



## AQUALLIANCE

DEFENDING NORTHERN CALIFORNIA WATERS

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### **Brown Administration Releases Deceptive Economic Impact Report of Delta Export Scheme**

A report on the supposed boons of a plan to build two huge tunnels to export Sacramento River and Trinity River water to San Joaquin Valley corporate farms reneges on a Brown administration pledge to provide a comprehensive cost/benefit analysis of the proposed project.

Instead, the study released today by University of California at Berkeley professor David Sunding and the Brattle Group presents a limited and misleading analysis of the Bay Delta Conservation Plan (BDCP), a massive water conveyance project that will saddle urban ratepayers with more than \$50 billion in debt, imperil the Sacramento River watershed, and devastate the Sacramento/San Joaquin Delta and San Francisco Bay, collectively the largest and most productive estuary on the west coast of the continental United States.

Sunding's report, funded by the California Department of Water Resources, assumes that BDCP will increase water exports by approximately 1.3 million acre feet, while the Brown Administration and BDCP EIR/EIS acknowledge that exports will remain at present levels even if the project goes forward. It fails to evaluate reasonable and cost effective alternatives that would improve water supply security, provide more jobs, create additional water supplies and restore the Delta. It makes wildly optimistic assumptions of the benefits of habitat restoration projects that fishery agency scientists observe are of unknown and unproven value.

The report also ignores the waste and inequitable use of California's oversubscribed water resources, overstates the seismic risk to existing water delivery infrastructure and bases its conclusions on inflated population growth and water usage projections.

And it fails to meet the professional standards for economic analyses set forth in: a) the 2013 update to the U.S. Water Resources Council's *Economic and Environmental Principles and Guidelines for Water and Related Land Resources Implementation Studies*; b) the U.S. EPA's 2010 *Guidelines for Preparing Economic Analyses* and 2009 *Value of Protection of Ecological Systems and Services* and c) DWR's 2008 *Economic Analysis Guidebook*.

Carolee Krieger, the executive director of the California Water Impact Network (C-WIN), observes the report falls far short of a Brown administration promise to provide a full, objective and transparent cost/benefit analysis of the BDCP.

“This isn’t a complete analysis,” Krieger said. “This is a whitewash. It glosses over the profound fiscal burden this boondoggle will impose on urban ratepayers south of the Delta, while exaggerating the benefits. And it isn’t fooling anyone. Even the primary beneficiaries of the Twin Tunnels – the corporate farmers of the western San Joaquin Valley and the big urban water districts of the South State – are getting cold feet about this project. Dr. Sunding’s report is a Hail Mary pass.”

Further, the report ignores the threat the BDCP poses to state aquifers, particularly those of the Sacramento Valley.

“The Twin Tunnels will transport subsidized water to the western San Joaquin Valley from the Sacramento and Trinity Rivers, but it doesn’t stop there,” said Barbara Vlamis, the executive director of AquAlliance, an organization dedicated to protecting northern Sacramento Valley watersheds. “The tunnels will also accelerate the mining of the Tuscan Aquifer, which is crucial to the cities, farms, fisheries and wildlife of the Sacramento Valley.”

Ultimately, Sunding’s report is nothing more than a rehash of talking points the Brown administration has used to fast-track the BDCP past much-needed fiscal scrutiny and environmental review. It is based on speculative guesses, in that the BDCP has yet to identify project yield, operating guidelines, cost apportionment, or the true parameters of the habitat restoration component.

“The administration could not allow Dr. Sunding to prepare the comprehensive cost/benefit analysis that was promised because such a study would reveal BDCP for what it is – a scheme to perpetuate the wasteful and inefficient distribution of the state’s water by publically subsidizing special interests,” said Bill Jennings, the executive director of the California Sportfishing Protection Alliance.

Finally, the report does not identify alternatives to the BDCP that could ameliorate California’s water crisis at a fraction of the cost of the Twin Tunnels.

“Water conservation, reclamation and recycling could create millions of acre-feet of ‘new’ water, improve water security, provide more jobs than the BDCP and restore the Delta,” said Jennings. “These alternatives would receive equal weight in any true analysis and any intellectually honest economic analysis would show that the costs of BDCP vastly outweigh any economic benefit to both project proponents and statewide interests.”

The Draft Statewide Economic Impact Study can be found at:[http://baydeltaconservationplan.com/Libraries/Dynamic\\_Document\\_Library/Draft\\_BDCP\\_Statewide\\_Economic\\_Impact\\_Report\\_8-5-13.sflb.ashx](http://baydeltaconservationplan.com/Libraries/Dynamic_Document_Library/Draft_BDCP_Statewide_Economic_Impact_Report_8-5-13.sflb.ashx)

Contact information:

Carolee Krieger, C-WIN 805-969-0824 cell 805-451-9565 <http://www.c-win.org>  
Bill Jennings, California Sportfishing Protection Alliance 209-464-5067 cell 938-9053 [www.calsport.org](http://www.calsport.org)  
Barbara Vlamis, AquAlliance 530-895-9420 cell 530-519-7468 [www.aqualliance.net](http://www.aqualliance.net)