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"California Water Crisis and Its Impacts:
The Need for Immediate and Long-Term Solutions."

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Overview

Good morning Mr. Chairman and members of the committee. I am Janelle Beland, Undersecretary of the California Natural Resources Agency. The state of California appreciates the invitation to appear before your field hearing today to offer testimony on our response to the ongoing drought crisis.

California is experiencing a severe drought. On the heels of two previous dry years, all of the state's major reservoirs remain well below average storage for the date. Statewide, the water content of the Sierra snowpack also is well below average for the date. Recent storms have not ended the drought, and the window for California to gain significant precipitation is closing. The latest National Weather Service data continue to show nearly the entire state in severe drought and nearly two-thirds in extreme drought.

Although long-range forecasts suggest a shift to weak El Niño conditions in the coming months, this does not mean that the drought in California will be over next winter. State and federal water project operators and environmental and water quality regulators are working together in real time to exercise as much flexibility as possible under regulatory standards to allow for the capture and storage of water from the Sacramento-San Joaquin Delta (Delta). Every effort has been made to maximize the amount of water the projects could export during the storms in February and March, with the realization that this may be the last opportunity to capture and store unregulated flow during this winter season.

These efforts are being closely coordinated with state and federal fishery agencies and the State Water Resources Control Board (State Board), which is exercising flexibility allowed under the law. This real-time water management will continue to adjust operations in response to changing conditions.

In the coming weeks, in order to help preserve water supplies in upstream reservoirs and limit salinity encroachment in channels of the Delta, the California Department of Water Resources (DWR) is developing plans to install temporary emergency rock barriers across three Delta channels. DWR is working with federal and state wildlife agencies and the US Army Corps of Engineers to gain permits for installation of these emergency barriers, which would be removed in the fall. Similar emergency barriers were last installed in the drought year of 1977, and the barriers worked as intended to help control salinity.

Overview of Statewide Conditions

As previously mentioned, despite several consecutive days of rain across California this month, we are significantly behind average precipitation conditions for this time of year.

The statewide snowpack shows 29 percent of average snow water content for the date, slightly less than last week's measurement. The snowpack water content is currently at 19 percent in the northern Sierra, 35 percent in the central Sierra, and 33 percent in the southern Sierra.

Typically, the Sierra Nevada snowpack melts in the spring and summer. It collects in reservoirs to provide about one-third of the water Californians use each year.

Major reservoir storage rose slightly over the last couple of weeks but is still significantly below average. Shasta stands at 58 percent of typical storage for this time of year. Oroville storage is 62 percent of average and Folsom Lake is at 67 percent of average storage for this time of year.

Federal, state, and local water projects that rely on snowpack in the Cascades and the Sierra -- the source of most of California's developed water supply -- will be operating under unprecedented dry conditions this summer, and will be challenged to manage their systems to conserve vital reservoir storage.

The very low reservoir and snowpack levels dictate that we must be prudent with our minimal water supplies, and that requires additional flexibility to operate the state and federal water projects. In this extraordinarily dry year, all water users, including agricultural, municipal, and fish and wildlife uses, will be impacted.

To maximize flexibility, the project operators, DWR and the US Bureau of Reclamation (Bureau) have coordinated closely to exercise maximum flexibility and allow the water projects to conserve and store water as they continue to assess the water needs for later in the year and into 2015. The California Department of Fish and Wildlife (DFW) and the National Marine Fisheries Service (NMFS) have coordinated closely with these agencies, and have worked to ensure that water management decisions do minimal harm to endangered and protected species.

One primary concern has been to ensure that enough water can be directed to communities for human health and safety purposes, which includes basic needs such as drinking water and water for sanitation and firefighting. While some communities have adequate water supplies saved locally for such purposes, other communities need continued exports from the delta for these essential purposes. It should be noted that the agencies' intent has been to ensure enough water in communities for these essential purposes, but not to deliver exports for all normal usage (such as exterior landscape irrigation).

