

## **2022-106 AUDIT SCOPE AND OBJECTIVES**

### **Department of Water Resources and State Water Resources Control Board— Management of Surface Water**

The audit by the California State Auditor will provide independently developed and verified information related to the management and administration of surface water by the Department of Water Resources (DWR) and the State Water Resources Control Board (State Water Board). The audit's scope will include, but not be limited to, the following activities:

1. Review and evaluate the laws, rules, and regulations significant to the audit objectives.
2. Identify the predictive models that DWR and the State Water Board used to prepare for the 2021 drought. To the extent possible, evaluate the accuracy of the current models and whether the departments need to modify these models to perform more accurately going forward to take into consideration California's persistent drought.
3. Determine for water year 2021 (October 1, 2020 to September 30, 2021) DWR's projection of how much water would be captured and how much was actually captured to determine whether the State miscalculated the amount of water that would be captured. If so, determine why, by how much, and what has been done to ensure miscalculations will not be repeated, including whether responsible parties have been held accountable. Also determine how much water was released from the State's reservoirs and for what reasons.
4. Evaluate whether operational procedures and requirements for reservoirs are appropriate to ensure that sufficient water will be stored. Determine the State's recourse if it determines that too much water has been released or insufficient water is stored.
5. Identify the real-time feedback mechanisms DWR relies on to determine when it should release water. Specifically, review releases made from reservoirs, including Lake Oroville in July 2021 and February 2022, to determine how state officials decided when and how much water to release.
6. To the extent possible, compare Sierra runoff predictions among the state, federal, and local agencies, such as the Turlock and Merced Irrigation Districts and NOAA's California-Nevada River Forecast Center, to identify the factors that resulted in different predictions and the magnitude of any differences. Assess the extent of collaboration DWR and the State Water Board have conducted with local agencies to improve the State's modeling and data collection.
7. Review the State's plan to meet its contractual obligations to maintain salinity standards in the Sacramento-San Joaquin Delta and to provide adequate flow to sustain native fish populations.
  - (a) Identify how frequently the State has granted urgency change petitions releasing water designated for other purposes.
  - (b) Determine how often such petitions have resulted in legal challenges and the outcomes of those legal challenges.
  - (c) Determine whether the State requires water rights holders to give up water they would otherwise have had access to if it fails to accurately predict and manage stored water supplies.
8. Review and assess any other issues that are significant to the audit.