

**Real Deal Planning Subcommittee meeting: 1/16/15**

Attendees: Rosemary, David B, Mark, Sid, Doug, Colleen, Bill F, Rick, Peter, Erica, Heidi, Nicholas

1. Council report update - We reviewed the items to be reported to the Council on 1/27/15
  - a. Recon Report was reviewed by Rosemary, Doug and David B
  - b. Rosemary will load it onto the web so that all can access it (the website or dropbox)
  - c. Proposed Work Plan & Schedule
  - d. P2C contract
  - e. Stratus contract will be ready for Council consideration in February. Rosemary explained that the overall cost for the technical consultants will be in the \$1MM range. She reported that this appeared not to cause any “angst” for Mayor, and Vice-Mayor in preliminary conversations.
  
2. WSAC attendance at 1/27/15 meeting is key
  - a. Items on agenda for WSAC
    - i. Recon Report
    - ii. Go-forward plan & schedule
    - iii. P2C contract amendment
    - iv. [Stratus contract amendment at a future date]
  - b. Propose note to WSAC to attend (many will be out of town or otherwise unavailable). The WSAC item will be in the Council’s 7:00 session and is the second item on the agenda so is likely to start at about 7:30p. Rosemary agreed to send it.
  - c. David B recommended that WSAC members also be invited to attend the 2 February Water Commission meeting, where “demand offset fees” will start to be discussed.  
We asked if the Water Commission meeting could be broadcast via TV. Rosemary said she would look into this.
  - d. WSAC’s representatives need to get organized so that they can speak to the items in the Report in an informed and compelling way. Someone needs to step forth to be the “presenter” of the Recon Report. The selected “presenter” will need to work closely with Rosemary on the presentation. We noted that Mike Rotkin has done this for WSAC before and would be a good candidate. We expect that those who will attend will need to contact each other to organize themselves will need to communicate with each other. We noted that there are no Brown Act considerations here; we will be making no decisions (just getting organized).

3. Work plan outline and update
  - a. Refer to the draft staff Phase Two report for details - draft distributed by Rosemary pre-meeting.
  - b. Technical team met in SF on Friday, 9 January, to get organized for Phase Two and draft a preliminary work plan and schedule.
  - c. We discussed how staff and RDP Subcommittee can monitor / are monitoring work in progress (WIP) by technical team. We need an easy way to keep track of what has been referred to the technical team and that status of WIP.
    - i. WIP report suggested and agreed upon.
    - ii. Work calendar will be updated regularly (monthly) and posted on the website for general access.
    - iii. The WIP Report will include some more-detailed discussion of the ongoing work elements, as an overview of various elements of the technical work product.
  - d. Problem Statement Definition discussion
    - i. Problem definition will be the focus of WSAC's February meeting. Question was asked: Do we need more of a problem statement than "What will we recommend to Council?" as suggested by Mark?
    - ii. What is the problem statement, in form, format, and content?
    - iii. The desired outcome of our discussions in the Committee will be the understanding of the problem well enough to allow the Committee to develop scenarios that will allow us to understand the conditions that we are planning for so that we will be able to define the solution(s).
    - iv. We noted that the Committee will develop this understanding and therefore characterize the problem space over time, rather than *a priori* during the February meeting.
    - v. To get the necessary understanding WSAC will develop an understanding of the following items:
      1. Baseline demand - there are four versions of this
        - a. Version 1
          - i. No additional conservation measures beyond Program A
          - ii. "Basic code changes" impacts will be included
        - b. Version 2
          - i. Incorporate an estimate of price elasticity using a plug-in number provided by Dave Mitchell. This will not be a full econometric model.
        - c. Two UCSC versions
          - i. Demand agreed in the settlement (349 MGY max

- ii. Demand that reflects historical use (this has been lower than the settlement amount)
    - 2. Baseline supply - there are two versions of this
      - a. A high estimate and
      - b. A low estimate of fish flow impacts per the HCP
    - 3. Frequency and duration of shortages
      - a. This discussion will be informed by outputs from various “runs” of the Confluence model
    - 4. “Sample agreements”
      - a. Staff and consultants will assemble examples of agreements reached by other agencies to resolve problems of similar complexity so that we can understand the mechanisms that may be included in our agreement.
  - vi. Further discussion about the Problem Definition
    - 1. We recognized that we will not try to “define” the problem in February. One of us suggested that, instead of aiming for a “problem definition,” we should specify that our aim is to develop a “problem-solving framework.” This framework will be informed by the baseline demand and supply and by the anticipated frequency and duration of shortages (which will, in turn, inform scenario planning).
    - 2. Our problem statement is essentially a framework identifying the areas where further discussion will take place toward an agreement (again, supply, demand, scenarios, uncertainties, etc.).
    - 3. We anticipate that by June we should have a fleshed-out problem-solving framework, and could start work on potential areas of agreement on portfolio(s), building toward ultimate consensus.
- 4. Consolidated Alternatives discussion (Bill and Colleen)
  - a. Discussion of Consolidated Alts process and overview memo.
    - i. The implications of reducing the number of alts. This is quite different from creating portfolios. Rather, we are looking now to consolidate similar or related alternatives. Portfolios will ensue later. We need to be careful to use different nomenclature to avoid confusion between consolidated Alts and portfolios of Alts.
  - ii. Example discussion – CA-15
    - 1. Demonstrates that there is a “winnowing” to the most-promising alternatives within a given Consolidated Alt
    - 2. Discussed need for transparency about the winnowing logic, for the sake of the Committee and its work.

3. Agreed upon need for adequate “footnoting” of the various consolidated alts. We need to be prepared to explain to the public, particularly those who submitted alts, why certain alts were chosen and why others were rejected for further study and analysis. By documenting our assumptions, the community has a starting point for future discussions when assumptions change.
  - b. Timeframe – complete by March
  - c. February meeting will include a presentation and discussion of WIP by Technical Team.
5. Enrichment Discussion
- a. Rick leading this effort
    - i. Rick will circulate a list via email for RDP Subcommittee consideration
  - b. The list should include the following:
    - i. David Mitchell on economic implications
    - ii. Additional suggestions from the Tech team
    - iii. IRP may have additional suggestions
    - iv. Suggestions from biologists that Heidi will contact (Erica to provide some names)
6. Future work
- a. Criteria discussion – there is work to be done here that has been held over from December.
    - i. Technical staff to propose a process that allows the WSAC to work through the remaining Criteria, ensuring that the timing of the development of Criteria makes sense in the context of the development of scenarios, portfolios, etc.
    - ii. Rosemary has this item and will bring it to RDP Subcommittee
  - b. Next meeting of the Subcommittee : 30 January, 9-10:30a PT
    - i. Rosemary and Doug will work up agenda
    - ii. The agenda should include further discussion about working on the criteria reflected in the post meeting e-mails with Philip.