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Contact: David A. Breninger  
(530) 823-4850  
Ed Tiedemann  
(916) 321-4500  
or: Dave Carter  
(530) 265-NEWS

**FOR IMMEDIATE RELEASE:**

**PCWA Wins Governor's Support**

*Auburn* – An aggressive water industry campaign that seeks to protect local water ratepayers from unfunded mandated fees for the multi-billion dollar CALFED Bay Delta program has earned the support of Gov. Arnold Schwarzenegger.

In a May 31 letter sent to Placer County Water Agency General Manager David Breninger, the Governor said he intends to develop a balanced CALFED funding plan “consistent with the beneficiaries-pay principle.” The Governor’s letter is in direct response to a May 11 letter sent by Breninger and 36 other water managers to the Governor stating their opposition to new CALFED user fees.

The Governor goes on to state in his letter that his CALFED finance plan will be spread over 10 years and include “payments from water users to the Ecosystem Restoration Program and other programs, but in proportion to the direct benefits received.”

PCWA has coordinated with other agencies to advocate that CALFED funding be paid by agencies and water customers who receive benefit from the program.

PCWA Chair Pauline Roccucci says, “Although CALFED may be a worthy effort, it does not appear to benefit customers of PCWA. If there is no benefit to us, we shouldn’t be forced to pay.”

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CALFED was formed in 1994 by State and Federal water management interests so they could further alter California's Delta ecosystem for the purpose to greatly increase pumping more Northern California water to Southern California. The costs to mitigate CALFED's increased exportation of water have become extraordinarily expensive.

PCWA Legal Counsel Ed Tiedemann says, "CALFED is striving to find a way to get Northern California water and power customers to subsidize a significant portion of their Bay-Delta project costs. Such a sweeping action is on the verge of breaking a fragile 10-year old water truce in California."

PCWA officials have repeatedly taken a strong stand with State and Federal officials that CALFED abide by the "beneficiaries-pay principle." Breninger says that this "basic equity issue, however, has become a hotly debated CALFED policy principle in Sacramento."

So, Breninger says, the Governor's recent written response to PCWA on CALFED financing is very encouraging and greatly appreciated. He points out; however, CALFED funding is far from settled and that PCWA will continue to aggressively participate in the CALFED funding debate as it moves through the State legislative process.