

Response of California Agriculture to Water Reductions

Josué Medellín-Azuara

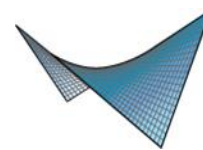
Richard E. Howitt,

Duncan MacEwan and Jay R. Lund, Daniel Sumner

Workshop on Migration of Agriculture a One Path to Sustainability

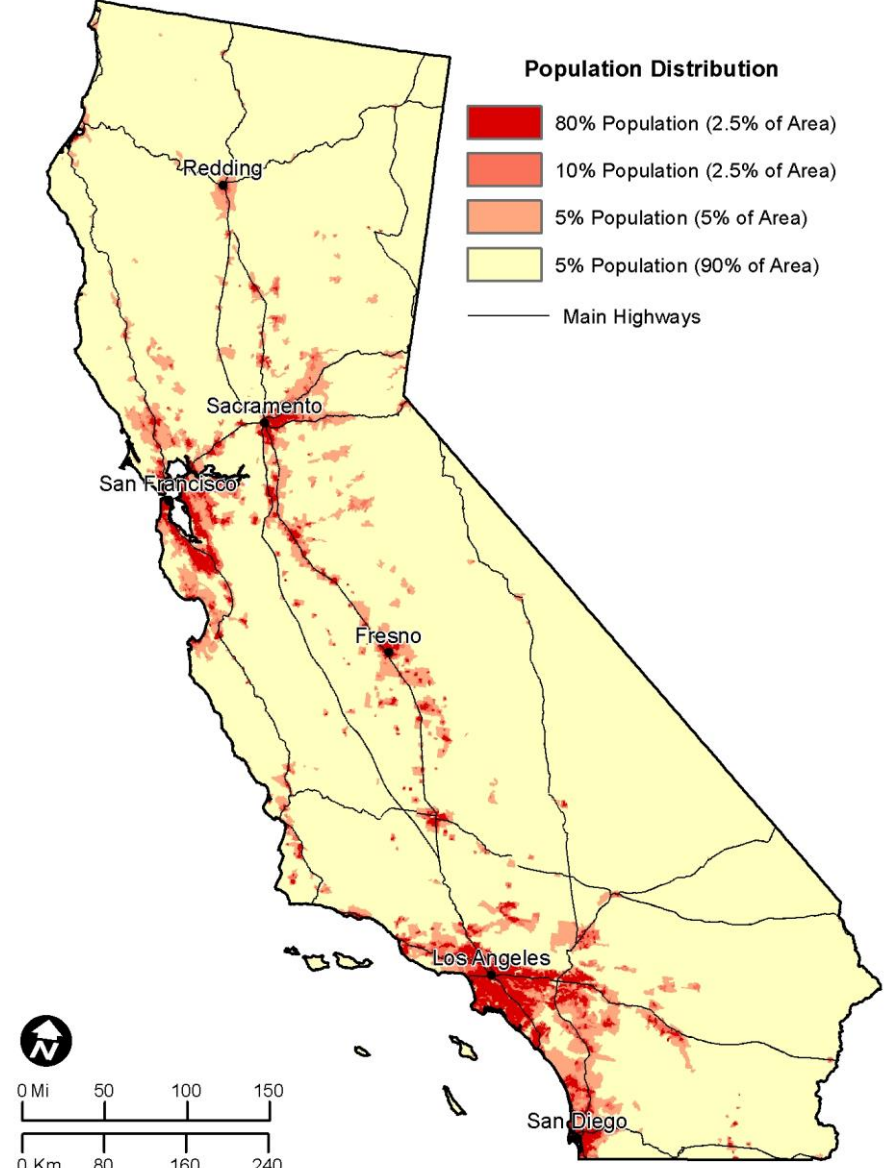
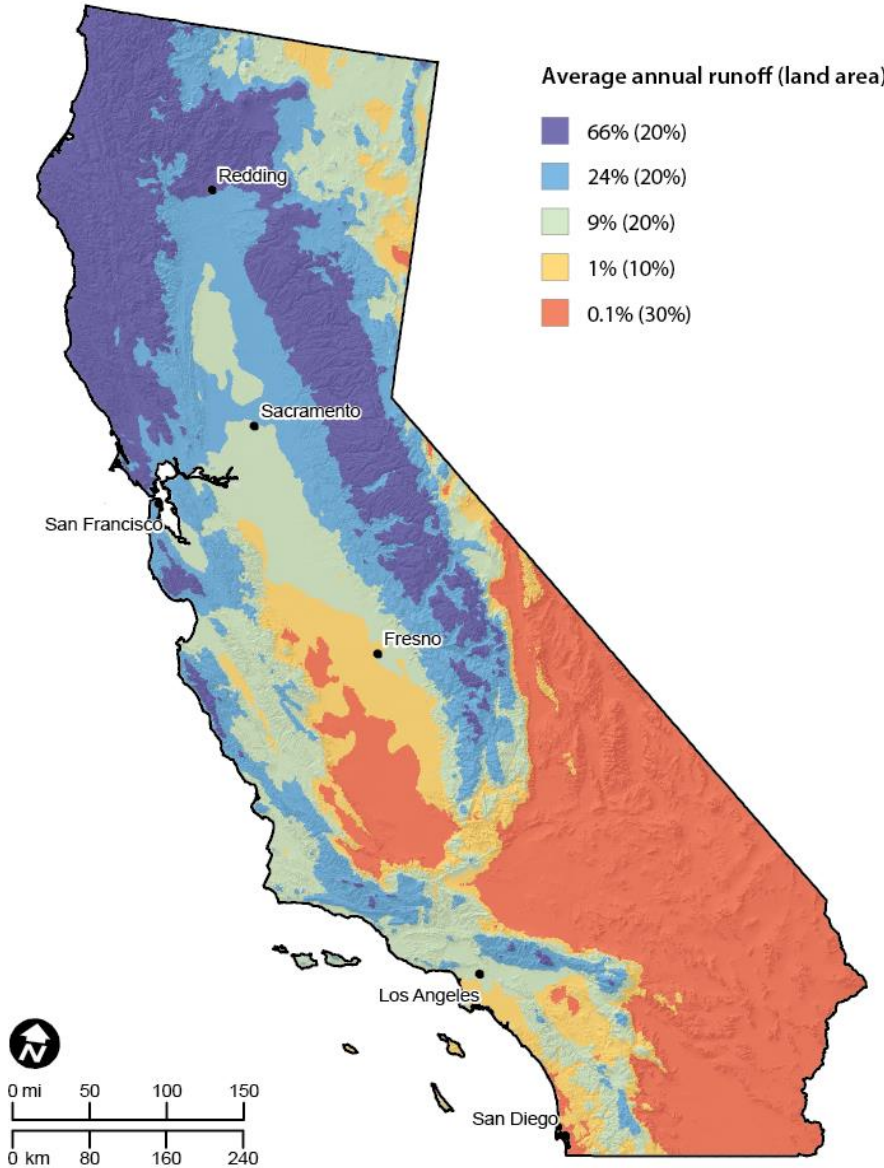
Boulder, Colorado