Another primary concern is being able to prevent saltwater intrusion into the interior Delta where a large portion of the state's freshwater supplies are conveyed for human and agricultural use. A certain amount of flow must continue throughout dry months to push back saltwater from the interior Delta. If there is not enough water to maintain this flow throughout the year, we will lose control over salinity in the Delta and fresh water sources travelling through the interior Delta will become contaminated. This severely compromises the water projects' ability to deliver water for basic public health and safety or irrigation uses. This is a very real concern this year.

January is typically the wettest month in California, but January 2014 proved an extraordinary anomaly. Scant rain or snow fell across the state for the entire month. It was the driest month on record for most places in the state, and it followed two previous dry years.

On January 29, 2014, DWR and the Bureau asked the State Board to adjust water rights permit and license terms that control State Water Project and federal Central Valley Project operations. DWR and the Bureau sought this "temporary urgency change" in order to preserve dwindling supplies in upstream reservoirs for farms, fisheries, and cities and towns as the drought continues.

This temporary urgency change did the following:

- Allowed a reduced Delta outflow so that the state and federal water projects could conserve their dwindling supplies in reservoirs for later in the year;

- Allowed for the operation of the Delta Cross Channel gates in real time so less flow would be needed to repel salinity;

- Established a Real Time Drought Operations Management Team.

The executive director of the State Board granted the DWR/Bureau joint request on January 31, stipulating that any water pumped by the federal and state water projects under the temporary urgency change must be used to meet public health and safety needs.

DWR and the Bureau are now in the process of quantifying those public health and safety needs and defining precisely how any water set aside for public health and safety purposes may be used. The definition will not include deliveries to farms for irrigation or homeowners for lawn-watering.

On January 31, the executive director of the State Board also advised that "junior priority" water-right holders may be ordered to curtail their diversions from the Sacramento and San Joaquin river systems. These curtailments would be structured to occur in a manner that respects water rights, with senior water right holders being the last to have their water restricted.

Also, on January 31, DWR announced that its customers – 29 public water agencies serving cities and farms – should expect no deliveries in 2014 if significant precipitation did not occur in the next few months. These customers could expect delivery only of "carryover" supplies that they had not used in 2013. The zero allocation is the first-ever for all customers in the State Water Project's 54-year history.

The announcement does not mean that anyone's tap will run dry, but it will trigger difficult decisions for many farmers, and it underscores the need for aggressive conservation by all Californians.

Also on January 31, DWR notified long-time water rights holders in the Sacramento Valley that their deliveries from the State Water Project may be cut 50 percent, the maximum cut permitted under contract, depending upon the results of future snow surveys. All of these settlement contractors are agricultural irrigation districts.

On February 7, the State Board's Executive Director amended the order to say that after recent storms, when natural flows are high enough, the limits on Delta exports would not be in effect and normal conditions would apply.

Two separate, moderate storm systems moved across California in February. Water project operators worked with the state and federal wildlife agencies to maximize regulatory flexibility so that as much storm runoff as possible could be captured and stored in San Luis Reservoir, south of the Sacramento-San Joaquin Delta, with minimal harm to Delta water quality and threatened and endangered Delta species. February 2014 proved wetter than January, but not enough to end the drought or avoid a high-stakes balancing act in water project operations.

Around February 9, Delta outflow started spiking after the first significant rain event to hit this winter. From February 10 to February 11, the state and federal water projects increased their pumping from the Delta to about 6,000 cfs, maintaining that level until February 18.

During the month of February, the state and federal projects received additional flexibility in the amount they could export from the Delta, via the coordination established under the Real-Time Drought Operations Management Team process for operating Delta facilities established by the January order. Additionally, federal and state fish and wildlife agencies have made similar adjustments to export limitations based on their authorities and permits.

