

**David J. Guy  
President  
Northern California Water Association**

**Testimony on  
“Water for Our Future and Job Creation: Examining Regulatory and  
Bureaucratic Barriers to New Storage Projects”**

**Tuesday, February 7, 2012**

Mr. Chairman and Members of the Subcommittee. My name is David Guy. I am the President of the Northern California Water Association (NCWA), which represents water suppliers and local governments throughout the Sacramento Valley—the northern part of California’s Great Central Valley.

NCWA and water resources managers throughout the Sacramento Valley are committed to advance the economic, social, and environmental sustainability of the Sacramento Valley by enhancing and preserving its water rights, supplies, and water quality for the rich mosaic of farmlands, refuges and managed wetlands, meandering rivers that support fisheries and wildlife, and cities and rural communities in the region. These ongoing sustainability efforts advance the new California policy in Water Code §85021 “to improve regional self-reliance for water through investment in water use efficiency, water recycling, advanced water technologies, local and regional water supply projects and improved regional coordination of local and regional water supply efforts.”

We appreciate the Subcommittee convening a hearing on the important topic “Water for our Future and Job Creation: Examining Regulatory and Bureaucratic Barriers to New Storage Projects.” We associate with and fully support the testimony provided by the Glenn-Colusa Irrigation District at the hearing, and we offer the following testimony to highlight the Sacramento Valley and the related opportunities presented by the Sites Reservoir.

The ability to view the Sites Reservoir in a manner different from traditional projects presents a unique opportunity for the State of California to meet important (albeit elusive) policy objectives around the Bay-Delta and the Central Valley and to accomplish these objectives in a way that will provide water supplies to enhance California’s economy and the environment.

## **The Foundation for New Water Storage**

Water resources managers in the Sacramento Valley are undertaking aggressive efforts to foster regional sustainability in the Sacramento Valley with respect to water supplies; yet they are continually facing greater operational constraints in managing these supplies.

To better understand these operational constraints in the Sacramento Valley, water resources managers in the region have joined together to commission various technical studies and reports focused on hydrology, salmon life-cycles, and models for water operations in the region. For purposes of today, we recommend *Efficient Water Management for Regional Sustainability in the Sacramento Valley*, which is available at [www.norcalwater.org](http://www.norcalwater.org). The report builds upon decades of continually improving water use efficiency in the Sacramento Valley at the farm, refuge, district, and basin level. The technical report provides a foundation to further evaluate improved water management opportunities in the Sacramento Valley and the trade-offs that will need to be considered in making future management decisions. The report highlights many of the operational constraints that water resources managers face every day in making management decisions in the flow-through system in the Sacramento Valley, as well as the challenges in serving water for all the various beneficial uses—farms, refuges, fisheries, recreation and cities and rural communities.

In this light, what has become apparent over the years is that with each advance in water use efficiency technology and the implementation of a new water use activity or program, the marginal potential efficiency in the region diminishes and the likelihood for adverse consequences—primarily for environmental values—increases. While water use efficiency is an integral part of a water resources portfolio, responsible and sustainable water management increasingly requires more sophisticated consideration of the various trade-offs resulting from water use efficiency actions or programs and an acknowledgment that increased efficiency in certain situations may adversely affect water supplies for beneficial uses. As a result, water resources managers are dedicating tremendous resources to better understand and thus manage water resources in the Sacramento Valley to assure that the region remains in balance with respect to its water resources.

At the same time, the two major projects in the region—the Central Valley Project and State Water Project—have both reduced their water supply yields and operational flexibility due to increased water demands and more regulatory constraints. This in turn has further constrained the ability to manage water within the Sacramento Valley for the various beneficial uses. It is these constraints and a better understanding of these constraints by water resources managers that provides the backdrop for the importance and need to further explore surface storage in the Sacramento Valley.

## **Integrating Sites Reservoir into the Central Valley**

The Sites Reservoir is a proposed off-stream storage project located approximately ten miles west of Maxwell in the Antelope Valley. The proposed reservoir would have a storage capacity of 1.8 million acre-feet. The ability to view Sites differently stems in part from its location within or adjacent to the Glenn-Colusa Irrigation District (GCID) and districts within the Tehama-Colusa Canal Authority. This allows the reservoir to be filled during peak flow periods by conveying water into the reservoir through wheeling arrangements involving existing facilities.

As such, Sites Reservoir can be integrated with local interests within the Sacramento Valley so that it is operated and managed in conjunction with various direct diversion rights, other surface water resources (including Shasta Reservoir) and groundwater resources. Proceeding with integrated water management will provide direct and indirect benefits that include reliable and certain supplies of irrigation, municipal and industrial and environmental water of suitable quality for beneficial uses in the Sacramento Valley. This also includes flexible hydropower generation, recreation and flood damage reduction.

This integrated management, in turn, will provide greater flexibility in managing the system for the benefit of the Bay-Delta and areas that rely upon water from the Delta. Sites Reservoir integrated into the Sacramento Valley thus provides the ability to operate the existing water system in the Central Valley in a more flexible manner to maximize system-wide benefits.

Moreover, when looking at the Sites Reservoir in tandem with other facilities and groundwater management in the Sacramento Valley, the water supply benefits are compounded. For example, a 1.8 million acre foot capacity Sites Reservoir would generate an average annual yield of 400,000 to 640,000-acre feet, in dry and critical years, and in addition would provide nearly 900,000 acre feet of additional storage in Lakes Shasta, Oroville, Folsom and Trinity during the important months of May through September through the system integration and operation.

In sum, Sites Reservoir will generate water for the environment, while improving statewide water reliability and regional sustainability in Northern California. This additional water supply upstream of the Bay-Delta during these critical times will thus provide significant benefits to the State of California.

## **Achieve Co-Equal Goals**

The California Delta Reform Act in 2009 declared the over-arching policy to “achieve the co-equal goals of providing a more reliable water supply for California and protecting, restoring, and enhancing the Delta ecosystem.” Many of the agency proposals in California to solve the Bay-Delta favor one of the co-equal goals over the other or they create, either directly or indirectly, clear winners and losers with respect to the allocation of water supplies. By its location upstream of the Delta, Sites Reservoir, as part of the integrated management

described above, can provide direct benefits to the Delta ecosystem by maximizing the amount and timing of water available for the Bay-Delta, including improvements in Delta water quality. With respect to the co-equal goal of a more reliable water supply, water will be available for the mosaic of water uses in the Sacramento Valley, and there will be a more reliable water supply for water users within the Delta, as well as water users south of the Delta. Sites Reservoir thus provides an opportunity to change the dynamic in the Bay-Delta debate and provide management flexibility in the system in such a way that can truly achieve the co-equal goals.

Thank you Mr. Chairman and Members of the Subcommittee for convening this hearing and for the opportunity to provide this testimony. If you have any questions, please call me at 916-442-8333.