October 21st, 2015

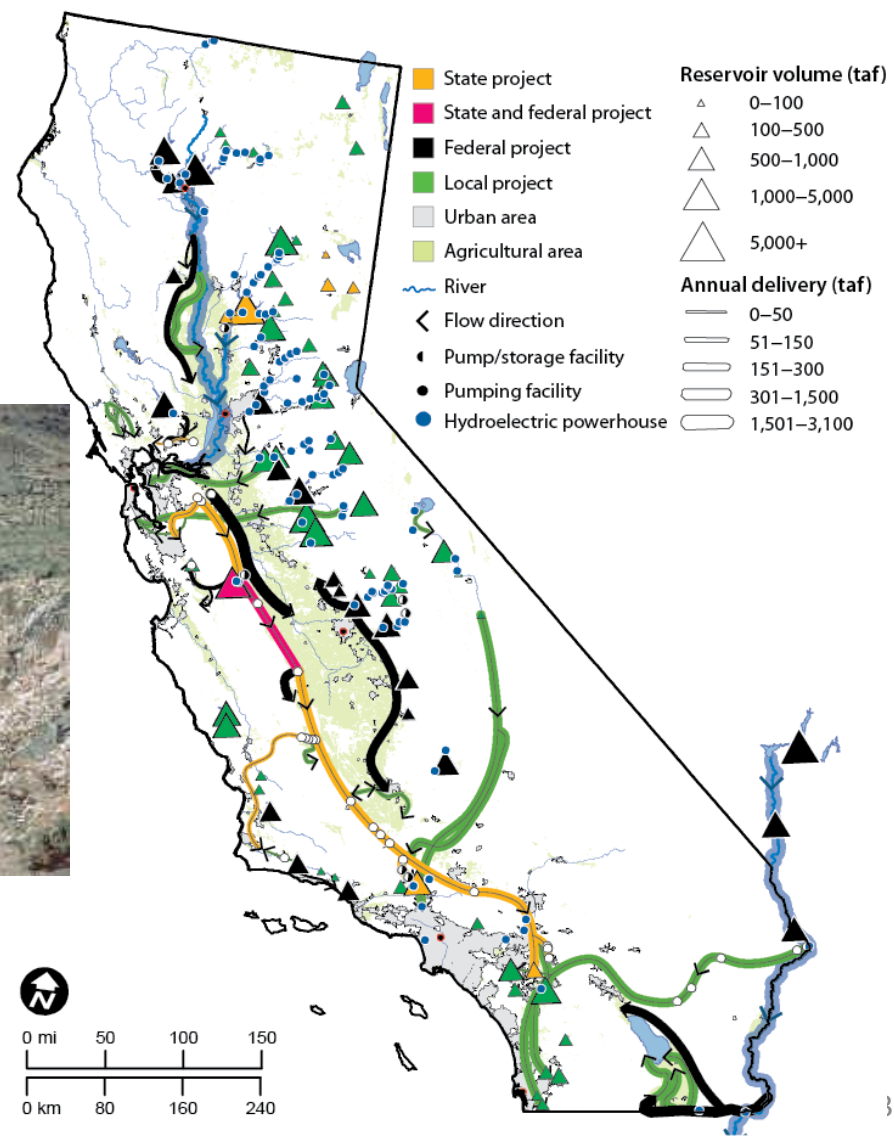
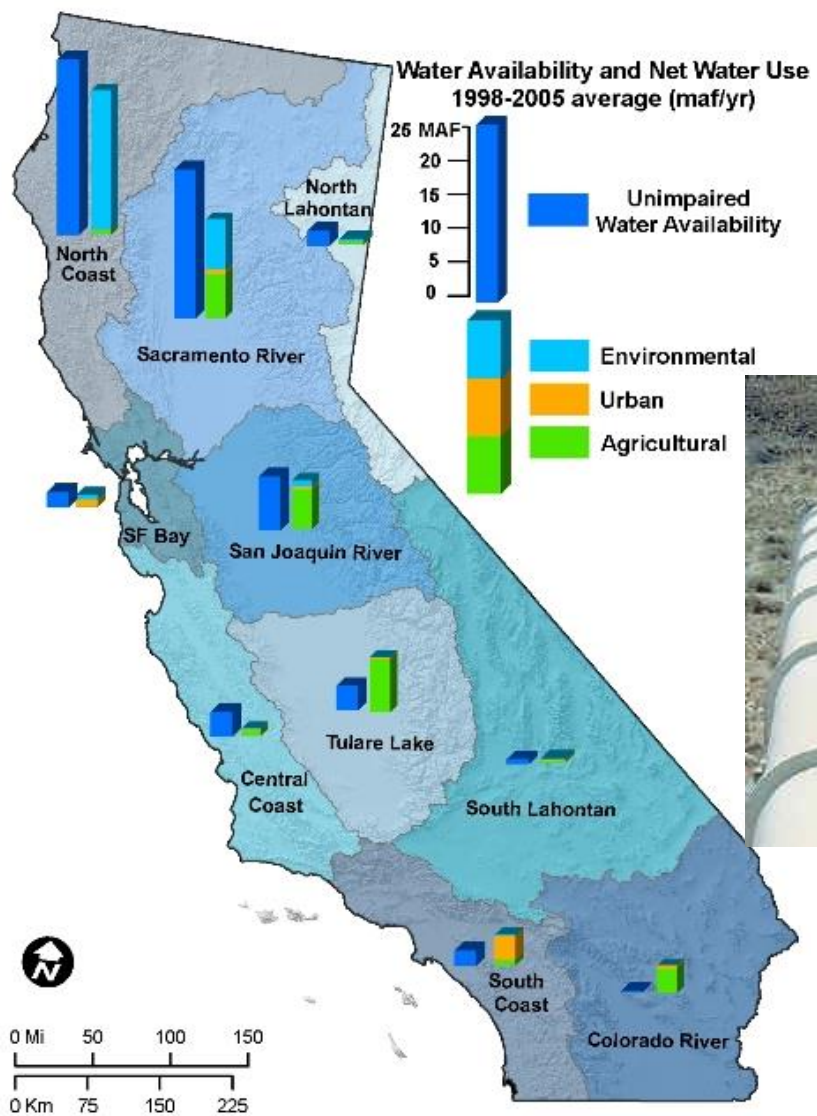


