



FOR IMMEDIATE RELEASE:

March 18, 2009

CONTACT:

Fiona Hutton

Ann Newton

(818) 760-2121

STATE WATER PROJECT DELIVERY PROJECTIONS INCREASE FIVE PERCENT

Picture Remains Grim Due to Cumulative Impacts of Drought & Regulatory Restrictions

Sacramento, CA – The State Water Contractors welcomed the California Department of Water Resources' announcement that State Water Project (SWP) delivery projections have increased from 15 percent to 20 percent, but the organization says that the overall picture remains unchanged. The state continues to face a three-year drought and a deep and growing water crisis. The cumulative impacts of drought and ongoing regulatory restrictions have led to water rationing, fallowed farm lands, job losses and water rate increases throughout the state.

The announcement indicates that the State Water Contractors, the public water agencies that purchase water from the SWP, are projected to get 20 percent of the water they are contracted to receive in 2009. The 20 percent projection is one of the lowest in California's history. Collectively, the State Water Contractors serve 25 million people, 750,000 acres of farmland and businesses throughout Northern, Central and Southern California.

"We are grateful for the sip of relief we've gotten from recent storms and the allocation increase," said Laura King Moon, assistant general manager of the State Water Contractors. "We need to remain cautious though. Employment figures for farm workers will not improve as a result of a marginally increased water allocation from the state. Water rates will not come down for families in the Bay Area or Southern California. Reservoirs will not suddenly fill. Salmon and other fish facing extinction risks in an unhealthy ecosystem will not magically recover."

In the past two years, overall water runoff from California's major watersheds fell significantly, coming in at 53 percent of average in 2007 and 58 percent last year. Even with the recent rains, this year's overall runoff is forecast to be just 64 percent of average. As of last week, the state's seven major reservoirs were at 55 percent of their capacity.

"What is important to remember is that a drought is not a snapshot, but rather the cumulative result of too little precipitation over too long a time. At the same time, the drought situation has been exacerbated by a series of new limitations on water pumping by state and federal regulators and court orders," added Moon.

The ongoing regulatory restrictions, aimed at saving declining fish populations such as the Delta smelt, cut the SWP's water supply by nearly 30 percent in 2008 and have prevented water providers from

being able to sensibly save and manage runoff. Even if massive rainstorms hit, this regulatory noose prevents water agencies from capturing and delivering the water nature has provided.

The current drought underscores the deeper structural problems facing California. The existing water delivery system, created half-a-century ago, no longer meets the state's needs. It is an inflexible, limited system that is not working, in a drought or otherwise.

"It is critical for Californians to realize we are at a major crossroads in the way we manage and supply water across the state. The primary water delivery system, which runs through the Sacramento-San Joaquin Delta, needs modernization and repair. The needs are urgent and critical," added Moon.

As a result, water providers, scientists, policy experts and environmentalists are working together to redesign the way water is moved in California. The goal is to restore the health of the fisheries in the Delta while providing a reliable water supply to the state.

The comprehensive redesign is being developed through the Bay Delta Conservation Plan in an open and collaborative process. A new canal to move freshwater around the Delta is part of the vision, as are many other elements such as continued freshwater flows through the Delta, habitat restoration, water quality improvements and new safety measures for fish.

For more information on the BDCP, please visit <http://www.resources.ca.gov/bdcp/>.

###

The State Water Contractors is a statewide, non-profit association of 27 public agencies from Northern, Central and Southern California that purchase water under contract from the California State Water Project. Collectively the State Water Contractors deliver water to more than 25 million residents throughout the state and more than 750,000 acres of agricultural lands. For more information on the State Water Contractors, please visit www.swc.org.