As a result, additional water was pumped from the Delta in February and March due to regulatory flexibility granted the projects by federal and state fishery agencies. The rest of the water was pumped from the Delta under compliance with existing regulations that did not require use of the "temporary urgency change" or the easing of any standards designed to protect water quality and fish species.

Here is a more detailed analysis of Delta water project operations from February to today:

From Feb. 1 through Feb. 9, record-dry conditions in Northern California kept Delta outflow (the volume of water flowing out of the Delta into San Francisco Bay) at roughly 7,000 cubic feet per second (cfs). The combined export of the State Water Project and Central Valley Project (the amount of water diverted from the Delta into storage at San Luis Reservoir) was held at slightly under 1,000 cfs due to degraded water quality conditions in the Delta.

Around Feb. 9, Delta outflow started spiking after the first significant rain event to hit this winter. In addition, the Delta Cross Channel Gates were opened as part of the "temporary urgency change" granted by the State Board. That order allowed for modified implementation of the requirements in D-1641, a water rights decision of the State Board that sets salinity and other water quality objectives for the Delta and Bay.

With Delta water quality improving, from Feb. 10 to Feb. 11, the combined water project exports ramped up to about 6,000 cfs and stayed there until Feb. 18.

By Feb. 18, Delta outflow had dropped to 8,000 cfs as the storm runoff dwindled.

Exports ramped down and reached the minimum health and safety level of 1,500 cfs by Feb. 23. Exports stayed at that minimum health and safety level until March 2.

By March 2, with the return of significant rain, Delta outflow jumped to 26,000 cfs. Exports increased gradually from March 2 through March 4 to reach 6,000 cfs, then climbed over the next several days to reach 6,800 cfs.

Beginning on March 11, Delta outflow dropped to 11,000 cfs, then rose again to just under 17,000 cfs. Delta outflows are now headed back down to levels below 10,000 cfs by the middle of next week.

Combined water project exports have remained at just under 7,000 cfs and were scheduled to remain at that level through last weekend. The upper levels of exports were constrained by a multitude of existing regulations established to protect Delta fisheries including requirements of D-1641 and federal rules to protect Delta smelt and chinook salmon, which are listed under the U.S. Endangered Species Act (ESA) and the California Endangered Species Act (CESA).

Operators of the State Water Project and Central Valley Project, together with representatives of the federal and state fishery agencies and the State Board, are working collaboratively to find flexibility in the implementation of these regulations. They seek to maximize exports to the extent possible under the law, with the realization that the last set of storms may be the last opportunity to capture and store unregulated flow during this winter season.

In a normal year, the state and federal water projects would be required to keep Delta outflow at 11,000 cfs during March, primarily to protect habitat for fish and wildlife. This means that under a normal year's rules, 11,000 cfs is required to flow out of the Delta and through the San Francisco Bay. However, amid drought conditions and the need to conserve and export precious water, flexibility for this requirement was explored and the state and federal fisheries agencies have advised that reducing the flow below 11,000 cfs will not unreasonably affect fish and wildlife.

The upper levels of exports are constrained by regulations to protect Delta fisheries and federal rules to protect Delta smelt and Chinook salmon, which are listed under the ESA and CESA. Operators of the federal and state projects are working collaboratively with the federal and state fish agencies and the State Board to maximize flexibility in the implementation of these regulations.

During the coming weeks and months, the project operators will work in close coordination with the state and federal fish agencies to ensure that the system stays within current requirements for fish. And they will closely monitor fish species affected by project operations to assess whether further protections are warranted.

DWR and the Bureau are gathering data and looking at how much water will be needed through the dry months and possibly into next year to maintain salinity control in the Delta, meet minimal public health and safety needs, and abide legal requirements to protect threatened and endangered fish. This review should clarify the water needed for these purposes for the rest of the year and possibly into next year if we experience a fourth dry year.

At that time, the state and federal water projects will be able to update their allocation projections to their water contractors, based on the available water in the system for carryover storage needs for the coming dry months.

