

Mokelumne Watershed Environmental Benefits Program

Overview and Vision

The Mokelumne River is located within a major Northern California watershed, originating in the Sierra Nevada mountains and crossing California's Central Valley before flowing westward and joining the Sacramento-San Joaquin River Delta. The Mokelumne River provides major environmental and economic benefits to the region and the state, including municipal and agricultural water supply and storage, energy production and distribution, profitable crops and important wildlife habitat, whitewater rafting, popular trout fishing, and timber production.

The Mokelumne Watershed Environmental Benefits Program envisions a future in which public and private sectors in the Mokelumne watershed are brought together to develop and participate in market-based programs that reward sustainable resource management while restoring nature, stimulating the economy, and improving the quality of life in California. These practices will receive financial compensation for the multiple services that they provide and will improve environmental performance, create jobs, result in cost savings and accrue multiple benefits to society. Resulting benefits will include clean drinking water purified by restored wetlands and riparian vegetation and recreation and sustenance resulting from sustainable fish populations in a healthy river.

GOAL & OBJECTIVES

Goal

To provide private and public land managers in the Mokelumne Watershed incentives to implement practices that ensure long-term watershed sustainability.

Objectives

The Mokelumne Watershed Environmental Benefits Program aims to achieve the following objectives:

- Educate landowners, decision-makers, watershed beneficiaries and others about the environmental benefits provided by the Mokelumne watershed and the importance of sustaining those benefits.
- Create new opportunities for public and private investments to restore, protect and enhance the watershed and to support the local economy, job creation and thriving communities.
- Provide a performance-based environmental accounting system so that public and private land managers can consistently track environmental improvements, creating a meaningful understanding of how conservation efforts in the upper and lower watershed benefit local communities, water users, hydroelectric power generators, and the California economy.
- Establish a broad-based collaborative program to ensure a result that is appropriate for local conditions, and supported by local communities.
- Consider how this approach is "transferable" to other California watersheds.

COLLABORATIVE PROCESS & STRUCTURE

The Sierra Nevada Conservancy, Environmental Defense Fund, and Sustainable Conservation have convened a working group of local decision-makers to develop this Program and connect it to existing

community groups. The working group, consisting of more than 20 members, meets every 6-8 weeks and includes representatives from existing watershed stakeholder groups, the Forest Service (Region 5 and local forest representatives), local governments, PG&E, East Bay Municipal Utility District, environmental interests, private land owners, the Resource Conservation District, and the larger municipalities.

The following diagram illustrates the structure to engage watershed stakeholders in a working group to provide feedback, exchange information and present progress reports.

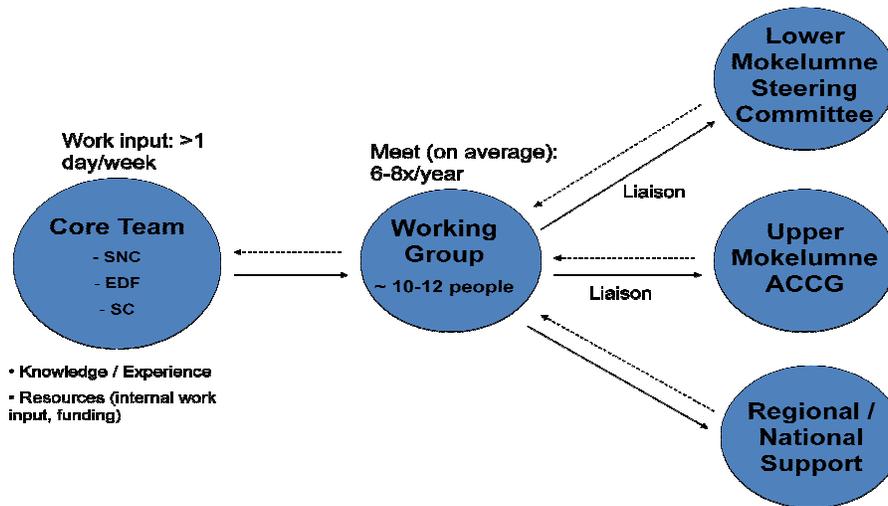


Figure 1: Mokelumne Watershed Environmental Benefits Program Communication Structure for engaging stakeholders.

PROGRAM DEVELOPMENT & NEXT STEPS

The process for creating a pilot incentive program consists of four stages: (1) resource analysis and program scope decisions; (2) program design; (3) program launch; and (4) ongoing program operation. The goal is to launch the initial program in 2012-2013.

Currently, the program design phase is seeking to:

- Use the stakeholder-driven process to decide which benefits provided by the watershed are best suited for a performance-based incentive system;
- Review existing data to identify areas and producers of resources/benefits, resource distribution and opportunities to increase and/or improve resources through financial investment;
- Engage the potential payers for the benefits, identify investment opportunities to improve and secure resources and work to solidify their commitment to participate in the program launch;
- Design a workplan that guides the program design, including:
 - Tools to calculate the benefits from implementation of conservation practices;
 - Specific entity roles for the ongoing operations of the program;
 - Verification, monitoring and adaptive management protocols; and
 - Training sessions for the program managers in order to ensure a strong program launch.

The working group has evaluated the current watershed conditions and major environmental issues facing communities. The group is focusing on water quality and water quantity (timing, volume and reliability of flows) since so many of the environmental issues impact and are impacted by water and is currently evaluating existing data to identify areas and producers of resources/benefits, resource distribution and opportunities to increase and/or improve resources through financial investment. For example, fuels treatment projects reduce catastrophic fire risk and high levels of sedimentation that occur following large,

damaging fires. Furthermore, management practices to increase water conservation, implement meadow and riparian restoration, for example, have the potential to positively impact water supply and water quality. Our goal is to develop a performance-based incentive system to quantify beneficial environmental outcomes and thereby incentivize and fund these resource management practices.

Additional input and perspectives are welcomed to ensure the Mokelumne Watershed Environmental Benefits Program addresses the needs of all parties actively engaged in significant sustainable watershed efforts for the Mokelumne watershed. Individuals interested in learning more about the Mokelumne Watershed Environmental Benefits Program can contact Kim Carr, SNC at kcarr@sierranevada.ca.gov; David Edelson, TNC at dedelson@tnc.org; Ann Hayden, EDF at ahayden@edf.org; and Kelli McCune, Sustainable Conservation at kmccune@suscon.org.