



## DRAFT SLIDES

# Demand Management Working Group Meeting #16

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March 17, 2026



## Participation Procedures

- Contribute
- Make room for others
- All thoughts have value
- Ask questions of one another
- Not consensus-seeking
- Consider those listening in (state name, one voice at a time)

# Meeting 15 Recap (Jan 7) and Updates

## Last Meeting's Recap:

- Reviewed Board/Commission feedback on proposals
- Discussed Alternative Proposal
- Identified 6 priority topics for Jan–April
- Agreed: Joe Hughes to be engaged as legal/drafting consultant

## Other Updates

- WG written comments on Alt Proposal compiled
- Joe Hughes contract finalized (signed 3/16)

Meeting materials on website [tehamacountywater.org/demand-management-ad-hoc-working-group/](http://tehamacountywater.org/demand-management-ad-hoc-working-group/)

2:00	Welcome, introductions and updates
2:10	Consultant Joe Hughes – Intro and Role
2:40	Proposals Review and Discussion
3:20	Workplan and Timeline Confirmation
3:40	Voluntary Incentive-Based Actions
3:55	Action Items and Adjourn

# Agenda

Consultant Joe  
Hughes

- Introduction and Context
- Scope of Work and Role

- What to keep
- What to change

## Proposals Review & Discussion

# Where Things Stand — Two Proposals

## Straw Proposal

- Incentives First → Fee Triggers // Curtailment
- MO departure = trigger for fee escalation
- Thiessen polygons → Combined Safe Yield Areas
- First assessment: 2032

## Alternative Proposal

- Voluntary (Phase I) → Mandatory (Phase II)
- C&E Plan as precondition to Phase I
- Management zones based on hydrogeologic conditions
- Framework/process document — details developed through engagement
- Assessment timeline to be established

Both proposals share several areas of common ground.  
The goal: draw out the best of both into one defensible, implementable document.

# What You've Told Us — Comments on the Alternative Proposal

Jan–Feb 2026 comments from:

- Steve Gruenwald
- Ian Turnbull
- Michael Ward
- Liz Merry

Anything key missing?

→ Let us know before the round-robin.

#	Issue / Topic	WG Member Perspectives (Gruenwald, Turnbull, Ward, Merry)
A	Program Scope	<ul style="list-style-type: none"> <li>• General support for adding Corning Subbasin (and potentially all Tehama County basins).</li> </ul>
B	Engagement Conditions	<ul style="list-style-type: none"> <li>• Support for Phase I voluntary actions and C&amp;E Plan to proceed simultaneously — Phase I should NOT wait for full C&amp;E Plan completion.</li> </ul>
C	LSCE TM in the Admin Record	<ul style="list-style-type: none"> <li>• Section 5.4 reference to LSCE TM should not constitute blanket endorsement. "May incorporate" acceptable; "shall incorporate" is not</li> </ul>
D	SGMA Fee: Basis	<ul style="list-style-type: none"> <li>• Fees should be volumetric (usage-based), not flat per-acre. Assumed pumping volume per irrigated acre is an acceptable starting point; self-metering as an alternative.</li> </ul>
E	Funding Provisions: Placement	<ul style="list-style-type: none"> <li>• Funding handled at Commission level — Section 7 should be removed or greatly condensed from the DM Plan. This is a governance question for the Commission/Board, not a DM design element</li> </ul>
F	Plan Area & Management Zone Delineation	<ul style="list-style-type: none"> <li>• Thiessen polygon methodology may support monitoring but question on legal defensibility as the basis for regulatory action (fees, restrictions).</li> <li>• Emerging question: do boundaries need to be set before April, or can the plan commit to a methodology and criteria for drawing them with better data?</li> </ul>
G	Sustainable Yield: Methodology & Update Cycle	<ul style="list-style-type: none"> <li>• Requesting clarity on who exactly SY will be calculated, applied, and updated</li> <li>• Concerns because MOs were not all defined w/ robust process after MT revision — building SY regulation on MOs that need fixing first is not a workable foundation.</li> </ul>
H	Accuracy & Revision of Existing MOs and MTs	<ul style="list-style-type: none"> <li>• RMP MOs and MTs should be revisited and revised before serving as DM thresholds.</li> <li>• Staff acknowledged several MOs are set incorrectly. DM-specific MOs/MTs may differ from GSP MOs/MTs — creates a terminology and legal coherence problem</li> </ul>
I	Trigger Mechanism: MO vs. MT	<ul style="list-style-type: none"> <li>• MT exceedance = trigger for mandatory restrictions; MO departure = trigger for incentive measures only.</li> <li>• Concern re: GW fluctuations relative to MO used to generate revenue for the GSA b/c many MOs are inaccurately set.</li> </ul>
J	Pumping Allocation, Credit System & Transferability	<ul style="list-style-type: none"> <li>• Credit transferability from previously unirrigated lands could net-increase demand; need explicit guardrails.</li> <li>• Jan. 7 DMWG: plan should say "may include" a credit/trading system, not commit to one.</li> <li>• Non-contiguous parcels in same SY area should be manageable as a portfolio</li> </ul>
K	Penalty Fee Structure & Revenue Dedication	<ul style="list-style-type: none"> <li>• Volumetric excess pumping fee: supported.</li> <li>• Concern with fee-only structure with no pumping cap (could allow continued overdrafting by those who can pay; need a pumping backstop).</li> <li>• Different perspectives on revenue priorities (recharge, in-lieu, well mitigation, drought reserve).</li> </ul>
L	Curtailment Timeline & Early-Trigger Provisions	<ul style="list-style-type: none"> <li>• 2032 as first assessment is too late. CBI-revised App A (Jan. 12): annual assessments begin 2027 with provisions for earlier Phase II triggers if GW levels decline toward MTs.</li> <li>• Concern about current RMPs exceeding existing MTs</li> </ul>
M	Appendix A: Scope & Level of Detail	<ul style="list-style-type: none"> <li>• Some called for reducing Appendix A detail at this stage (risks locking in specifics).</li> <li>• Others want more detail before deciding whether to support App A as written</li> </ul>
N	Plan Specificity & Legal Defensibility	<ul style="list-style-type: none"> <li>• Some want specific, enforceable commitments (teeth, domestic well protection)</li> <li>• Others cautions against over-committing before data justifies specifics (liability risk).</li> <li>• Not a disagreement about need for a strong plan — a disagreement about where legal risk is higher: too vague or too specific.</li> </ul>

# Round-Robin Discussion

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What is...

1) one thing you absolutely want to keep?

2) and one thing you want to see change or go before you could support the revised proposal?

30–60 seconds per person. Not debating. Giving opportunity for Joe to hear from everyone

# Workplan and Timeline Confirmation

- Priority topics
- March–April meeting sequence

## March–April Workplan

### Priority Discussion Topics (from Jan 7 DMWG meeting)

Plan Area / Management Zones

Sustainable Yield Determination

Pumping Allocations

Credit System

DM-Related Funding

Curtailement

### Potential Meeting Schedule

Mar 17 Introduce Joe; proposals review; confirm workplan

Mar 25 Priority topics: Plan Area + SY Determination  
(Joe unavailable)

Mar 26 *Board of Directors — DM update*

Apr 1 Priority topics: Allocations + Credit System

Apr 7 Priority topics: Funding + Curtailment + Joe Hughes

Apr 8 *Groundwater Commission — DM update*

Apr 14 Near-final proposal review + Joe Hughes

Apr 26 *Board of Directors — proposal presentation + potential adoption*

## Next Steps and Wrap-Up

### Next Working Group meeting

March 25 at 9:00AM

(subject to change)

### Action Items and Next Steps