DRAFT MEETING SUMMARY

Executive Order B-37-16

Agricultural Advisory Group

August 25, 2016 | Sacramento, CA

Department of Water Resources, State Water Resources Control Board, Department of Food and Agriculture, California Public Utilities Commission, and California Energy Commission

Prepared by the Center for Collaborative Policy

Table of Contents

Background 1

Meeting Objectives 2

A. Opening 2

B. Overview of Executive Order B-37-16 Directive Implementation 2

C. Agricultural Advisory Group Charge 3

D. EO Directive- Improve Agricultural Water Use Efficiency and Drought Planning 3

H. Review AAG Work Plan 4

I. Closing Remarks and Next Steps 10

J. List of Appendices 10

Background

On May 9, 2016, Governor Edmund G. Brown Jr. issued Executive Order B-37-16 (EO) (See Appendix A). This EO builds on the conservation accomplished during the recent drought and implementation of the Governor's California Water Action Plan and temporary statewide emergency water restrictions to establish longer-term water conservation measures, including permanent monthly water use reporting, new permanent water use standards in California communities, and bans on clearly wasteful practices (e.g., hosing off sidewalks, driveways, and other hardscapes). The full text of the EO can be found online at http://www.water.ca.gov/wateruseefficiency/conservation/.

The EO designates several responsibilities to the Department of Water Resources (DWR), California State Water Resources Control Board (SWRCB), Department of Food and Agriculture (CDFA), California Public Utilities Commission (CPUC), and Energy Commission (CEC) (collectively, the EO State agencies) to satisfy the EO Directives. The EO State Agencies have been working in project teams (collectively, the EO Project Teams) to address the various

components outlined in the EO Directives. The EO also acknowledges the importance of stakeholder involvement, and EO State agencies created urban and agricultural stakeholder advisory groups to facilitate stakeholder engagement. This meeting was the first meeting of the Agricultural Advisory Group (AAG).

The meeting included an overview of the EO directive implementation, followed by a review of the AAG Charge. The meeting then transitioned to a presentation and discussion period for the EO Project Team working on improving agricultural water use efficiency and drought planning. Both AAG members and members of the public were encouraged to provide input. A listen-only webinar was also available for participants to hear presentations and discussions. Participants were encouraged to provide feedback on discussion questions to be considered in the coming months during EO implementation. The meeting concluded with a review of the Draft AAG Work Plan, identifying projected future meetings and verify whether technical workshops are recommended.

Meeting Objectives

- Review and Affirm AAG Charge
- Overview of EO Directives and Project Team Approach
    - Review State Agency approach to address EO Directive, "Improve Agricultural Water Use Efficiency and Drought Planning."
- Discuss and confirm AAG Work Plan

A. Opening

Karen Ross, CDFA Secretary, welcomed attendees in the room and on the webinar. She emphasized the importance of the EO as Californians transition from emergency measures to conservation as a way of life. She noted that stakeholder input will aid in water use efficiency and better inform how water is used and can be reused in future applications.

Stephanie Lucero, Center for Collaborative Policy Facilitator, provided webinar instructions, noted that the webinar will be recorded, and reviewed the agenda. She emphasized emailing written comments to agwue@water.ca.gov and reviewed the websites where meeting materials and updates will be posted. She informed participants that the primary purpose of the meeting was to provide an opportunity for the EO State agencies to receive stakeholders' input on EO implementation.

B. Overview of Executive Order B-37-16 Directive Implementation

Peter Brostrom, DWR Water Use and Efficiency Branch, described the background context for the EO (refer to Appendix A for a copy of EO B-37-16 and Appendix B for the presentation slides). California experienced a severe drought over the past five years. The State responded to the drought by implementing water use restrictions and conservation measures.

Mr. Brostrom presented an overview of the five main sections of the EO:

1. Use Water More Wisely
2. Eliminate Water Waste
3. Strengthen Local Drought Resilience
4. Improve Agricultural Water Use Efficiency and Drought Planning
5. Reporting, Compliance & Enforcement

Mr. Brostrom clarified the intent and purpose of the EO relating to agricultural water efficiency and drought planning. Mr. Brostrom emphasized the deliverables and timelines required under the EO. EO State agencies must develop and issue a Public Report by January 10, 2017 (EO Report). The EO Report will address the directives specified in the topics listed above. Some EO requirements will require legislative action or may be implemented through regulation under existing authorities.

Clarifying Questions

<u>Sustainable Groundwater Management Act (SGMA)</u>

- How does SGMA fit into this discussion?
    - *Response*[1]: That is being considered. One of the key considerations includes revising the Agricultural Water Management Plans (AWMP) requirements. The hope is those AWMP can be a subset for the larger water sustainability plans that must be completed for the groundwater basins. One of the items is including a water budget or water balance for service areas. That is a key component for Groundwater Sustainability Plans (GSP).