eraeconomics
environment • resources • agriculture

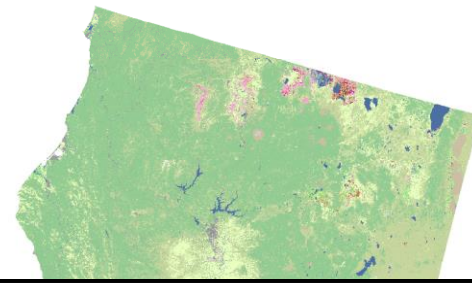
Water and People in California



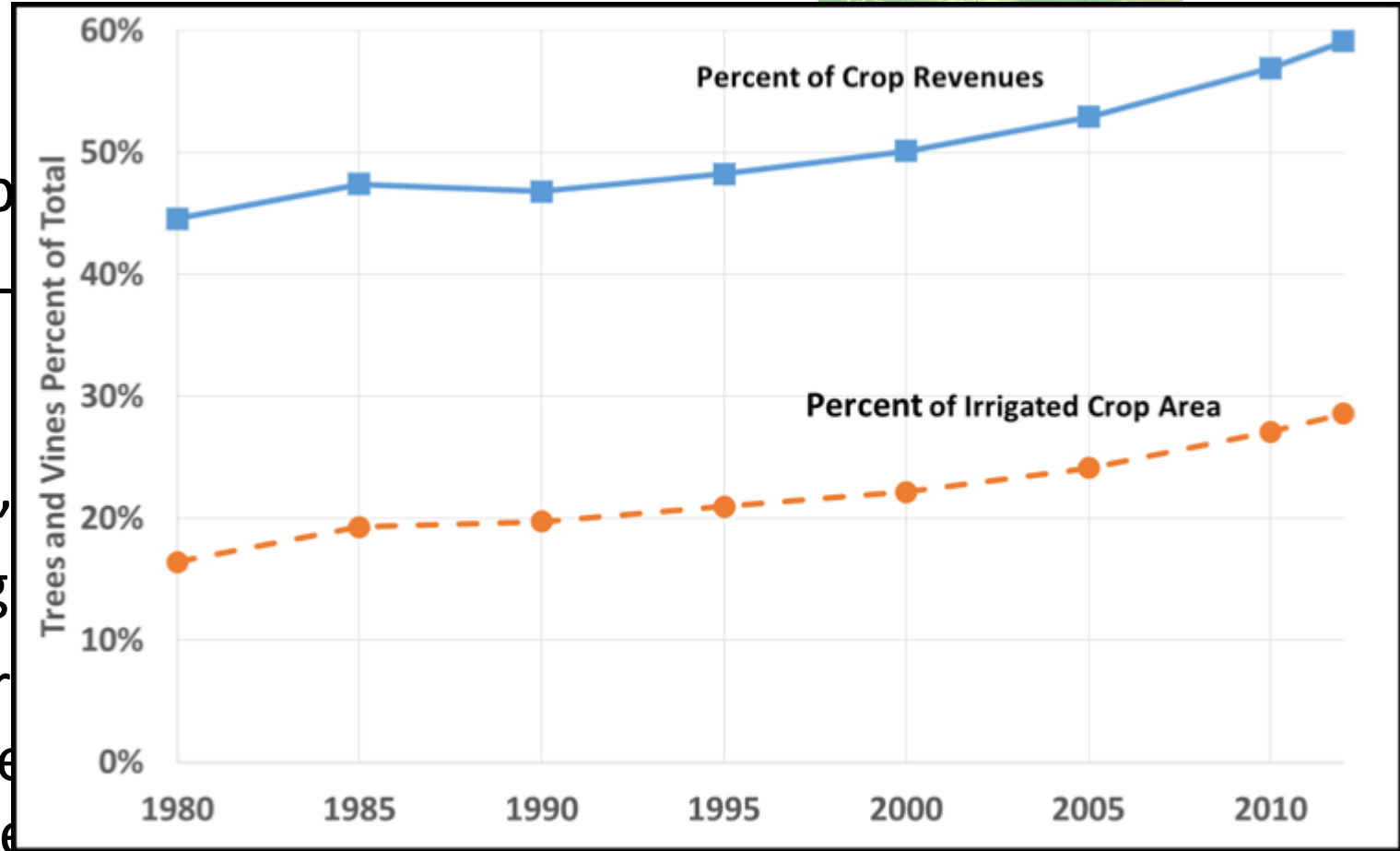
California depends on an engineered statewide network