Recent State Actions

State and federal water management agencies continue to work together to allow exports of additional water from the Delta based on storms in the last six weeks. Recent precipitation has provided a window of opportunity to capture additional water for storage both north and south of the Delta, and both the state and federal water projects have increased pumping for a limited time to capture as much water as possible under current regulatory standards.

Last week, DFW and the State Board announced that they will expedite approval of storage tanks built by rural residents for domestic water use. These storage tanks help protect drinking water supplies and increase fire safety by giving rural residents a water supply that they can manage on their own property.

DFW, USFWS, and NMFS last week released a contingency plan for the release of small fish raised in federal and state hatcheries. Due to the drought, new measures will be taken to release the hatchlings in portions of the Delta that allow for their migration to the ocean while enabling their eventual return to lay eggs and continue their life cycle.

The Governor's Office and state agencies have launched ***drought.ca.gov***, which will provide a central location for drought information. Agencies will continue their own drought webpages, and ***drought.ca.gov*** will include a listing of these webpages.

The Governor's Office of Planning and Research has posted online its drought toolkit for local governments, which outline actions that communities can take to respond to the drought.

This week on March 21, the Governor's tribal advisor will hold a statewide consultation call with tribal leaders to continue discussions on drought response with Interagency Drought Task Force officials.

The Department of General Services held a water conservation training last week for facility managers from state and local governments, as well as school districts across the state, to provide information and support to their water use reduction efforts. Over 300 managers from across the state participated.

The Governor's Office of Emergency Services continues to gather drought-related costs from state agencies and local governments, which is reported weekly to the Drought Task Force. The task force continues to meet daily to take actions that conserve water and coordinate state response to the drought.

On March 3, Governor Brown signed a $687.4 million drought relief plan (SB 103 and SB 104). Highlights of the package include:

- Accelerated grant expenditures of $549 million under Proposition 1E and Proposition 84 in the form of infrastructure grants for local and regional projects that are already planned or partially completed to increase local reliability, including recapturing of storm water, expanding the use and distribution of recycled water, enhancing the management and recharging of groundwater storage and strengthening water conservation.

- $30 million from the Greenhouse Gas Reduction Fund to DWR for direct expenditures and grants to state and local agencies to improve water use efficiency, save energy, and reduce greenhouse gas emissions from state and local water transportation and management systems.

- $14 million for groundwater management across the state, including assistance to disadvantaged communities with groundwater contamination exacerbated by drought.

- $15 million from the state general fund to address emergency water shortages due to drought.

- $13 million from the general fund to augment the state and local conservation corps to expand water use efficiency and conservation activities and to reduce fuel loads to prevent catastrophic wildfires.

- $25.3 million from the general fund to be deployed to maximize the potential federal drought assistance for providing food to those impacted by the drought.

- $21 million from the general fund for housing-related assistance for those impacted by the drought.

- $1 million to continue the Save Our Water public education campaign.

On February 21, DWR sent letters to counties and well-drilling contractors asking for timely submission of well completion forms. This information will help DWR track increased use of groundwater and new well installation activities. DWR and the Bureau continue to monitor water quality in the western, central, and southern Sacramento-San Joaquin Delta. The cross-channel gates along the Sacramento River near Walnut Grove were closed due to fishery concerns.

On February 12, DWR and the Bureau filed a petition with the State Board seeking authority to exchange water within the areas served by the federal Central Valley Project and the State Water Project and vice versa.

On February 10, DWR announced the award of $153 million to help fund 138 separate water projects around the state, 35 of which will help communities cope with drought in the long-term.

DWR is working the Bureau and the State Board to ensure an efficient process for voluntary buyers and sellers. However, given the uncertainty of water supplies, few proposals for voluntary sales may be submitted.

On January 17, Governor Brown proclaimed a state of emergency and directed state officials to take all necessary actions to prepare for drought conditions. The governor asked all Californians to reduce water consumption by 20 percent and referred residents and water agencies to the Save Our Water campaign for practical advice on how to do so. The governor also directed state agencies to use less water and to hire more firefighters.

