



United States Department of the Interior

BUREAU OF RECLAMATION
Central Valley Operations Office
3310 El Camino Avenue, Suite 300
Sacramento, California 95821

IN REPLY
REFER TO:

CVO-100
WTR-1.10

2004-01-10

Ms. Celeste Cantú
Executive Officer
State Water Resources Control Board
P.O. Box 2000
Sacramento, CA 95812-2000

Subject: Water Year 2004 Vernalis Flow Standard Operations

Dear Ms. Cantú:

The purpose of this letter is to provide the State Water Resources Control Board (Board) with early notice that prudent operation policy for 2004 for New Melones Dam and Reservoir will not include operating to meet the Vernalis flow objective of 2,280 cfs, which begins on February 1, 2004. Our determination to operate in this manner arises out of the continuing dry hydrology in the San Joaquin River watershed, and low storage in New Melones Reservoir. We anticipate that the San Joaquin River watershed forecast will approach the critical year classification in the February 1st forecast.

This flow objective is contained in both the U.S. Fish and Wildlife Service (Service) biological opinion for delta smelt dated March 5, 1995, and the *1995 Water Quality Control Plan for the San Francisco Bay/ Sacramento-San Joaquin Delta Estuary* (1995 WQCP) as implemented by Water Rights Decision 1641 (D-1641). Its purpose is to provide protection to delta smelt as part of the San Joaquin River contribution to the Net Delta Outflow Index Standard (known as X2) in the February-through-June period.

Request to be Relieved from Meeting Vernalis Flow Objective for 2004

As a result of these conditions, we hereby request relief from the February-June San Joaquin River flow objective for 2004, with the pulse flow period excepted. All other objectives and permit conditions will be satisfied.

The January 1st forecast of the San Joaquin River Index at the 75 percent exceedence level was 2.3 maf; this places the index in the dry classification. The San Joaquin River Basin has experienced a drying trend during January, and we anticipate that the February 1st forecast of the index at the 75 percent exceedence level will approach the critical classification. This is now the third year of similar extremely dry hydrology in the San Joaquin River Basin. As a result, New

Melones Reservoir carryover storage has dropped over the last 3 years, and, based on current forecasts, the end-of-September carryover storage at New Melones Reservoir will drop to nearly 1,000,000 acre-feet. Low carryover reservoir levels may impair our ability to comply with all permit conditions and fulfill all water needs in 2005 and following years. It is, therefore, important that New Melones Reservoir be operated within the safe yield of the project.

Background

As you are aware, the May 1995 WQCP provides that the monthly average San Joaquin River flow at Vernalis shall be at least 2,280 cfs for a dry-year type from February through June, excluding the Vernalis Adaptive Management Plan period. The WQCP and D-1641 further specify that the 7-day running average shall not be less than 80 percent of the monthly average (1,824 cfs). When X2 is required to be at or west of Chipps Island, the WQCP requires the higher dry-year Vernalis flow objective (i.e. 2,280 cfs) when the San Joaquin River watershed is in critical condition.

Last year, we wrote to inform you that we were unable to meet either the 30-day flow objective or the 7-day running average for the month of February (reference our letter dated March 18, 2003). This year, as noted, we find ourselves in a continuing extremely dry hydrologic condition for the San Joaquin River with a dry year (January 1st forecast) or approaching a critical year (expected February 1st forecast). However, Delta outflow (primarily from the Sacramento Basin) in January has triggered the need to maintain X2 west of Chipps Island for the entire month of February.

Determination

We believe that increasing releases on the Stanislaus River to the rate necessary to meet this flow objective is not prudent, and would have significant adverse impact on New Melones Reservoir carryover storage and its ability to continue fulfilling its permit conditions in subsequent years. The current forecast of low inflow into New Melones will also have a corresponding potential adverse impact on our capability to meet water quality and other environmental purposes of New Melones in future years given the low refill potential for the reservoir. As noted above, the January 1st forecast shows that New Melones Reservoir end-of-September carryover storage would be about 1,000,000 acre-feet, assuming we do not make releases to meet the Vernalis flow objectives. Fulfilling the flow objectives could potentially cause New Melones carryover storage to drop to about 900,000 acre-feet or less. (Though this storage volume sounds substantial, the combination of demands and historic Stanislaus River hydrology means that New Melones Reservoir has a low refill potential. This is at the heart of the situation we now face.)

