

DEPARTMENT OF WATER RESOURCES

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4/18/2024

Governor's Office of Planning & Research

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STATE CLEARINGHOUSE

Mr. Matt Hurley
McMullin Area Groundwater Sustainability Agency
275 S. Madera Ave, Ste. 301
Kerman, California 93630
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SCH# 2024030640 Aquaterra Water Bank Project Draft Initial Study/Mitigated Negative Declaration

Dear Mr. Hurley:

The California Department of Water Resources (DWR), Division of Operations and Maintenance, has reviewed the draft initial study/mitigated negative declaration (IS/MND) for the proposed Aquaterra Water Bank Project (Project). DWR is a California state agency responsible for managing California's water resources, systems, and infrastructure, including the State Water Project (SWP), in a responsible, sustainable way. The IS/MND contemplates using SWP water as a source for the proposed groundwater banking project; therefore, DWR's approval may be required for implementation of this Project or a portion thereof. DWR has the following comments on the IS/MND.

Project Description

The McMullin Area Groundwater Sustainability Agency (MAGSA) is proposing to develop infrastructure to receive water from, and convey water to, the James Bypass and the Mendota Pool. The Project will establish the 800k acre-feet capacity Aquaterra Water Bank (Bank) Project underlying the MAGSA area for use by local, regional, and statewide entities to improve their use of available surface water supplies. The Project will be designed to divert and recharge up to 208,000 acre-feet per year (AFY) of contract water into the Bank over a 5-month period, and subsequently recover up to 148,000 AFY of contract water from the Bank over a 5-month period for use by SWP and Central Valley Project (CVP) contractors. Received waters will be conveyed to recharge basins during wet periods and returned to the Mendota Pool during dry periods as part of operations of the Project. The Project will be located in Fresno County and the Kings Subbasin, all within the +/- 120,000 acre MAGSA management area. Farmers will voluntarily participate in this program and agricultural fields will also continue to remain active as the banking program is compatible with farming practices (e.g., planting, fallowing, harvesting).

Comments:

As described below, the IS/MND includes certain inaccurate or unclear information related to the SWP. DWR recommends that the following corrections be made:

Section 1.2.1 Overview of California Water Projects and Contractors:

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Page 1, Overview of California Water Projects and Contractors: *“The CVP and SWP are operated jointly by DWR and Reclamation (CRS 2021).”* This statement is inaccurate. As the IS/MND recognizes, the SWP and CVP are separate projects, with the SWP operated by DWR, and the CVP operated by the U.S. Bureau of Reclamation (Reclamation). DWR and Reclamation coordinate operations of the projects, and certain facilities of both projects are jointly used.¹

Page 4, San Luis Reservoir and Associated Facilities: *“The water stored in the reservoir is managed as approximately 4 percent federal water and 55 percent state water...”* DWR recommends updating this information to reflect that San Luis Reservoir can hold 2,027,840 acre-feet, of which 1,062,180 acre-feet is the state's share for the SWP (approximately 52%) and 965,660 acre-feet is the federal share for the CVP (approximately 48%).²

Section 1.3 Purpose and Need:

Page 9, Table 1-1, Aquaterra Water Bank Specification: This Table specifies the Bank's maximum recharge capacity as 208,000 AFY, *“Based upon available capacity within the SWP and CVP”* (footnote 1). It is unclear how SWP capacity may limit recharge at Aquaterra Water Bank, since SWP infrastructure does not transport water to the Mendota Pool. We recommend clarifying this point.

Section 1.4.1 Contract Water Sources:

Page 10: This paragraph describes the sources of diversions to the Bank as “spilled contractor carryover water from San Luis Reservoir that is routed to the Fresno Slough and the Mendota Pool.” This description is unclear and confusing. SWP water supply contracts govern SWP contractors' rights to SWP water supplies, including annual Table A water, Article 56 Carryover Water, Article 21 Interruptible Water, and certain other types of SWP water. DWR recommends that the description of SWP water sources for the Bank be revised to be consistent with the provisions in the SWP water supply contracts and to clearly identify all SWP water types that SWP contractors may divert to the Bank, subject to DWR's approval.

Impact WAT-5: Groundwater Monitoring and Export Water Standards (Sections 2.21 and 4.10):

The IS/MND includes the following information related to compliance with DWR's water quality standards for introduction of non-SWP water:

Page 43, Section 2.21: *“Real-time groundwater monitoring at recovery wells will be used to ensure water returned to the contractors and partners meets DWR Non-Project pump-in standards (DWR 2012).”*

Page 126, WAT a): *“The Bank will be required to meet State and Federal water quality standards and Non-Project Water return standards for contract water returned to the Bank*

¹ See <https://water.ca.gov/Programs/State-Water-Project/Operations-and-Maintenance> ; <https://water.ca.gov/Programs/State-Water-Project/SWP-Facilities/San-Luis>

² See <https://water.ca.gov/Programs/State-Water-Project/SWP-Facilities/San-Luis>

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partners. These water quality standards will include drinking water quality standards as well as Non-Project water quality standards consistent with the California Department of Water Resources policies (DWR 2012)."

Page 129, WAT e): *"Groundwater Quality. The Bank will recharge contract water that meets the Pump-in standard, consistent with the DWR (2012) policy for Non Project pump-in standards."*

Based on the Project description in the IS/MND, banked water that is recovered from the Bank will not be directly introduced into the SWP facilities. The DWR Non-Project Pump-In Policy and its requirements only apply to water directly introduced to SWP facilities. Since the Project, as presented in the IS/MND, does not include introduction of recovered water into the SWP facilities, DWR's Non-Project Pump-In Policy does not appear to be applicable to the water quality requirements for this proposed Project. DWR's understanding is that the banked water may be physically introduced into the San Joaquin River, which flows to the Delta, where such water may be re-diverted by the SWP via export, and such redirection does not demand compliance with DWR's non-project pump-in standards referenced in the IS/MND. If the proposed Project includes potential direct introduction of banked water into SWP facilities, the IS/MND should clearly state so and describe the location of such potential introduction.

Appendix 2:

Page 12, Converting Allocation Schedule to Contractor Likelihood to Engage Bank in Recharge of Recovery: *"For 2021, contractors greatly increased their carryover requests⁴ when SWP allocations reached 60%." (Footnote 4: "...These requests therefore represent years in which contractors are concerned that their allocated water will be loss from the system through surface water releases.")*.

Both this statement and the supporting footnote appear to provide inaccurate information. The final SWP allocation for 2021 was 5%. SWP contractors make Article 56 Carryover requests for a variety of reasons, and with such carryover comes risk of displacement of stored water due to filling of the SWP share of San Luis Reservoir. There is more likely to be an inverse relationship between requests for storage in San Luis Reservoir and fear of loss of water due to displacement.

Please provide DWR with a copy of any project documents when available by email to: NotifyDWR@water.ca.gov and Patrick.Luzuriaga@water.ca.gov

DWR appreciates the opportunity to comment on this IS/MND. If you have any questions or need additional information, please contact Patrick Luzuriaga at Patrick.Luzuriaga@water.ca.gov or (916) 820-7778, or Nancy.Finch@water.ca.gov.

Sincerely,



Nancy Finch
Senior Attorney