Key measures in the proclamation included:

1. directing local water suppliers to immediately implement local water shortage contingency plans;
2. ordering the State Water Resources Control Board to consider petitions for consolidation of places of use for the State Water Project and Central Valley Project, which could streamline water transfers and exchanges between water users;
3. directing DWR and the state board to accelerate funding for projects that could break ground this year and enhance water supplies;
4. ordering the state water board to put water rights holders across the state on notice that they may be directed to cease or reduce water diversions based on water shortages;

5. asking the water board to consider modifying water quality control plan rules that require the release of water from reservoirs so that water may be conserved in reservoirs to protect cold water supplies for salmon and maintain water supplies;
6. and directing the state Department of Public Health to provide technical and financial assistance to communities at risk of running out of drinking water.

The governor's proclamation is the fourth action taken by a governor since 1987 to deal with drought on a statewide basis.

The governor, through the emergency proclamation, directed his interagency drought task force to devise a plan to provide emergency food supplies, financial assistance, and unemployment services to communities hard-hit by drought-induced job losses.

Agriculture-Specific Actions

State officials are working closely with federal agencies to provide assistance to farmers, ranchers and farmworkers in the most impacted communities. The California Department of Food and Agriculture has launched a one-stop website that provides updates on the drought and connects farmers to helpful state and federal programs they can access during the drought. Farmers, ranchers and farmworkers can learn more at: cdfa.ca.gov/drought/

- The site features links to crop insurance programs, crop disaster assistance, emergency farm loans and federal water conservation program assistance.
- Governor Brown's partnership with the Obama Administration on behalf of California has already led to millions of dollars in potential assistance for farmers and ranchers. Those opportunities are chronicled on the web page.

The White House on Friday, February 14, 2014, announced emergency funding from several federal programs to support drought response. This announcement was coordinated with President Obama's visit to Fresno County.

Emergency assistance includes:

- $100 million in expedited livestock disaster assistance to California farmers and ranchers. This funding, contained in the 2014 Farm Bill, will be made available through the USDA in 60 days. Funding assistance can cover financial losses by California producers in 2012, 2013 and 2014.
- $60 million for California food banks to help families affected by the drought. Funding will be provided by the USDA's Emergency Food Assistance Program.
- $5 million of funding for conservation projects at California farms and ranches, provided by USDA's Environmental Quality Incentives Program.
- $5 million for emergency watershed improvements to enable activities such as stabilizing stream banks and replanting bare lands. Funds will come through the USDA's Emergency Watershed Protection Programs.
- $3 million for emergency grants to rural communities facing drinking water shortages. Funds come through USDA's Emergency Community Water Assistance program.
- Summer food programs: The USDA committed to expanding the number of Summer Food Service Program meal sites to 600 locations in drought stricken areas throughout the state.

Long-Term Actions

There is broad agreement that the state's water management system is currently unable to satisfactorily meet both ecological and human needs, too exposed to wet and dry climate cycles and natural disasters, and inadequate to handle the additional pressures of future population growth and climate change. Solutions are complex and expensive, and they require the cooperation and sustained commitment of all Californians working together. To be sustainable, solutions must strike a balance between the need to provide for public health and safety (*e.g.*, safe drinking water, clean rivers and beaches, flood protection), protect the environment, and support a stable California economy.

As we work on emergency actions to manage through this crisis, we are also taking proactive, long-term steps to prepare California for future droughts and flood. Our long term approach to preparing California's water future is captured in the California Water Action Plan which was released in January of this year. This plan will guide California's efforts to enhance water supply reliability, restore damaged and destroyed ecosystems, and improve the resilience of our infrastructure. We are working daily to balance needs and interests throughout the state on the overall long term sustainability of our water resources. This is not just about the current problem of this serious drought.

