



Highlights of SRCSD Concerns with the Delta Stewardship Council's 5th Draft "Delta Plan"

(September 30th 2011)

Background

The Delta Stewardship Council's draft Delta Plan (Plan) has been undergoing public review and comment since February 2011. The Sacramento Regional County Sanitation District (SRCSD) has provided written comments and testimony on various drafts of the Plan to outline its concerns with elements that could negatively impact the Sacramento region. As a result of our advocacy efforts, many of our suggestions have been incorporated into the 5th Draft of the Delta Plan.

Overall the proposed Plan has become a more comprehensive and understandable document and an Environmental Impact Report should be released soon. The water quality chapter has been significantly changed from earlier drafts and is now fairly well written, reasonably balanced, with no technology-based or numeric performance measures that attempt to circumvent the Clean Water Act process in establishing water quality standards. The removal of specific numeric standards for ammonia was a significant achievement.

Nonetheless, SRCSD still has some remaining concerns. Although the Plan is clearer on its geographic scope, there is a continuing concern about covered action. In addition, the Plan's finance strategy is considering a number of fee concepts including an "other stressors" fee, a beneficiary fee and public goods charge.

SRCSD's Remaining Concerns and Requested Changes

Concern 1: "Covered Actions" as currently defined exempts regulatory actions such as National Pollutant Discharge Elimination System (NPDES) permits, but not the projects implemented to meet the NPDES permit requirements. This means that SRCSD Board must make consistency determination for the NPDES permit related projects and that determination is subject to a challenge and review by the Delta Stewardship Council.

Requested Change:

Projects undertaken to comply with a State regulatory action, such as an NPDES permit, should not be considered "covered actions" and should be exempt from consistency determinations.

Concern 2: Proposed fee mechanisms lack clear cost-benefit nexus and are focusing only on select groups of users and are providing too much discretion to the Council.

Requested Change:

A full range of options should continue to be considered including "beneficiary pays" and "stressor pays" approaches, as well as more general mechanisms that are spread across larger population bases such as bond financing and public goods charges. Some of the key principles that must be considered in any finance strategy include:

- Actions and associated costs needed to support the Delta goals must be clearly defined.
- Fees must be equitable and should be applied in proportion to the benefits received or the stresses caused. Any assignment of costs to any parties must include a clear nexus.
- Selection of actions must be based on cost-benefit or return on investment type approaches.
- In developing any "beneficiary pays" and "stressor pays" financing approaches, a broad view of beneficiaries and stressors must be taken and not just focus on a select few.
- Delta water export projects and the mitigation thereof, should be paid for by project proponents.
- The finance plan should incentivize investment in Delta monitoring, research and related improvements.
- The finance plan should be phased and follow an adaptive management approach.