Last week brought a lot of good California water news. Restoration of the San Joaquin River took a giant step forward, as the <u>first flows were returned</u> to the channel in accordance with a settlement agreement negotiated in 2006, ending <u>years of litigation by NRDC</u>. As <u>Steve</u> and <u>I noted</u>, removal of four dams on the Klamath River moved one step closer to reality. And for the first time since the California legislature adjourned in disarray there are hopeful signs on the Bay-Delta, where the federal government is showing signs of engaging in a way it has not done since the end of the Clinton administration.

The Sacramento-San Joaquin Delta is the hub of California's water system, site of the massive pumps that deliver water from the State Water Project and the federal Central Valley Project to many of California's cities and farms. State and federal project operations are closely intertied, and subject to a complex web of overlapping state and federal regulatory authorities to protect water quality and fish and wildlife. In the mid-1990s, faced with the prospect of paralyzing litigation, California and the U.S. negotiated the Bay-Delta Accord, an agreement intended to meet environmental needs while also assuring reliable water supplies for municipal and agricultural users. The Accord led to CALFED, a novel state-federal collaborative governance, which was formally launched in 2000.

By 2005, the CALFED experiment was in tatters. Irrigators had not gotten the extent of pumping increases they felt they had been promised but the Delta ecosystem was crashing, water quality standards were not met, environmental groups were headed back to court, and the state and federal leadership that produced the Bay-Delta Accord had vanished.

Since then, the situation has gone from bad to worse. Federal District Judge Wanger found that biological opinions produced by the U.S. Fish and Wildlife Service and the National Marine Fisheries Service under the Endangered Species Act were inadequate, and ordered them redone. The new biological opinions imposed additional restrictions on pumping to protect Delta smelt, chinook salmon, and killer whales which feed on those salmon in the ocean. A second round of litigation quickly followed, alleging that the new biological opinions were not scientifically justified. Meanwhile, California's governor and legislature have been trying to figure out how to replace CALFED with state institutions that could govern water resources sustainably. A high-profile effort failed to produce results in the last legislative session.

Throughout this period, the feds have been conspicuous by their absence. Of course they haven't literally been absent. The federal agencies that implement the ESA have been squarely in the cross-hairs of litigation, first by environmental groups and more recently by water users. And the Bureau of Reclamation continues to operate the Central Valley Project, in some tension with the wildlife agencies. But the feds have not been engaged in the larger

project of trying to find ways either to make the CALFED process work or to find other arrangement that could produce sustainable Bay-Delta governance. Nor have they lived up to early commitments to contribute funding. Throughout the Bush administration, and certainly as CALFED collapsed, the federal attitude has seemed to be that the Bay-Delta is California's problem, for which California must find the solutions. That federal indifference, in turn, has made it easier for Governor Schwarzenegger and some California legislators to blame the biological opinions for all the Bay-Delta's woes.

Now it looks like the Obama administration is ready to come back to the table. Shortly after appointing David Nawi, a veteran of the Clinton administration's CALFED and Bay-Delta Accord efforts, as a senior advisor, Interior Secretary Ken Salazar wrote to Schwarzenegger that Interior and other federal agencies are "committed . . . to work with the State and other stakeholders to solve the problems surrounding the Bay-Delta." That message was reiterated in a Washington meeting between state and federal officials. At that meeting, the administration unveiled a <u>Memorandum of Understanding</u> committing six federal agencies to work with the state toward restoring a healthy and sustainable Bay-Delta ecosystem.

Federal engagement on the leadership level is long overdue. The feds are undeniably major players in the Bay-Delta. California cannot deal with either the environmental or water delivery issues in the region, let alone with both, without federal cooperation. The feds are also in a position to put some pressure on the state, which might help break the legislative logjam that stalled a package of water reform bills. Federal leadership and funding are both essential to making real progress on the Bay-Delta.

Still, federal engagement may not be entirely positive. Sen. Dianne Feinstein (D-CA) says she is working on <u>drafting a major Bay-Delta restoration bill</u>, along the lines of the Everglades and Chesapeake Bay efforts. That's very good news in the sense that it could provide significant funding and assure some level of permanence. But according to the San Francisco Chronicle, Feinstein suggested waiving the Endangered Species Act to facilitate water deliveries, a move that could undercut any leverage for environmental improvement.

Feinstein has also <u>pushed for</u> review of the biological opinions by the National Academy of Sciences; Salazar and Commerce Secretary Gary Locke have now <u>endorsed that request</u>, and promised to approach the National Academy. That review seems unlikely to be helpful. Both biological opinions have already been reviewed by independent scientific panels. There will be substantial pressure to fast-track this review, issuing a report before the beginning of next spring's water delivery season. It's difficult for the National Academies study (or any process that does not rely on experts who are already deeply engaged in Bay-Delta work) to proceed that quickly. A comparably rapid initial study in the Klamath Basin following the

2001 irrigation cut-off there produced a preliminary report that, in part because it was not carefully wordsmithed, fanned the flames of controversy.

Still, while it does not seem particularly useful, its hard to imagine how a National Academies study of the Bay-Delta biological opinons could make the situation worse. If the Academies can frame the study in a larger way than just a narrow review of the scientific support for, and compatibility of, the two biological opinions, it might even offer some insights into the effects of the controversial proposal for a peripheral canal. And in the long run, getting more scientists interested in the problems of the Bay-Delta and how they might be resolved is likely to be a good thing.