



*To advance the economic, social and environmental sustainability of Northern California
by enhancing and preserving the water rights, supplies and water quality.*

Modernizing California's Water Management System

Draft for Discussion: November 10, 2022

In response to unprecedented dry conditions statewide, in August 2022 Governor Newsom released [California's Water Supply Strategy](#) (*Strategy*), which calls for the modernization of our water management system, including both 21st century water storage and delivery infrastructure and a water rights system that will support this improved water management as California adapts to our new climate reality and increasing scarcity.

In the Sacramento River Basin, we fully support and will continue to work hard to modernize our water infrastructure and improve the water rights system to support 21st century water management. This ongoing effort will benefit from the expertise of our water resources managers and their consultants, partnering with state and federal agencies and conservation partners, to serve and steward water resources for multiple benefits, including cities and rural communities, farms, fish, wildlife, recreation and hydropower. Working together, we can modernize our water system and improve the administration of the water rights priority system as its legal and operational foundation with improved data, efficiency, and transparency.

We offer the following ideas on how we can work together to improve our flood protection and water management system to address increasing threats of flood, drought, and fire in the face of weather whiplash. The State Water Board has made tremendous progress over the past decade improving its water unavailability methodology to more effectively implement the water rights priority system. We laud this progress and focus on the ongoing efforts to help the State Water Board improve our current water rights system in California to be more effective during dry years. We also encourage the State Water Board and other agencies to implement the innovative water management ideas in the *Strategy* to help ensure water resources can be put to beneficial use to the fullest extent of which they are capable (i.e., serving water for multiple benefits), thus reflecting evolving public values and needs.

A modernized water management system should advance the following priorities to help the state adapt to a changing climate and to better manage through scarcity:

- 1) continue to implement the state's water rights priority system (which works in the Sacramento River Basin) based on a more precise and sound water

unavailability methodology that will continue to improve with better measurement, data, technology, and experience;

- 2) allow the capture of water when available in California for use at a later time when needed (i.e., groundwater recharge, new offstream storage);
- 3) enable regional and local agencies to work with conservation partners and state and federal agencies to reimagine our water system from ridgetop to river mouth to better serve multiple benefits; and
- 4) ensure accountability through robust enforcement of water rights.

The water rights priority system has worked over the past decade in the Sacramento River Basin, and with some refinements to improve water rights administration as discussed below, is well poised to support modern water management in California into the future with the following actions.

Water Rights Administration

We recommend the following refinements to improve the water rights system:

- **Effective Implementation and Enforcement of the Water Rights Priority System.** Implementation of water right priorities in a comprehensive and nimble manner, much like the State Water Board has done in the Sacramento River Basin with continual improvement of this process every year. This includes weekly curtailment notices, leading to the curtailment of many water rights during dry years based on water rights priority and Term 91. These curtailment processes, although hard for people receiving the notices, have been successfully implemented the past decade, allowing for water suppliers to plan accordingly every year. There remains a need and we urge more active enforcement to address illegal and unauthorized diversions. (See *Strategy 4.3*).
- **Enhanced Water Rights Data and Technologies.** This includes a combination of measurement (stream gages, snow survey) with data and technology (digitizing records, forecast-informed reservoir operations, improving the water right data management system) to improve the water unavailability methodology that provides the basis for implementing the water rights priority system and to verify water rights. (See *Strategy 4.1* and *4.3*; [Piloting a Water Rights Information System for California](#)). Good data and information are foundational to water rights data modernization, leading the State Legislature to invest more than \$75 million over the past two years to help advance this important effort.
- **Adapt to Our New Climate Reality.** A recently passed bill requires the State Water Board to develop and adopt regulations to govern consideration of climate change effects in water availability analyses used in its review of applications for water rights permits, including consideration of the effects of climate change upon watershed hydrology. The State Water Board will consult with the Department of Water

Resources, the Department of Fish and Wildlife, other qualified hydrologists and climate change scientists and interested parties in preparing the regulations in a scientifically feasible manner. We look forward to participating in this process. (See SB 1205, Allen; and the State Water Board [Recommendations for an Effective Water Rights Response to Climate Change](#).)

- **Simplify Water Transfers.** Water transfers work well to address California’s supply and demand in any given year within the water rights system. The [Water Resilience Portfolio](#) directs easing the movement of water across the state by simplifying water transfers and reducing the approval time for transfers. Water transfers are a relatively small but critical source of water in many years for areas that need water, including public health and safety needs, disadvantaged communities and neighbors without water. (See *Strategy* 4.2, Water Resilience Portfolio 21).

