Testimony of Jeffrey P. Sutton
General Manager – Tehama-Colusa Canal Authority

Before the House Committee on Natural Resources
Subcommittee on Water, Wildlife, and Fisheries
Legislative Field Hearing
United States House of Representatives
April 11, 2023

Introduction

Chairman Bentz, Ranking Member Huffman, and members of the subcommittee, thank you for the opportunity to provide testimony to the House Natural Resources Subcommittee on Water, Wildlife, and Fisheries. My name is Jeff Sutton, and I am the General Manager of the Tehama-Colusa Canal Authority (TCCA).

The TCCA is a Joint Powers Authority, a public agency created under California law, that delivers water to seventeen water agencies throughout a four county (Tehama, Glenn, Colusa, Yolo) service area along the westside of the Sacramento Valley. Pursuant to a contract with the United States Bureau of Reclamation (Reclamation), TCCA operates and maintains a large dual canal water delivery system commonly referred to as the Sacramento Canals Unit of the Central Valley Project (CVP). These facilities provide irrigation water to approximately 150,000 acres of prime farmland, generating over $1 billion of regional economic benefit annually. Throughout our rural agricultural region, farming is the foundation of our economy, and any interruption in the ability to deliver water to these crops could have significant and long-lasting impacts.

Peak irrigation season in the TCCA service area typically occurs from early May though early September. Post-harvest irrigation typically continues throughout the months of September, October, and November, and sometimes longer until the rains set in. Also, post-harvest water plays an important role in our region, both to decompose rice straw and to provide critical habitat for a variety of wildlife, waterfowl, and shorebirds.

2020-2022 Drought Impacts

The recent drought experience, from 2020-2022, put a spotlight on the flawed management approach we experience in the CVP. Constantly increasing regulatory pressure and the lack of investment in new surface and groundwater storage to offset the resulting impacts to our water supply, has served to cripple the reliability and operational flexibility of the CVP. This has negatively impacted the communities and farms reliant on this important water infrastructure and caused significant harm to wildlife species dependent on the habitat provided by the working landscapes that make up the Sacramento Valley. And most frustrating, we have seen scant, if any, progress towards recovery of fisheries, the stated purpose of these impactful regulatory actions. In many cases, we continue to see further declines in the fisheries as

misguided and off target regulations focus on single species management and water cutbacks, ignoring the habitat needs and other stressors on these endangered fish.

California weather has always been variable, a dynamic that has intensified in recent years. However, weathering such fluctuations in hydrology was the very purpose for the construction of the CVP which was designed and built to provide flood control, power generation, and water storage sufficient to weather a five-year prolonged drought period. Unfortunately, we have lost sight of these important goals, rendering our water management system more and more ineffectual to accomplish its intended and authorized purposes.

2019 was an extremely wet year – our reservoirs and groundwater aquifers filled to the brim. Huge quantities of water spilled from the reservoirs that year and we lost an opportunity to capture them for future use. However, just one year later, after experiencing only one very dry winter in 2020, the CVP water service contracts held by the TCCA water agencies were reduced by 50%, with even deeper water cuts for contractors south of the Delta. This was followed by two more dry years, 2021 and 2022, where TCCA water agency allocations were 0% each year. This resulted in the fallowing of approximately 40% or 60,000 acres of our service area. This led to a greater reliance on groundwater pumping and expensive water transfers causing more fallowing throughout the region as growers tried to protect and preserve high value permanent crop plantings.

Moreover, the CVP was unable to even meet obligations to the Sacramento River Settlement Contractor, the holders of the most senior water rights that predate the creation of the CVP, in 2021 and 2022. In 2022, for the first time in history, the Sacramento River Settlement Contractors were allocated a mere 18%, despite holding contracts that legally require the delivery of a 75% water supply. The entire west side of the Sacramento Valley was laid barren of annual crops. Likewise, the accompanying seasonal habitat created by rice fields and wildlife refuges ceased to exist. Glenn-Colusa Irrigation District, which typically plants 100,000 acres of rice, saw a total of 1,100 acres planted. Several water districts were unable to even operate at all under these conditions, idling entire districts because they could not assure growers they had sufficient water to get them to harvest. This resulted in unparalleled devastation to the Sacramento Valley economy and environment, causing great hardship to farms, businesses and communities throughout the region, as well as the array of wildlife, waterfowl, and shore bird species reliant on the non-existent habitat due to the water cutbacks.

Increased investment in new surface and groundwater storage and a more thoughtful and holistic approach to resource and species management is desperately needed to restore the operational flexibility, water supply reliability, and climate change resiliency of the CVP and California's water management system as a whole. If we do not alter our current trajectory, which has eroded our ability to meet the water demands of our state, we are doomed to experience increasingly intractable and impactful resource and species conflicts into the future.

The impacts experienced during the 2013-2015 and 2020-2022 crises were unfortunate but are now in our rear view mirror. These events were both predictable, and preventable. We are all

fully aware that Mother Nature will continue to bring periods of wet and dry to California in the future. However, the responsibility to prepare and plan for such events, to minimize and mitigate the impacts associated with these occurrences, is within our abilities. It requires dedication, foresight and leadership to make the commitments and investments necessary to accomplish this goal. It is now on us.