C. Agricultural Advisory Group Charge

(*Refer to Appendix C for the AAG Charge.)*

Ms. Lucero reviewed the AAG Charge, including the roles and responsibilities of Agency Team, Project Teams, and stakeholder groups. She reviewed the process and use of AAG input, and the B-37-16 EO public process. She invited AAG members to provide questions and feedback. There were no questions or comments.

D. EO Directive – Improve Agricultural Water Use Efficiency and Drought Planning

(*Refer to Appendix A and Appendix B, Slides 19-38.*)

Fethi Benjemaa, DWR Agricultural Unit Chief, explained that much AWMP-related EO directives are focused on identifying and quantifying agricultural water efficiency and drought planning. Additionally, the EO aims to make permanent for medium water suppliers (10,000-25,000 acres) to submit AWMP. Ultimately, the team must provide updated requirements for AWMPs that identify and quantify measures to increase water efficiency and plan for periods of limited water supply. Mr. Benjemaa reviewed the existing intent and requirements for AWMP,

[1] Unless otherwise stated, responses were offered by EO State Agency representatives in attendance.

including what is required under SBX7-7 and Executive Order B-29-15 (2015 EO). Mr. Benjemaa also reviewed feedback heard during the June 2016 listening sessions on the EO.

To accomplish these directives, the EO State Agencies are evaluating existing AWMP (2015 and 2016) to guide how to improve AWMP requirements to identify to increase water use efficiency. They will develop specific goals to guide the update process (e.g., identify what information to review to inform how the team will formulate a conceptual approach to update the AWMP requirements. Mr. Benjemaa then reviewed initial considerations for revised AWMP requirements including utilizing a water balance approach, quantifying efficiency based on 2012 Proposed Methodology for Quantifying the Efficiency of Agriculture.

See: http://www.dwr.water.ca.gov/wateruseefficiency/sb7/docs/AgWaterUseReport-FINAL.pdf

Mr. Benjemaa requested the AAG to review this report and identify which methods could be applied and used by suppliers to report efficiency improvements and identify efficiency within AWMP. Additionally, revisions would require drought management in AWMP. This is consistent with and makes requirements of the 2016 EO permanent. Mr. Benjemaa presented the following discussion questions for consideration:

- How could the Agricultural Water Management Planning requirements (AWMPs) better identify local measures and practices to improve water use efficiency?
- How could the AWMP better quantify improvements in water use efficiency?
- The Sustainable Groundwater Management Act requires local Groundwater Sustainable Agencies to complete a water balance for the groundwater basin. Should water balances be part of AWMPs?
- Are there ways the AWMP reporting requirements can be streamlined with other reporting requirements including SGMA and the Irrigated Lands Program?

Ms. Lucero also invited AAG members to ask any additional questions and provide comments.

Comments and Questions[2]

<u>2012 A Proposed Methodology for Quantifying the Efficiency of Agricultural Water Use</u>

- Can more information on the report be provided?
    - *Response:* The handout that was provided was the same edition as the one referred to in the presentation on slide #28. It was a report to legislature based on SBX7-7, developed by the Agricultural Stakeholder Committee. The basis of referring to this report was to include the proposed methodology for quantifying water use efficiency.
- Can the methodology report and guidebook links be distributed to AAG members?

[2] Unless otherwise stated, questions and comments were offered by AAG members. Unless otherwise stated, responses were offered by EO State Agencies.

- **ACTION ITEM:** the Report is available in paper form, the link is on the PowerPoint, and CCP can share that link via email to the AAG members.

<u>Evaluating the Existing AWMPs</u>

- What is the process on evaluating AWMPs?
  - *Response:* A technical consultant is reviewing the existing AWMPs. Information that arises from that analysis will be distributed to the AAG.
  - **ACTION ITEM: EO State Agencies** to distribute the results of the AWMP evaluation to the AAG members when completed.
- How many plans are being evaluated?
  - *Response:* A representative sample of large and small suppliers was chosen; there are approximately 12 plans.
- Are the plans under evaluation adequate now?
  - *Response:* The plans range in quality. There are some that are utilizing the AWMP as a tool and managing water use; whereas others are merely utilizing the AWMP as a compliance document.
- Is it possible to do a cross-cut on the AWMPs that identify source of supply or diversity of supply? How efficiency is looked at could be guided by the diversity or limitation of supply sources.
  - *Response:* One of the components of the 2015 drought plan guidance is to consider alternative sources.
  - *Response:* Conduct the review based on the type of supply, then look to see how the plans are implemented on either the viability or type of supply available.
  - *Response [AAG Member]:* For example, to the extent that it is a groundwater only district or largely groundwater district, be able to do a 'replace approach' to meet the criteria.
- In the proposed methodology we were proponents of the environmental aspects, groundwater recharge and habitat. Out of the four proposed methodologies, will this this group discuss how is efficiency being defined in the context of different concepts (e.g. total water use versus the agronomic water use)?
  - *Response:* The EO State Agencies are looking at the group to inform which methods to require and how to apply and implement them within the context of planning. The logical approach is to ask suppliers to consider the method of focusing on water use for Agriculture (AG) and include other influences including recharge.
  - *Response [AAG Member]:* If the discussion is how to link this effort can be linked with SGMA, recharge will be an important component.
- [Webinar AAG Member]: Is the consultant reviewing the previously submitted AWMPs?
  - *Response:* Yes
- [Webinar AAG Member] Who is the consultant?
  - *Response:* David's Engineering is conducting the evaluation.
- AAG members expressed a desire to see evaluation results before providing input.

