by the EWA Agencies to implement the program and meet its CALFED objectives to help protect at-risk native fish of the Bay-Delta and to help maintain water supply reliability for SWP and CVP water users.

3. The Projected Needs Estimate includes \$25.5 million in Year 5 for a bankroll fund. The Projected Needs Estimates are based on funding targets from the 10-year finance plan (December 2004).

4. Original ROD Estimate represents the original Stage 1 (Years 1-7) funding estimates from the Record of Decision (Aug 2000). The ROD included estimates for water acquisitions for the first 4 years only. Cost estimates were not included in the ROD for staff, power, or Tier III water.

5. \$9.02 million of the \$13.82 million (\$14.25 million in Actual Total Expenditures) comes from Year 4.

6. Excludes \$9.02 million to avoid double counting in total