The California Water Action Plan has been developed to meet three broad objectives: more reliable water supplies, the restoration of important species and habitat, and a more resilient, sustainably managed water resources system that can better withstand inevitable and unforeseen pressures in the coming decades. Altogether, this plan centers on sustaining supplies of water for people, the environment, industry and agriculture.

This action plan lays out our challenges, our goals and decisive actions needed now to put California's water resources on a safer, more sustainable path. While this plan commits the state to moving forward, it also serves to recognize that state government cannot do this alone. Collaboration between federal, state, local and tribal governments, in coordination with our partners in a wide range of industry, government and nongovernmental organizations is not only important—it is essential.

The Water Action Plan, over the next five years, will guide state efforts to enhance water supply reliability, restore damaged and destroyed ecosystems, and improve the resilience of our infrastructure.

With this plan, we recognize that water recycling, expanded water storage and groundwater management must all be part of the solution. We must also make investments in safe drinking water, restore wetlands and watersheds and make further progress on the Bay Delta Conservation Plan. All of these things are critical to the long-term solution.

Ten key actions identified:

- Make conservation a California way of life.
- Increase regional self-reliance and integrated water management across all levels of government.
- Achieve the co-equal goals for the Delta.
- Protect and restore important ecosystems.
- Manage and prepare for dry periods.
- Expand water storage capacity and improve groundwater management.
- Provide safe water for all communities.

- Increase flood protection.
- Increase operational and regulatory efficiency.
- Identify sustainable and integrated financing opportunities.

There are many important components imbedded under each of these ten actions. For the committee's benefit, let me highlight just two of these that go to the heart of this hearing's topic of addressing long-term solutions.

The Delta is California's major collection point for water, serving two-thirds of our state's population and providing irrigation water for millions of acres of farmland. We know too well the challenges of moving water through the Delta's fragile levee system with declining fish populations and historic restrictions on water deliveries. But, the status quo in the Delta is unacceptable and it would be irresponsible to wait for further degradation or a natural disaster before taking action.

While we are working to implement the Delta Plan, one component remains to be completed: The Bay-Delta Conservation Plan (BDCP). State and federal agencies will complete planning for this comprehensive conservation strategy aimed at protecting dozens of species of fish and wildlife in the Delta, while permitting the reliable operation of California's two biggest water delivery projects.

The BDCP will help secure California's water supply by building new water delivery infrastructure and operating the system to improve the ecological health of the Delta. It will also restore or protect approximately 145,000 acres of habitat to address the Delta's environmental challenges. The BDCP is made up of specific actions, called conservation measures, to improve the Delta ecosystem. It includes 22 conservation measures aimed at improving water operations, protecting water supplies and water quality, and restoring the Delta ecosystem within a stable regulatory framework. The project will be guided by 214 specific biological goals and objectives, improved science, and an adaptive management approach for operating the water conveyance facilities and implementing other conservation measures including habitat restoration and programs to address other stressors. As the Delta ecosystem improves in response to the implementation of the conservation measures, water operations will become more reliable, offering secure water supplies for 25 million Californians, an agricultural industry that feeds millions, and a thriving economy.

State and federal agencies will complete the state and federal environmental review documents; seek approval of the BDCP by the state and federal fishery agencies; secure all permits required to implement the BDCP; finalize a financing plan; complete the design of BDCP facilities; and begin implementation of all conservation measures and mitigation measures, including construction of water conveyance improvements. Once the BDCP is permitted, it will become part of the Delta Plan.

We agree that we need to expand our state's storage capacity, whether surface or groundwater, whether big or small. We need more storage to deal with the effects of drought and climate change on water supplies for both human and ecosystem needs. Climate change will bring more frequent drought conditions and could reduce by half our largest natural storage system—the Sierra snowpack—as more precipitation falls as rain rather than snow, and as snow melts earlier and more rapidly. Moreover, we must better manage our groundwater basins to reverse alarming declines in groundwater levels. Continued declines in groundwater levels could lead to irreversible land subsidence, poor water quality, reduced surface flows, ecosystem impacts, and the permanent loss of capacity to store water as groundwater.