DRAFT

- Will the review be available before the next meeting? Will it be sent in advance for AAG members to review and prepare in time for the meeting?
    - *Response:* Yes.

<u>How AAG Efforts Align with SGMA</u>

- The timelines for AAG efforts and SGMA do not match. It is important to not duplicate work and increase the burden on the districts.
    - *Response [AAG Member]:* The details of SGMA will be developed over the next couple of years, while this effort has a January deadline.
- [Webinar AAG Member] Suggested the water balance proposed in SGMA be robust. Is there a desire to proceed with water balances in AWMP? If so, the two should be consistent with one-another or simply refer to the SGMA water balance.
- Considering DWR is in the process of developing Best Management Practices (BMPs) for SGMA, it would be beneficial to have coordination among agencies and see how the BMPs could relate to the EO process.
    - *Response [Facilitator]:* To confirm, you are requesting that since DWR has not developed the BMP framework yet, to the extent possible, see if the SGMA BMPs can apply.
- How do the AWMP reporting requirements, SGMA, and the Irrigated Lands program currently function; and how can they be more aligned?
    - *Response:* There are multiple reporting agencies, from the grower level on Irrigated Lands to the, to the GSAs under SGMA. In some cases the GSA is the agricultural water supplier, in others the GSA is a combination of several Agricultural and Urban water suppliers. Integration will be challenging. How can the data flow between the plans (e.g. the GSA does not have to conduct duplicative calculations) and flow into the GSP and be easily adapted. The GSP requirements are being developed but at the basis of a GSP is a three dimensional water balance. In a groundwater basin plan, the aquifer flows must be considered as well. As much as the AWMP can better quantify the surface water balance, it will help inform the greater groundwater sustainability plan.
    - *Response [AAG Member]:* Many times the boundaries for the AWMG and SGMA plans will be different. The political and geographical differences in all of the basins will make attempting to make this cohesive challenging.
- [*Facilitator*]: Feedback gathered from the listening sessions suggested there is value in combining the different efforts. However, there may be some situations where it is too difficult to do so. What are AAG member thoughts on the feasibility in combining efforts or suggestions on how to make it efficient for stakeholders?
    - *Response [AAG Member]:* It would be useful to have a Venn diagram of the required data, where the data overlaps, and where the opportunities might be to combine efforts.

DRAFT

- *Response:* Under the EO, it is the requirements are being proposed. Would it make sense to include a proposed implementation timeline in that recommendation?
    - *Response [AAG Member]:* Including the timeline would be valuable. It would also be beneficial to include a document of the SGMA requirements for comparison.
- *Response [AAG Member]:* An opportunity to build a recognition that some organizations are more sophisticated and have more resources available than others is valuable.
- *Response [Facilitator]:* Based on a straw proposal most AAG Members agree and recommend that the implementation timeline component should be considered.
- *Response [AAG Member]:* Create Venn diagrams of the timelines and the data, which incorporate this effort, SGMA, and the Irrigated Lands program.

- [*Facilitator*]: Understanding that questions #1 and #2 require further discussion when more information is available, are there any other elements to consider as the review is finalized?
    - *Response [AAG Member]:* SGMA works on a three dimensional scale, but it is important to keep in mind the fourth dimension of time scale.
- In terms of expanding AB1404, to include annual water balance reporting, some of this will be developed in the SGMA requirements, do not duplicate the work.
- It would be valuable to have more detail on the components going in and out of the district.

<u>EO 10: Drought Planning for Small Suppliers and Rural Communities</u>

- Has there been discussion for how this can be a more seamless conversation as opposed to a multi-level conversation?
    - *Response:* There is an effort under the WSCP requirements being revised under the EO. The EO directs the EO State Agencies to work with the small and rural counties. The Ag water suppliers will be an important element of the conversation. There will be a workshops to specifically focus on that element of drought planning.
    - **ACTION ITEM: EO State Agencies** can distribute information on the County Drought Planning workshops to the AAG and UAG members, when available.