Other Objectives and Purposes

Under our current forecast, there is no allocation for delivery of water for Central Valley Project (CVP) water service contractors from New Melones at the 90 percent exceedence level. Reclamation uses the Interim Plan of Operations (IPO) for New Melones Reservoir as a guide

for water allocations for the water rights users, instream fishery needs, water quality needs, and Bay-Delta requirements in a manner consistent with our objective of operating New Melones within the safe yield of the project. The IPO allocations are based on the end-of-February storage, plus forecasted March-through-September inflow. In the current forecast, the IPO does not provide for releases to meet the Vernalis flow objective. Releases from New Melones Reservoir to meet this flow objective will deplete storage and adversely impact the future availability of the New Melones Reservoir supply.

Other Actions Reclamation Will Undertake in 2004

As a result of our determination that it would not be prudent to meet the Vernalis flow standard, we will reinitiate consultation with the Service on the requirements for protection of delta smelt. At this time, we intend to operate New Melones Reservoir to meet minimum fishery flows in the Stanislaus River, water rights agreements, and Vernalis salinity objectives. We will coordinate the operation of other CVP reservoirs with the California Department of Water Resources to satisfy the Net Delta Outflow Index standard.

Also, in accordance with the Department of the Interior's decision on the implementation of the Central Valley Project Improvement Act Section 3406(b)(2), the Department will be able to dedicate (b)(2) water from other sources within the CVP in lieu of releases from New Melones Reservoir to meet the Vernalis flow objectives. Reclamation currently uses (b)(2) supplies to fulfill the flow objectives at Vernalis. Accordingly, the volume of water that would have been released to meet the Vernalis flow objective will be available for fishery needs as a (b)(2) action elsewhere in the CVP system. In addition to making the "conserved" water available for fishery needs as a (b)(2) action later in the year, the availability of water in New Melones for all CVP purposes will be larger owing to the increased carryover storage.

We are currently working with the California Department of Fish and Game, the Service, and the National Oceanic Atmospheric Agency Fisheries in the Water Operations and Management Team and the CALFED Operations Group to determine the most reasonable plan of operation and best use of available environmental water for this year. The agencies will look at the system-wide environmental and fishery needs when determining where the limited resources should be used.

We request that the Board proceed with any necessary process to make a determination as to our request for a temporary urgency change in this one condition in the New Melones permit. After consultation with the Service, we will provide further information supporting our request.

We also note that, based on our operational experience over the past 3 years and our forecast for this year, it is apparent that we are not able to meet the Vernalis flow objectives on a reliable, long-term basis. We suggested in our scoping statement earlier this month that the Board address this issue in its planned review of the 1995 WQCP.

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Should you require additional information, please contact Mr. Paul Fujitani at 916-979-2197 or Ms. Peggy Manza at 916-979-2683.

Sincerely,



Chester Bowling, Operations Manager
Central Valley Operations Office

cc: Mr. Wayne White
Field Supervisor
U.S. Fish and Wildlife Service
2800 Cottage Way
Sacramento, CA 95825

Mr. Ryan Broddrick, Director
Department of Fish and Game
1416 9th Street, Room 1207
Sacramento, CA 95814

Mr. Tom Glover, Deputy Director
Department of Water Resources
P.O. Box 942836, Room 1115-1
Sacramento, CA 94236-0001

Mr. Carl Torgersen
Chief, SWP Operations Control Office
Department of Water Resources
P.O. Box 942836, Room 1115-1
Sacramento, CA 94236-0001