Agriculture in California



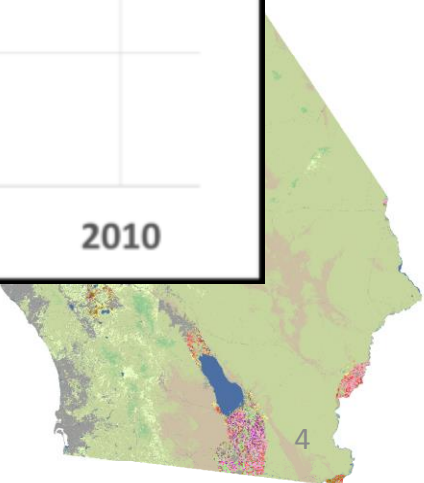
- Land Cover Categories
(by decreasing acreage)
- AGRICULTURE*
- Grass/Pasture
 - Fallow/Idle Cropland
 - Alfalfa
 - Almonds
 - Rice
 - Winter Wheat
 - Grapes
 - Cotton
 - Other Hay/Non Alfalfa
 - Walnuts
 - Tomatoes
 - Corn
 - Pistachios
 - Dbi Crop WinWht/Corn
 - Oranges
 - Oats
- N-AGRICULTURE**
- Shrubland
 - Evergreen Forest
 - Barren
 - Developed/Open Space
 - Mixed Forest
 - Developed/Medium Intensity



- \$45
- crop
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- Trend towards permanent crops

