



NCWA
Northern California Water Association

#SourcingAVibrantFuture

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May 22, 2026

E. Joaquin Esquivel, Chair
Members
State Water Resources Control Board
1001 I Street
Sacramento, CA 95814

Nicole L. Kuenzi
Presiding Hearing Officer
State Water Resources Control Board
1001 I Street Sacramento, CA 95814

Re: Support for Sites Reservoir in the Water Right Permit Process and the Need for Regulatory Consistency to Advance New Water Supplies for California

Dear Chair Esquivel, Members of the Board, and Hearing Officer Kuenzi:

On behalf of the Northern California Water Association, we submit these comments regarding the proposed permit for the Sites Reservoir Project. We respectfully urge the Administrative Hearing Office (AHO) to fully incorporate the Sites Project Authority's (Authority) proposed revisions to the draft water right permit and allow this critical project to fully deliver on its promise for all of California.

California faces a defining moment in water management, where climate volatility, prolonged droughts, ecosystem challenges, and increasing demands on limited supplies require the State to advance balanced solutions that support all beneficial uses of water. Sites Reservoir is a 21st century water project that serves as a model for this balanced solution—as Sites Reservoir will capture and store water during high-flow periods for multiple public benefits, including environmental improvements, drought resilience, operational flexibility, groundwater sustainability, and water supply reliability for communities, farms, and ecosystems throughout California.

Several aspects of the draft permit will undermine the public interest and the State's longstanding policy direction to encourage the development of new water supplies and modern water infrastructure as expressly called for by nearly every member of the State Legislature and 67% of California voters in approving Proposition 1 over 10 years ago, and in accordance with recently enacted SB 72. Specifically, several proposed terms unnecessarily restrict the ability to divert water, reducing the ability to capture water during wet periods, directly undermining drought preparedness and climate resilience. By imposing additional diversion criteria, without adequately accounting for drought resilience and water supply reliability, the draft fails to manage water for the greatest overall public benefit.

We urge the AHO to recognize the deficiencies described in more detail in the attached “**Specific Revisions to the Proposed Permit for Sites Reservoir**” and address these important technical issues so



Sourcing a vibrant future through responsible management of water—the essential resource that millions of people, thousands of farms, and our communities all depend upon, while also nourishing the millions of birds and fish that live in this region.

that the benefits of this unique project can be realized as intended. Failure to do so would be a lost opportunity for the people of California who have consistently expressed strong support for new water storage.

Sites Reservoir is an Environmental Water Project that Serves Multiple Benefits-- Additional Conditions Are Not Necessary nor in the Public Interest

California's water system has always depended on balancing multiple beneficial uses. The AHO seems to focus on one undefined beneficial use in the Bay-Delta (generally described as ecological health) at the expense of others, rather than thoughtfully balancing the important needs of communities, agriculture, fish and wildlife, and recreation in a manner that advances statewide sustainability and public welfare. The proposed diversion criteria elevate a single beneficial use—the enhancement of fish and wildlife—and fails to contemporaneously protect water supply and water reliability considerations.

Sites Reservoir was specifically designed as a multi-benefit project that can improve operational flexibility while specifically supporting ecosystem objectives, dry-year management, and water reliability. By improving system reliability, the Project enables more deliberate and effective environmental flows during dry periods, benefiting fish and wildlife while avoiding crisis-driven management of in stream flows. More specifically, we urge the State Water Board to:

- **Defer to the California Department of Fish and Wildlife for Environmental Beneficial Uses.** The proposed permit appears duplicative to the extensive environmental review and permitting already completed through California Department of Fish and Wildlife's (CDFW) Incidental Take Permit (ITP) and related biological analyses. As the California agency charged with protecting fish and wildlife in California, the State Water Board should defer to CDFW's ITP and the related efforts as the measures necessary to protect fish and wildlife beneficial uses, not add unnecessary new conditions. The Sites Reservoir Project has undergone years of rigorous scientific review, environmental analysis, operational refinement, and mitigation development. While the State Water Board has an important responsibility to protect public trust resources and all beneficial uses, it should be confident that CDFW as a sister agency has addressed these issues and the State Water Board should avoid duplicating and imposing even more prescriptive requirements.
- **Sites Reservoir, with Proposition 1 Funding, is Designed for Ecosystem Benefits.** Sites Reservoir is a modern environmental project designed for the benefit of fish and wildlife. California voters when approving Proposition 1 expressly provided public funding authority to advance strategic water storage with ecosystem benefits. Sites Reservoir, as a 21st century water supply project, thus has the benefits of fish and wildlife embedded in its water management as expressly called for by California voters. Most importantly, the project will be operated in a way that will maximize the ecosystem benefits from the project across various year types, which is a more flexible and effective way to benefit fish and wildlife than regulatory conditions that stifle creativity and real time water management. To be sure, Proposition 1 represented a clear statement by Californians that investments in modern water infrastructure are necessary to improve statewide resilience and provide broad public benefits. The implementation of that voter-approved direction should not be frustrated by regulatory approaches that effectively make these projects impossible, prohibitively expensive, or indefinitely delayed.