Among other actions to expand water storage, our plan supports funding partnerships for storage projects. The Brown administration will work with the Legislature to make funding available to share in the cost of storage projects if funding partners step forward. The state will facilitate among willing local partners and stakeholders the development of financeable, multi-benefit storage projects, including working with local partners to complete feasibility studies. For example, the Sites Project Joint Powers Agreement, formed by a group of local government entities in the Sacramento Valley, is a potential emerging partnership that can help federal and state government determine the viability of a proposed off stream storage project – Sites Reservoir.

Over the next five years, this Water Action Plan will help us advance sustainable water management by providing a more reliable water supply for our farms and communities, restoring important wildlife habitat and species, and helping the state's water systems and environment become more resilient.

Bay Delta Conservation Plan (BDCP)

The Draft Bay Delta Conservation Plan (BDCP) and associated EIR/EIS is now available for public review and comment. Lead state and federal agencies recently extended the public comment period for the EIR/EIS by 60 days. The review period now totals 180 days stretching from Dec. 13, 2013 to June 13, 2014. This extension will allow the public more time to review and comment on the public draft documents. The 180-day comment period is four times that of the required 45 days in order to ensure the public has plenty of time to review the draft documents. This extension is not anticipated to cause significant delays in the project, although it will likely extend the anticipated release date for the Final Draft BDCP and EIR/EIS. The public review draft documents are available online and electronically at libraries throughout the state serving as document repositories. DVD copies are also available on request.

As of February 12, DWR completed 12 public open house meetings throughout the state on the public review draft plan and associated EIR/EIS. More than 800 participants attended statewide. The meetings in Sacramento, Clarksburg and Stockton had the highest attendance, with Sacramento topping the list at 165 participants. A broad range of engaged stakeholder groups attended every meeting, including environmental, industry, business, water, and labor groups. Feedback has been that participants appreciated the format, and the ability to have one-on-one conversations with technical staff involved in the development of the project.

Our goal is to allow as many people as possible to provide comments, all of which will be carefully considered and will ultimately help shape the development of the final project.

If there's one thing these last two to three years demonstrate is that we need conveyance in place that can move water during wet years in a way that's safer for fish. Doing that allows us to lay-off in the dry years. We can't manage very easily through droughts without it. In the long-term, California must continue to focus on actions to modernize our water delivery system by completing the environmental planning process for the BDCP.

With the conveyance proposed in the Bay Delta Conservation Plan in place, the Central Valley this year would have an extra 800,000 acre-feet of water in the San Luis Reservoir. This effort to restore the Sacramento-San Joaquin Delta ecosystem and greatly enhance the water system's reliability is the best investment we can make right now in our water future.

In closing, it is important to note that California water policy moves in fits and starts tied to floods and droughts. When the rain and snow falls steadily and predictably, Californians tend to assume it will always be so. It's human nature.

We intend to take advantage of the public's hyper-focus on water issues this year to advance improvements to our water system.

East Coast newspaper reporters lately have looked at our muddy reservoirs and declared that California has finally overreached and hit a wall.

We know better. We know it's because of our reservoirs -- as well as our investments in water conservation, recycling, drip irrigation, groundwater recharge, and a host of other smart water management techniques -- that we've been able to build a nearly $2 trillion economy in a state with hydrology that is as varied - both temporally and geographically - as California.

We are the most populous state, with the richest farm economy, and the most diverse natural heritage in the nation. Our water system gets us through all but the most extreme, outlier years like this one without much sacrifice. We will cope, invest, and thrive.

On behalf of my colleagues at the state level, and our partners at the federal level, I would like to thank you for holding this important hearing and providing this opportunity to provide testimony. Thank you for your attention to these issues.