<u>General Process</u>

- Can you clarify what the intent of this discussion is? Do you need answers to the questions?
    - *Response (Facilitator):* The intent is to receive input on the entire contents of the presentation. The State Agencies are developing recommendations for legislation that will be included in the Jan 10, 2017 report.

DRAFT

- [Online AAG Member] When referring to water suppliers, does that include ditch companies and public water suppliers?
    - *Response:* It includes both, as long as they meet the acreage threshold requirements and are selling water.

<u>Grants and Available Funding</u>

- It would be valuable to gather the available grants and loans that are available before the next meeting.
    - *Response:* There was a round of funding for AG Water Use Efficiency projects to include implementation and planning. The draft awards were just announced. In response to EO 29-15, a grant program was designed to provide up to $50,000 per plan developed or $10,000 per plan updated. Out of 56 suppliers only a dozen applications were submitted.
- Will there be another round of funding for implementation?
    - *Response:* Not at the moment. But if funding does become available, all of the stakeholders will be informed.
    - *Response [Public member]:* PG&E has programs tied to energy efficiency. If there is a way to gain access to the plans before they are fully developed, there might be funding available for the utilities and the State to help with the plans moving forward.
- Smaller districts have a more challenging time applying for the grant programs. It would be valuable to simplify the process to reach out and help the smaller districts.
- Is it possible for the AG Water Use Efficiency funding to be repurposed?
    - *Response:* DWR is not sure if the funding is still available, but will look into additional funding options. It is possible to ask for specific grant funding for small suppliers.
    - *Response [Public member]:* It would be beneficial to recommend funding specifically for smaller districts.

<u>AWMP Requirements</u>

- The proposals on slide 32 are for when a drought is already in place; are there proactive actions to prepare for the drought during wet years?
    - *Response [AAG Member]:* SGMA has sustainability planning that will cover proactive drought planning.
    - *Response [AAG Member]:* Discourage the process of taking away water from those who have conserved and saved it.
    - *Response [AAG Member]:* From a county perspective, it would be beneficial to incorporate changing crop patterns into land use planning, economic development, and water use efficiency.

DRAFT

E. Review AAG Work Plan

(*Refer to Appendix D for the AAG Work Plan.)*

Ms. Lucero reviewed the Draft work plan highlighting the following dates:

- September 26 - AAG Meeting #2 (Madera, CA)
- October 18 - AAG Meeting #3 (Sacramento, CA)
- November 18 – Joint AAG and AAG Webinar

Comments and Questions

<u>Methodology Improvement</u>

- [The Facilitator]: Is there a desire to hold a separate workshop on the methodology, or include it in the next AAG meeting?
    - Members did not find it necessary to have a separate workshop on the methodology.
- The executive summary makes an estimate of the cost of quantifying efficiency, offers a phased approach with examples, and a description of the methodology.
- EO State Agencies are requesting feedback on the three methodologies.
- **ACTION ITEM: AAG Members** to review the proposed methodology executive summary.
- **ACTION ITEM: EO State Agencies** to distribute the drought planning materials to the AAG members.
- Out of 156, only 59 have submitted plans. It is important to focus efforts to find out why those who did not submit, could not. Adding more to the plan makes it more difficult to fulfill.
    - *Response [Facilitator]:* Are there incentives to increase submission? How can the plans be made easier to complete?
    - *Response [AAG Member]:* Is it possible to conduct an assessment of those who have not submitted plans and determine the reasoning?
    - *Response:* DWR is required to incorporate the new requirements. It is important to consider how to bring the suppliers into compliance. The EO directs the SWRCB and DWR to consider all options including financial and technical assistance and enforcement, to bring suppliers into compliance. There is a shift from the perception of only submitting for grant applications to being required to submit regardless. The consequences and timeframe have not been determined.
    - *Response [AAG Member]:* It is important to consider why suppliers are not complying, an enforcement approach is not the appropriate first action.

Facilitator summarized this line of discussion as follows: *The* EO requires enforcement and compliance with AWMP requirement. However, it is important to offer the financial and technical assistance options before enforcement. The Facilitator sought feedback on: How can the plans be more efficient? How can incentives be incorporated?

DRAFT

- Has water waste been defined in an AG context?
    - *Response:* Enforcement has not been considered on that yet, it is primarily in regards to plan submittal.
    - *Response [AAG Member]:* In reporting, it is important to demarcate in the water waste section.

F. Closing Remarks and Next Steps

Ms. Lucero reiterated that future comments can be sent to the water use efficiency e-mail address - AGWUE@water.ca.gov. The link to the summary report from this discussion will be posted on the website: http://www.water.ca.gov/wateruseefficiency/conservation/.

G. List of Appendices

- Appendix A – EO B-37-16
- Appendix B – Presentation Slides
- Appendix C – AAG Charge
- Appendix D – AAG Work Plan
- Appendix E -- Attendees

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