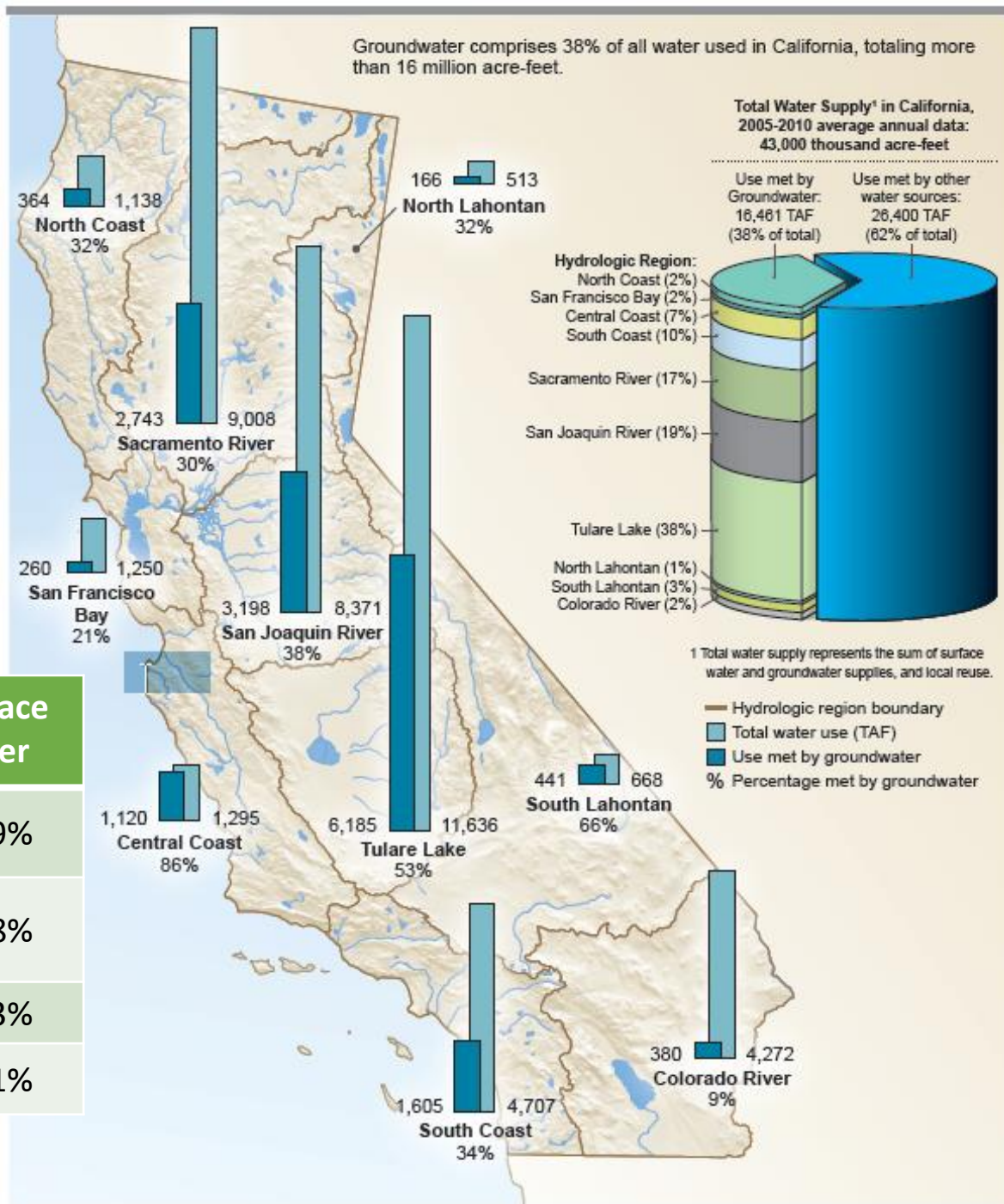
Source NASS CDL 2011



Water Sources in California

Irrigated Agriculture

Basin	Groundwater	Surface Water
Sacramento	31%	69%
San Joaquin & Delta	32%	68%
Tulare Lake	47%	53%
Central Valley	39%	61%



California's highly engineered water supply system is losing its long-term ability to cope with drought as permanent crops water demand increases, and groundwater overdraft continues

Hydro-economic models

“Hydroeconomic models represent regional scale hydrologic, engineering, environmental and economic aspects of water resources systems within a coherent framework.” Harou et al. (2009)