Innovative Water Management.

For California to be more resilient, the following actions will help to modernize and better manage the existing water system to address climate change and help the state manage for scarcity. These actions all require the exercise of water rights in a new and innovative manner as called for in the *Strategy*.

- **Water Supplies for Public Health and Safety and Disadvantaged Communities.** Water rights are vital to all communities for safe drinking water and sanitation (the “human right to water”) and there should be an increased focus to work within the water rights priority system to help serve these communities with both surface water and groundwater and to make sure that regulatory actions do not jeopardize or redirect water away from disadvantaged communities. The continued consolidation of local water systems will be helpful where appropriate and water transfers have also helped serve these communities. In both rural and urban communities, water rights are essential to support these communities’ economy, jobs and well-being. (See *Strategy* 4.3; [Disadvantaged Communities in Northern California; North State Drinking Water Solutions Network](#)).
- **Accelerated Groundwater Recharge.** Water agencies and Groundwater Sustainability Agencies (GSAs) have a strong interest in accelerating the pace and scale of multi-benefit groundwater recharge projects for sustainability in the region and want to partner more deeply with state agencies to achieve this goal. The *Strategy* prioritizes groundwater recharge and provides detailed actions that need to be taken to advance groundwater recharge, including “streamlining water right permits for recharge projects” and “helping local water agencies to accelerate the pace and scale of groundwater recharge.” (See *Strategy* 2.1; [Accelerating Multi-Benefit Groundwater Recharge in the Sacramento Valley; Groundwater beneath Sacramento Valley offers hope in dry times](#)).

- **Slow and Spread More Water Across the Landscape.** Modern science calls for spreading water out and slowing it down on the landscape as the key to healthy ecosystems supporting fish and wildlife and our vital rivers. “The State is working to protect fish and wildlife populations by...expanding floodplains and wetlands” and advancing nature-based solutions. (See *Strategy* page 2). Importantly, this modern reactivation can be done in harmony with serving water for urban and rural communities and farms. Management actions to reactivate floodplains by spreading water across the landscape relies on water rights and contracts and works well within the priority system, which in turn benefits fish and wildlife, healthy soils and groundwater recharge. Forest health and headwaters water management also depend and benefit from water on the landscape.
 - **Facilitation of Permits for Critical Water Storage.** The Governor has called for expanded water storage capacity (such as Sites Reservoir) as “expanding storage capacity improves the ability to capture runoff when diversions cause the least harm to the environment.” An interagency strike team will facilitate state permitting and support completion of these projects, which will require a water rights system that can process and approve the necessary water rights permits in a timely and expedited manner to ensure storage capacity in California. (See *Strategy* 2.2, 2.3 and 2.4)
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- The *Strategy* provides that “crucial to achieving the water supply actions described is a common, readily available set of facts about water supply and use, better forecasting, and integrated use of data and technology. Water rights modernization and reform are critical to ensuring we can efficiently and effectively adapt to a changing climate.” More specifically, “to make a century-old water right system work in this new era, the State Water Board needs accurate and timely data, modern data infrastructure, and increased capacity to halt water diversions when the flows in streams diminish. These improvements are a necessary predicate to modernize our water rights system in a manner that respects water right priorities and aligns with current public values and needs.” (*Strategy* 4).
- There are tremendous strides underway to update the water systems throughout the state and the State Water Board has been progressively modernizing water rights administration, with the series of recent dry years focusing increased attention to make the system work effectively. To continue this forward progress, the Legislature has invested more than \$82 million over the past several years to help advance water rights data modernization and enforcement. (See, SB 129 (2021), §124.)

- The leaders in Northern California have been working with the State Water Board and others to improve the water rights system and the way it supports [ridgetop to river mouth water management](#) and serving water for [multiple benefits](#).
- Many commentators on the water rights system advocate the need to redirect water from one purpose to another to support their special interest. In the Sacramento River Basin, we do not have this luxury to serve a narrow special interest; instead, water resources managers have an important responsibility to stretch every drop of water to serve multiple benefits across the region.
- The Northern California Water Association (NCWA) is committed to advance the economic, social, and environmental sustainability of the Sacramento Valley by safeguarding its high quality water supplies for the rich mosaic of farmlands, cities and rural communities, refuges and managed wetlands, and meandering rivers that support fisheries and wildlife.
- We welcome further conversation and ideas on these efforts at info@norcalwater.org.