Opportunities in Wet Years

The severity of the boom-and-bust hydrologic cycles that we continue to experience should serve as a wake-up call to all of us that we must continue to invest in innovative projects that increase California's drought resilience and provide an insurance policy against future drought conditions.

I have the honor of serving as the Vice-Chairman of the Sites Project Authority (Authority), a Joint Powers Authority formed in 2010 for the purpose of permitting, designing, constructing and operating a new 1.5 million acre foot reservoir. Sites Reservoir is a multi-benefit, off-stream water storage facility, located north of Sacramento in rural Colusa and Glenn counties. Sites will capture and store stormwater and flood flows from the Sacramento River, after all other water rights and regulatory requirements are met, for release primarily in drier years, such as 2022. Recent analysis by the Sites Project Authority illustrates that had the project been operational today, it could have diverted and stored nearly 494,000 acre feet of water from the severe storms that California experienced during January, February, and March. And we would likely continue to add to that total for weeks to come.

Sites is a 21st century water storage facility which will utilize existing state-of-the-art screened, fish friendly water diversions on the Sacramento River and existing water conveyance facilities (Glenn-Colusa Canal, Tehama-Colusa Canal, and the Colusa Basin Drain). It provides a new off-stream water storage facility that integrates perfectly into our current water management system. In fact, the project dedicates a significant portion of its water supply and operational benefits to the enhancement of terrestrial and aquatic environments, while also providing significant flood control and recreational benefits.

The project is a federal, state, and local partnership that strictly adheres to the "beneficial pays" principal as each participant is required to invest in the reservoir at an amount that is equal to the benefit that they will receive from the project. As an investor in the project, Reclamation utilizes funding from the WIIN Act storage account to fund its share of the project. TCCA greatly appreciates Section 304(b) of H.R. 215, the WATER for California Act, which would extend the authorization for the WIIN Act storage account.

In California, we have relied on the Sierra Nevada snowpack and the spring/summer runoff to fill our reservoirs and recharge our groundwater aquifers – which in turn provides water for agricultural, environmental, and urban uses. However, this snowpack has become increasingly unreliable because of changed hydrology. At present, most of California's precipitation now

comes from intense storm events that produce extreme amounts of stormwater that runs off before it can be captured for maximum benefit.

This fact is why Sites is so important. Moreover, Sites Reservoir's operational, environmental and water supply benefits are amplified under a climate change scenario.

Here in the Sacramento Valley, we do not face the regulatory challenges that other CVP contractors south of the Delta experience when trying to export water through the Delta to their service area. However, TCCA does support additional operational flexibility during wet years to make it easier for our friends south of the Delta to utilize the additional water in the system. Because of that, TCCA strongly supports the language in Title III of H.R. 215, which would ensure that TCCA's contractors are not negatively impacted during situations where additional exports through the Delta are warranted.

H.R. 872, The FISH Act

H.R. 872 would transfer authority for management of anadromous fish species from the National Marine Fisheries Service (NMFS) to the U.S. Fish and Wildlife Service (USFWS). TCCA believes that if enacted, this legislation would improve management coordination for fish species listed under the Endangered Species Act (ESA) and could prevent conflicting water management directives, something we have previously experienced within the CVP. Currently, ESA consultations require Reclamation to work with two independent agencies that, despite their best efforts, often lack coordination which can cause disparate and conflicting directives. This dynamic has dominated ESA consultations and water management in recent years.

The transfer of this authority to a single agency is a practical, common-sense proposal that would serve as the catalyst for the departure from the current single species management paradigm, causing a much-needed shift to a more holistic, efficient, effective, and coordinated, ecosystem-wide resource management approach.

In the CVP today, we have NMFS, which is singularly focused on Sacramento River temperature concerns related to Winter Run Chinook Salmon. NMFS regularly requires increased water storage and restrictive release patterns from Shasta Reservoir. At the same time, USFWS seeks significant storage releases to augment outflow for Delta Smelt. The result of these conflicting requirements is an inherent and intractable conflict which greatly impairs the ability of the CVP to serve its congressionally authorized purposes. This has negative water supply and economic impacts to communities and farms. Meanwhile, this circumstance further ignores the significant effects on terrestrial species, waterfowl, and other wildlife that rely on the habitat created by water deliveries to the agricultural working landscapes throughout the Sacramento Valley.

Without change, the dynamic we experience today will continue to prevent more thoughtful and effective resource management strategies. It is likely to result in the continued downward trend we see for ESA listed aquatic species and is likely to result in additional ESA listing caused

by the unintended consequences of single species management. Continuing with this inefficient, duplicative, and imprudent regulatory structure is a recipe for future conflict, frustration, and failure.

TCCA appreciates the opportunity to provide insight and perspective into the ongoing water management challenges that we face in California and looks forward to working with the Committee and Congress to implement the change we so desperately need.