ASSOCIATION OF CALIFORNIA WATER AGENCIES

Statement for the
Public Scoping Session on
FERC Project No. 2100, Oroville Hydropower Facilities
October 30, 2001,
Secretary of State Building Auditorium, Sacramento, California

Presented by Dan Smith, Director of Regulatory Affairs

My name is Dan Smith. I'm Director of Regulatory Affairs for the Association of California Water Agencies. ACWA represents more than 440 public water agencies that supply about 90 percent of the delivered water in the state. Our membership includes many of those agencies that hold long-term water supply contracts with the California Department of Water Resources for supplemental water supplies from the State Water Project.

ACWA's mission is to assist its members in promoting the development, management and reasonable beneficial use of good quality water at the lowest practical cost in an environmentally balanced manner.

ACWA and many other water leaders have worked throughout the past century to assure that a growing and developing California has had the water needed to meet the varying needs of the state. It has been a struggle this past 20 years to provide adequate and reliable water supplies for the state's dynamic economic growth and population increases. Unfortunately, those efforts have not yet been successful. In fact, we have seen the opposite occur—a steady reduction in the water supply available to our cities and farms over the past decade in particular.

The regulatory and legislative supply reductions have cut the amount of water available in dry years by more than one million acre-feet. Efforts to replace not only those lost supplies but to gain some ground on looming water shortages have been painstakingly slow and colored by controversy at every step. It is highly likely that California will suffer severe economic impacts in the future due to water shortages during the next, inevitable drought.

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From long experience, we can tell you that it is not easy to replace lost water supplies. Even if we were ready to break ground today on a new water storage reservoir, it could take 10 years or more to build it and many more years to fill it.

This past history has made us wary of regulatory proceedings that encompass existing water supplies. We simply cannot afford to lose any more of our water.

The precarious state of our current situation is apparent when examining the State Water Project. Last year we had our first dry year after five consecutive wet years. Lake Oroville is the main storage reservoir for the State Water Project, and its watershed received only about half its normal rainfall and snowmelt—one of the driest in California. The impacts were immediately felt. State Water Project customers were provided only 39 percent of their water supply requests.

The state's energy crisis compounded these water shortages, further increasing the unit cost of water. As you work your way through the issues you must weigh in renewing the license for the hydropower facilities, you need to understand that the actions you take will have significant impacts on most of California and most Californians. G-03-01

Our vision for a successful relicensing is one that results in retaining the important water and power benefits the Oroville Facilities provide to the state. G-03-02

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