

Public comment by Dave Van Groningen concerning the Rules and Regulations of the Greater Kaweah Groundwater Sustainability Agency;

The first section of this letter will address specific items directly related to the Rules and Regs and the second section will be more of an editorial about the complete process.

Page 7 under registration requirements; is the groundwater extraction facilities registration required under the SGMA requirements given to the GSA? Is this information being given to any state agency? What is the fee that is going to be paid to the Agency for each groundwater extraction facility? Will "in active" wells (still functioning, but not currently being used) be included in this requirement? My comment about this is that it penalizes those who have more smaller wells than those who have less deeper wells to irrigate and pump out the same amount of water. Many growers have made the business decision to have more shallower wells (with smaller horsepower) than just 1 or 2 deeper wells. They are extracting the same amount of gallons, so the water extraction fees which are being proposed should be how all monies are collected, not "extra" fees for number of wells.

Page 8 under groundwater use measurement; How do we know which method of measurement we should be using when we don't know past ET numbers? These numbers need to get out as soon as possible so we have time to evaluate which "method of measurement" we are going to choose. As far as the transferring allocations; Can a grower still "transfer" within their own farm (between fields to fields within their own farm) using the ET method? If the ET method is accurate enough to bill growers, then it should be good enough to make transfers with. The mandatory meter method of measuring water needs to be waived, at least for the first 5 years. Time must be given to set up all irrigated fields with meters and this does not give flexibility to those who have to find allocations to survive till there is a trading platform or fallowing program. Until there is a fallowing program in place or some sort of trading platform, as much flexibility needs to be granted so permanent crops are not destroyed (and people's livelihoods) and then later they could have been saved because of a reasonable common sense program, like the reverse auction fallowing program.

Page 11 under prohibited Tier 3 pumping; an exemption for multiple years needs to be granted for those who pump into tier 3. To have a penalty of reduction of allocation for the following year is no flexibility for those who are still learning the ET model and have not even seen any numbers of what they are using. It makes no sense to farm 75% of the year, then learn that you are going to go over on ET and then have to cut back because of threat of reduction into next year water allocation. This "reduction of allocation" clause needs to be after 3.75 AF/acre until there is a fallowing program in place or some sort of trading platform. Greater flexibility for the first couple of years needs to be granted.

Page 13 under Sustainable Yield allocation; this is confusing - the asterisk at the bottom of the section about sustainable yield (on page 14), states that this number can change over time (which I understand and it will change higher) based on "additional data becomes available and as projects, monitoring, and management actions are implemented". There needs to be clear understanding that when new projects bring in new water to the area, or has the capability to sink "flood water", this needs to go to the sustainable yield. If the greater kaweah GSA has anything to do with a getting funding for or using

collected grower fees for any type of project, it should go towards sustainable yield. This includes collaborating with existing water districts within the GSA boundaries to increase their ability to store more water. The GSA is supposed to be representing all growers, those in water districts and those who are not. Therefore, the GSA should only spend their time on acquiring grants and completing projects that will benefit all growers within their boundaries. If grant money is awarded to the GSA, it should first fill all projects that benefit the increase of the Sustainable yield. The goal is to increase this SY number, not increase the divide of the water district acreage and the non water district acreage. If this is not accomplished, you will never succeed because of animosity that will be created between the "have vs have nots". This needs to be added into what the SY is within the text of the Rules and Regs, not just an asterisk that states "as projects are implemented".

Page 14 under Temp tier 1 and tier 2 allocations; the determination of whether or not a parcel is eligible for the tier 1 and 2 allocations needs to be changed. There are few parcels that were in production food production before 2015, but due to many reasons, have been out of production for the past decade or even 2 decades. Some of these parcels even have an active well on them, but have not been used just because of the owner's decision to follow their ground or just do dry land farming. If a parcel can show records and images (example; google historical images) of irrigated ag production, they should be allowed to participate in the tier 1 and tier 2 allocation. If this is not allowed, then the value of their property just decreased a minimum of 4X and their rights of using water on their parcel for beneficial use is taken away from them. If historical use (not just of the past 7 years, which I believe is the current proposed rule) can be proven, then tier 1 and tier 2 should be granted to them. Some of these parcels are not in IRLP program because this program just started in 2014 or 2015, so using this as a determining factor is not proper.

Page 16 and 17 under the Transfer of SY and the transfer of Tier 1 and Tier 2; The 3 mile range needs to be changed to 5-10 miles for the first multiple years to encourage flexibility and time for producers to adjust. If there is no fallowing program (or at least some sort of trading platform) in place before this, you will have un-needed undesirable results in our farming community. Once again, flexibility has to be granted, especially the first couple of years before "trading" is set up for those who want to pay for other people's water.

Thank you for reviewing my comments on the above items of concern. Thank you for extending the public comment period and your work in this very difficult issue that we all face. As you can see above, there is a common thread to many of my comments;

First; a fallowing program has to be pushed to start as soon as possible. I understand that this does not directly relate to the Rules and Regulations that this letter is addressing, but in an indirect way, it has everything to do with the R&R. I understand that you folks are all busy trying to comply with what SGMA is requiring of you, but I believe the reverse auction fallowing program has to be implemented for Kaweah Sub-basin to reach its goals. Without a fallowing program, all this is is a big complicated "shell game", moving around credits and most people will still be pumping the same amount of water and those that can't maneuver around the Rules and Regs as easy ("white-land guys") will be the only ones that suffer. A fallowing program evens the playing field a bit and makes it possible for white-land producers to pay if they wish to continue to farm or try to put a bid into the fallowing program to idle their ground for a selected amount of time. In this fallowing program, the acreage that receives district

water still has a big advantage because all water they use and sink (in wet times) through the canal system still goes in their water bank account. Therefore, they can still move those credits to other fields, sell them or bank it for dryer years. They would only be charged for the water they pump, just like the white land guys. Here is an example (simple math); If 25,000 acres were fallowed in the Greater Kaweah that used a historical average of 3 ac/ft, that is a REAL savings of 75,000 ac/ft (not just 75,000 “water credits”). If the average cost through a reverse auction to these growers was \$700 an acre per year, that would cost \$17,500,000 in fees paid to those growers. Let’s use \$20,000,000 to add in admin costs. Of course a ranking system would have to be used to take into account how much previous ET was used on that potential fallowing unit and possible location of that unit (so not too much is fallowed or farmed in certain management areas), but that is just a simply ranking spreadsheet that could be developed. That leaves 350,000 acres in production ag in the Greater Kaweah GSA. Let’s say the average pumped use will be 2.5 AF/acre (which we know the average is smaller than this number); so that’s 875,000 total AF pumped. That comes to \$22/AF pumped to pay for the fallowing program. The GSA would still need to use ET to bill out according to how much a grower used. You can still have the SY, Tier 1 and Tier 2. But the 2.75 AF/acre allotment could be raised to say 4 AF/acre. SY could still be “free” and the amounts for Tier 1 and Tier 2 could be adjusted based on the amount of money needed to fill the needed reverse auction fallowing program. Obviously we all still want additional projects and water brought in to increase the SY, so this would still be the purpose of some of the fees collected for tiers 1 and 2. I bring this example up only to continue the conversation about the importance of a fallowing program and how it relates to the current R&R.

Second; Flexibility must be granted for the first couple of years. If more flexibility isn’t granted there will be family operations that will have to take out permanent plantings in year one where there is no need to do so once trading and/or a fallowing program is in place.

Once again, Thanks for your work and your time in reviewing these comments

Dave Van Groningen – Van Groningen Dehydrator