

## The Local Water Rights and Water Supply Protection Act

### Background and Findings:

The four dry years, 2012 through 2015, put the CVP systems in Northern California and the SWP into significant water supply and environmental stress. Water levels in Shasta and Oroville Reservoirs were reduced well below average, water temperatures in the Sacramento River were elevated causing significant damage to endangered winter run Salmon, the Delta ecosystem was damaged, and consumptive water deliveries to CVP and SWP customers were significantly curtailed, and in some cases completely suspended.

In January 2014, the Governor released his California Water Action Plan (CWAP), which is intended to mitigate the impacts of drought. The 10 actions called for in the Plan are:

1. Make conservation a California way of life;
2. Increase regional self-reliance and integrated water management across all levels of government;
3. Achieve the co-equal goals for the Delta;
4. Protect and restore important ecosystems;
5. Manage and prepare for dry periods;
6. Expand water storage capacity and improve groundwater management;
7. Provide safe water for all communities;
8. Increase flood protection;
9. Increase operational and regulatory efficiency;
10. Identify sustainable and integrated financing opportunities.

The Governor declared that a state of emergency existed for water supplies in 2014 and 2015 and the State Water Resources Control Board ordered voluntary water conservation of 20% statewide in 2014 and statewide mandatory water conservation of 25% in 2015 in order to protect threatened environmental resources in the Sacramento River and the Delta.

Despite the four years of dry hydrology, many water purveyors in California had sufficient local water supplies to meet customer demands without mandatory water conservation precisely because they had already taken actions recommended by the CWAP. They were prepared for dry periods because of local investments in conservation, water storage capacity, improved groundwater management and drought proof supplies such as increased use of recycled water and development of ocean desalination.

Many other purveyors had sufficient water supplies to meet customer demands because they had greater flexibility in their demands and a lower level of intensity of hardened demand against their available water supplies.

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Not all water conservation resulted in a benefit to identified environmental issues of concern in the Sacramento River:

- Some purveyors lie outside the Sacramento River watershed and neither use water from nor contribute water to the Sacramento River watershed.
- For some purveyors within the Sacramento River watershed, for example groundwater fed purveyors and purveyors dependent on local reservoirs, a reduction in demand did not result in an increase in downstream tributary flow.

Because the conservation mandate was universal all water customers were required to suffer equally, regardless of:

- Whether or not they were dependent upon scarce CVP or SWP water supplies;
- The reliability of their local water supplies; and,
- Whether or not the conservation provided any water supply or environmental benefit to anyone or anyplace else in the state.

Many of the customers of those purveyors who had adequate local water supplies suffered personal financial harm in the form of permanently damaged landscapes and a reduction in the quality of their lives, even though the water savings had no beneficial effect on the water supply of others and no beneficial effect on the environment.

As implemented in 2015, mandatory water conservation requirements set by the State Water Resources Control Board had the effect of dis-incentivizing implementation of the CWAP.

Purpose:

The purpose of the bill is to strengthen incentives for investment in elements of the Governor's CWAP by protecting purveyors ability to access improved water reliability for the benefit of their customers.

- Limit the State's ability to impose restrictions on any purveyor's right and ability to use locally available water supplies without a finding that such use of water would be a violation of water rights law.
- Further, in a water rights proceeding, it would limit the State's ability to impose restrictions on any purveyor's right and ability to use locally available water supplies based upon a finding of environmental necessity without a finding that such restriction, on each individual purveyor and the water supply to which the restriction would apply, would have a direct and beneficial effect on the environmental issue that was the subject of the finding.