Affordability is the Defining Issue for this Project and our Generation

Affordability should be central to the Board's deliberations. Unfortunately, the excessive draft permit conditions show a disregard for the economics of a major water project in California and ignores how each and every condition imposes an additional cost on Californians. As we all see every day, Californians are increasingly burdened by rising housing costs, energy costs, food costs, and utility costs. Water affordability is becoming one of the defining public policy issues of this generation. Delays, duplicative and redundant conditions, or regulatory uncertainty associated with major infrastructure projects directly increase costs for ratepayers, local agencies, and taxpayers. Those costs ultimately fall on families, communities (many of which are disadvantaged), and businesses throughout California. Excessive layering of requirements ultimately threatens the viability of projects that the State itself has identified as essential to California's long-term resilience.

California Needs New Water Supplies

Senate Bill 72 passed by the Legislature and signed by the Governor this past year elevates the statewide policy imperative to encourage and facilitate the development of new water supplies and climate adaptation strategies. Sites Reservoir should be the model for how to meet this imperative in California for all the reasons previously stated. The new California Water Plan for 2028 recognizes that we need at least 9 million acre-feet of water to prepare for our future in California. California cannot simultaneously call for greater resilience, groundwater sustainability, ecosystem restoration, and drought preparedness while creating duplicative or uncertain regulatory pathways that discourage investment in major public-benefit infrastructure. The State's water management framework must provide clarity, consistency, and predictability if California is serious about developing the diversified water portfolio needed for the future.

In sum, as California continues to confront climate extremes, it is increasingly clear that the State needs more tools—not less—to manage water adaptively. Projects like Sites Reservoir are intended to complement efforts such as Healthy Rivers and Landscapes, Floodplain Forward, groundwater recharge, ecosystem restoration, and improved conveyance and operational flexibility. The State's policy framework through the State Water Board should encourage integration and innovation rather than create unnecessary barriers that discourage comprehensive solutions

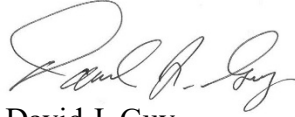
We respectfully urge the State Water Board to ensure that the final permit will:

- Recognize the Legislature's and voters' clear intent to advance new water supplies and climate resilience projects through both the public benefits in Proposition 1 and more recently the strong directive in SB 72;
- Avoid duplicative or inconsistent requirements that overlap with existing environmental and biological permitting processes;
- Consider the cumulative affordability impacts on California communities, ratepayers, and taxpayers;
- Protect all beneficial uses of water through a balanced and practical regulatory approach.

The water right permit is the critical remaining step before the Authority can break ground on Sites Reservoir. Given the escalating climate and water security challenges our state now faces, now is the time to act.

We respectfully encourage the AHO to review the comments by the Sacramento River Settlement Contractors and Reclamation District 108 and revise the draft water right permit consistent with our comments (including the specific terms attached) and the Authority's proposed revisions and help ensure that Sites Reservoir can move forward and deliver lasting benefits for California's communities, farms, and environment for decades to come.

Sincerely yours,

A handwritten signature in black ink, appearing to read "David J. Guy". The signature is fluid and cursive, with a large initial "D" and "G".

David J. Guy
President



Specific Revisions to the Proposed Permit for Sites Reservoir

May 22, 2026

Draft Permit Terms 29 and 30 related to the Bay-Delta Plan, if not deleted, need revision to reflect the Sites Project's proportionate share of responsibility for implementing the impending plan's water quality objectives. As currently written, the Draft Permit terms rigidly condition Sites Project operations in a manner that effectively imposes systemwide regulatory constraints of the Bay-Delta Plan on a single water-right holder, and Term 30 would result in substantial yield reductions. This is inconsistent with the proposed Bay Delta Plan Update which has statewide regulatory implications that are not unique to Sites and whose implementation remains uncertain. Importantly, the Draft Decision includes no analysis of the effects of these permit terms on Sites Project diversions indicating that these terms did not receive the kind of thorough scrutiny necessary before being included in the Draft Permit.

Draft Permit Term 31 similarly needs revision to protect the Healthy Rivers and Landscapes (HRL) Pathway flows under the Bay-Delta Plan Update without limiting diversions during high-flow periods when sufficient supplies are available without harm to other beneficial uses. Term 31 appears to protect HRL flows in a way that assumes every increment of flow in the Sacramento River watershed in addition to HRL flows must be categorically insulated from the Sites Project's diversions and releases, regardless of whether such protection produces measurable ecosystem benefits or whether the water is otherwise available for appropriation. Treating base flows (including all otherwise unregulated and uncaptured flows in the system) as categorically unavailable to the Sites Project would undermine the very integrated water management approach California is attempting to build.

Draft Permit Term 23 undermines, rather than fulfills, the State's public trust obligations, which require integrated, adaptive decision-making that weighs environmental protection alongside human and economic water needs, which is ever more important under conditions of increased climate variability.

