June 28, 1999

The Honorable Bruce Babbitt
Secretary of the Interior
1849 C St., NW
Washington, DC 20240

Dear Secretary Babbitt:

First of all, I want to thank you for joining me for lunch today to discuss our mutual concerns in California. But the primary purpose of this letter is to follow up on my telephone call this afternoon regarding Jean Sagouspe.

Jean just finished providing me with a detailed presentation about the impact federal laws and regulations have had on water supplies for the west side of the San Joaquin River valley. Attached are charts that convey far more forcefully than anything I can say how serious the situation is. To put it simply, water prices have almost tripled, water reliability has plummeted, and with the current regulatory environment, during the next seven year drought the west side will get between 0% and 32% of contractual supplies. This situation is exacerbated by the fact that many growers are converting to permanent crops, so that a total loss of water supplies would be particularly devastating. I think that this situation is untenable if we are to provide fairness and certainty, which should be a basic commitment of federal water policy.

I have decided to reconvene the stakeholder group to enable this presentation to be discussed. I know this is short notice, but I hope you can make the meeting, in San Francisco, on July 6 at 11 a.m. I fear that what Jean has to say is a microcosm of the problem we will face in the Central Valley.

With warmest personal regards,

Sincerely,

Dianne Feinstein
United States Senator
Long Term Average Ag Contract Allocation