To: GSA; Panzer Comments on White Paper Distributed by Zdeba/Duffy on 1/4/18

1. The white paper considers only water users (i.e., pumpers), not water uses. Hence, it ignores state policy regarding the primacy of water use for health and safety (hereafter H & S). California Water Code Section 106.3 (a) reads, "It is hereby declared to be the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes." GSP Reg. 350.4 (g) requires a GSA to consider this "human right to water" in crafting its GSP. This white

2. After fixing the post-2040 allocation for de-minimis pumpers and NAWS at 2,600 afy, the white paper's proposed 80% "proportional" reductions for all remaining pumpers would leave IWVWD with less than half the groundwater needed just to cover its customer's H & S needs. Hence, the census of such customers (residential and business alike) must decline by about 50% just to meet the H & S needs of those that remain in the IWV--leaving such remainder with no water for other water uses, such as residential or business irrigation.

paper does not consider this human right to water.

- 3. Any new-found water such as imports will be so expensive that it will not meet the "affordable" clause of the state's "human right to water" policy. Hence, such water will only benefit very rich users or very high value uses such as high-tech R & D or high-profit-margin manufacturing processes.
- 4. The white paper purports to "lessen the impact on pumpers that have made significant investments in the basin." However, the paper ignores the fact that *all* pumpers have made significant investments in the basin in the form of irrigated landscape, but only non-agricultural pumpers will lose their entire irrigation investment just to cover their H & S needs. See 2 above.
- 5. The white paper's 2020 date to determine baseline allocations would perversely punish those who have reduced pumping and reward those who have increased pumping in the years leading up to and following SGMA's benchmark date of January 1, 2015, thus increasing the litigation risks it seeks to minimize.
- 6. By delaying groundwater extraction reductions to 2030, current users would continue to enjoy cheap 4X overdraft at the expense of all future generations who will forever bear higher pumping and treatment costs, contrary to the letter and spirit of SGMA. This may invite outright rejection of the GSP by DWR, and possibly trigger a request by DWR to return Proposition 1 awards plus interest.
- 7. The white paper assumes that new water sources will cover groundwater pumping reductions, without explaining "the source and reliability" of that water as required by SGMA.
- 8. By delaying groundwater pumping reductions to 2030, it seems highly unlikely that DWR will grant an extension of time to operate within safe yield. Hence, what the white paper bills as a twenty-year soft landing is more likely to be a ten-year hard landing.