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March 25, 2022

Assemblymember Rudy Salas Chair, Joint Legislative Audit Committee 1020 N Street, Room 107 Sacramento, California 95814 RECEIVED 03/25/2022

## **RE:** Audit Request of the Department of Water Resources and State Water Resources Control Board

Dear Chairman Salas:

I write to request that the Joint Legislative Audit Committee direct the Office of the State Auditor (Auditor) to conduct an audit of the Department of Water Resources (DWR) and State Water Resources Control Board (SWRCB) to examine the management and administration of surface water throughout California. Specifically, I am asking the Auditor review and comment on the accuracy and competency of data collection, predictive models and procedures used by the state that led to the over-release of an estimated 700.000 acre-feet of water from California reservoirs in the 2021 Water Year.

This examination is timely and necessary due to what appears to be a reliance on outdated operational procedures, bureaucratic inertia, or gross incompetence. These failures have caused significant harm and damage to the health and welfare of every Californian.

Both DWR and the SWRCB have acted as impediments to the decisions of local, duly constituted agencies, to provide water to millions of Californians. These agencies have invested in additional storage and the most modern predictive models and data-collection systems allowing them to properly forecast and allocate surface water. The impact of the state's incompetence has been to cripple segments of the multi-billion-dollar agriculture industry with spillover impacts into manufacturing sectors. Many of those most grievously affected live in the San Joaquin Valley.

## **Requested Audit:**

I request this audit to answer the following questions:

1. What happened in the Water Year 2021 (October 1, 2020 to September 30, 2021) to lead the state to miscalculate by some 700,000 acre-feet the amount of water

that would flow out of the Sierra Nevada and into our reservoirs? This prediction was the justification to release billions of gallons of water into the Sacramento-San Joaquin Delta at times when it had no positive impact for humans or wildlife. When only a portion of the predicted runoff arrived, there was little water available to alleviate the environmental tragedies and human suffering that ensued. Exactly, how much water was released for no other reason than to make room in our reservoirs for inflows that never arrived?

- 2. Has any department, group, or individual been held accountable for this colossal mistake? What measures have been taken to assure such gross miscalculations will not be repeated? Have operational procedures and requirements for reservoirs been adjusted to assure that additional water will be stored?
- 3. While the state was grossly miscalculating Sierra runoff, predictions by local agencies such as the Turlock and Merced Irrigation Districts and NOAA's California-Nevada River Forecast Center were quite close to the actual runoff in their calculations. What factors resulted in vastly different predictions, and what collaboration has DWR and SWRCB conducted with local agencies to improve the state's modeling and data collection?
- 4. What models were used by DWR and SWRCB to prepare for the 2021 drought? Importantly, what models will the DWR and SWRCB use to prepare for near constant, systemic drought going forward? If new and more accurate models are not adopted, how will current models be adapted to perform more accurately? Who is responsible to make certain this happens?
- 5. How will the state meet its contractual obligations to maintain salinity standards in the Sacramento-San Joaquin Delta and to provide adequate flows to sustain native fish populations? As has become common over the past decade, when it becomes clear the state cannot meet these obligations it uses urgency change petitions to force other rights holders to release water designated for other purposes. Reliance on such orders results in legal challenges and acrimony outside the judicial system. Does the state require water rights holders to give up water they otherwise would have had access to when the state fails to accurately predict and manage stored water supplies?
- 6. What real-time feedback mechanisms does DWR rely on when water releases occur? Specifically, I am concerned with releases made from Lake Oroville, in July 2021. In the midst of dire conditions, releases from Lake Oroville inundated portions of an Oroville city park along the Feather River. Such incompetence should be grounds for immediate termination. Similarly, despite predictions of continued drought and calls for additional carryover storage in late February, state officials were releasing roughly 3 times the historic median from Oroville. Why?

As we face a far more uncertain climate future, the public must know why the state's best water predictions are so inaccurate. We need to know exactly why the state is so quick to make decisions based on water data that have proven to have poor reliability. We need answers to these questions to better inform how the Legislature can act to ensure these costly mistakes never happen again. This examination is overdue and of the utmost importance.

Thank you for your consideration of this audit request. If you have additional questions, please do not hesitate to reach out to me directly at (916) 319-2021.

Sincerely,

Adam C. Gray Assemblymember, 21st District