establishing revised water quality criteria; these EPA criteria are the primary subject of the RIA.

## **Approach**

The RIA analyzes a final rule that establishes four sets of federal criteria to protect the designated uses of the Bay/Delta estuary. The analysis focuses on the two sets of criteria with measurable water costs to Delta exporters:

- Salinity criteria protecting the estuarine habitat, and
- Fish migration criteria to protect fish migration in the estuary. The other two criteria; salinity criteria to protect fish-spawning habitat on the lower San Joaquin river and narrative criteria to protect tidal wetlands surrounding Suisun Marsh, are not expected to result in actions that generate additional economic costs.

The primary method for implementing the criteria is to increase Delta outflow, and the analysis focuses on the effects of this approach. EPA recognizes that the State of California has sole authority to reallocate water rights in implementing these criteria. However, because the State has not yet developed a plan for implementation of the criteria, EPA considered the water supply and delivery impacts of the criteria using the following three implementation approaches that represent the range of options available to the State:

Project Exporters-Only Approach:
 —Generally represents
 implementation of D-1485, under which the SWP and CVP exporters are solely responsible for providing sufficient water supplies to attain the water quality criteria.

—Because of priority systems within the SWP and CVP, would concentrate responsibility for meeting the standards on water districts with junior water rights, which also bear responsibility for meeting requirements associated with the ESA. Municipal and industrial (M&I) users are priority users within the SWP system. In the CVP priority system, users of 27% of diversions are responsible for meeting 100% of the ESA requirements and water quality standards.

—Could result in effects on San Joaquin Valley agricultural water users, primarily in western Fresno and portions of Kern County and the urban areas supplied by Metropolitan Water District of Southern California (MWD) and Santa Clara Valley Water District (SCVWD).

Sharing Approach:

—Would spread water supply impacts to more or potentially all of the water districts that divert water from the Sacramento and San Joaquin River systems, including areas of the Sacramento Valley, eastside San Joaquin Valley and urban areas of San Francisco and East Bay.

—Could be based on formulas using many criteria in assigning responsibility, such as diversions, depletions, damage caused by diversions, seniority and priority of water rights, beneficial and reasonable use, and economics.

—For the analysis, an illustrative formula was used where nonproject diverters and non-exporter CVP users share 20% of responsibility for meeting flow requirements necessary to achieve compliance with the criteria.

Other Innovative Approaches:

—Could include combining shared implementation responsibility with a system of mitigation credits, a water supply cap, and a fund or fee system for purchasing water for environmental uses; policies for promoting a water market and/or a water bank are crucial.

## **Water Supply and Delivery Impacts**

Short-term (1995) and longer term (2010) impacts of the Project Exporters-Only and Sharing Approaches were analyzed through comparison with baseline conditions consisting of current conditions that exist in the absence of the criteria, estimated for a range of hydrological conditions represented in the 71-year hydrologic record for the Delta. Water supply costs are commonly reported using two conventions: the average of 71 years and the "critical period", which represents conditions experienced in the drought period of the 1930s.

The analysis estimated the incremental (i.e. new) water supply and delivery impacts of the criteria over those associated with D–1485 and the recent (1992–1994) winter-run salmon requirements. These impacts reflect the effects of a package of federal actions under several laws designed to comprehensively protect the Bay/Delta ecosystem. The entire package of actions and requirements have been extensively coordinated to achieve significant improvements in the Bay/Delta ecosystem.

Both the incremental water supply impacts, as well as the recent Endangered Species Act impacts can be illustrated in the following table:

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