Journal of Hydrology 375 (2009) 627–643

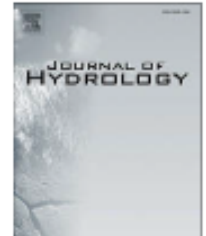


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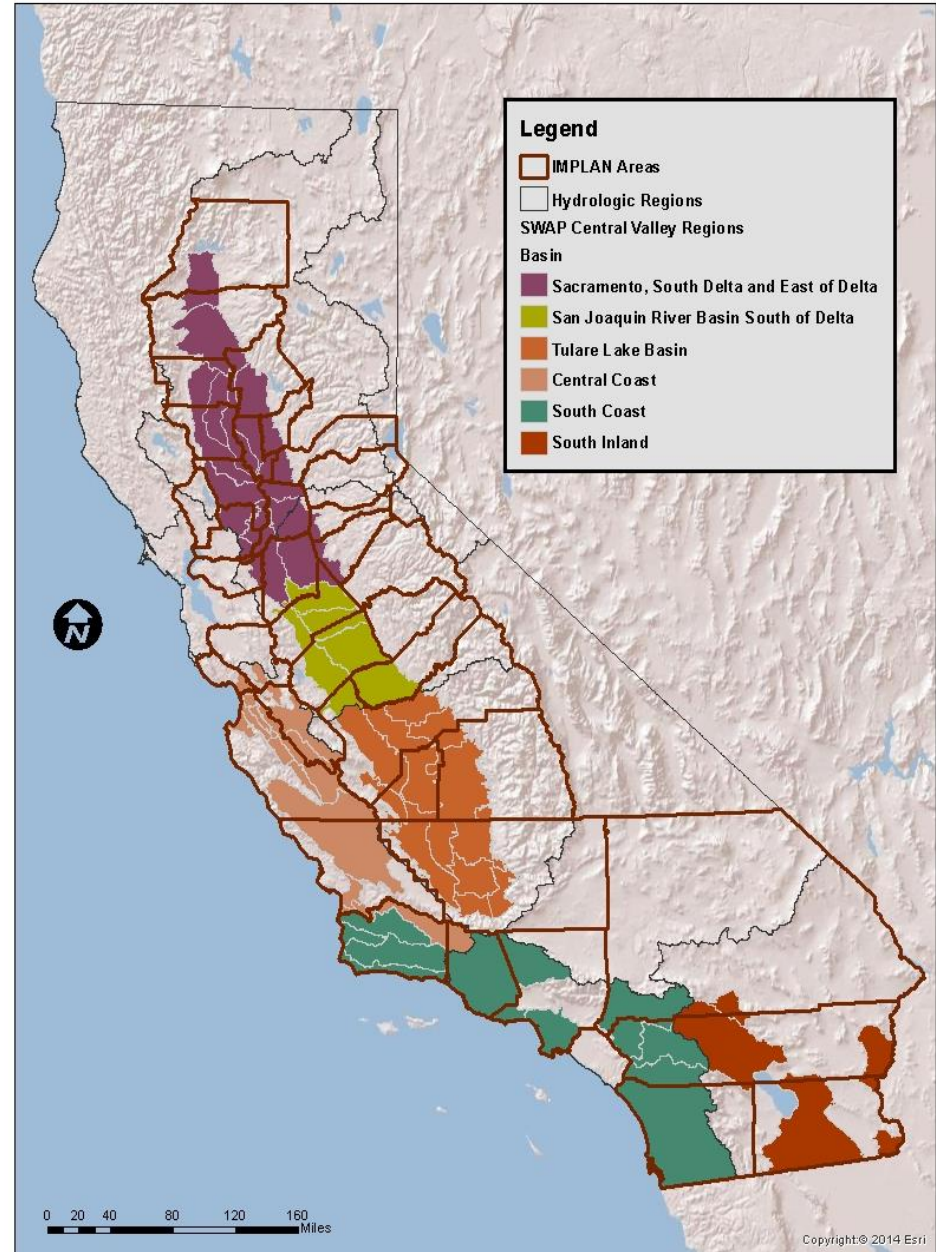
Review

Hydro-economic models: Concepts, design, applications, and future prospects

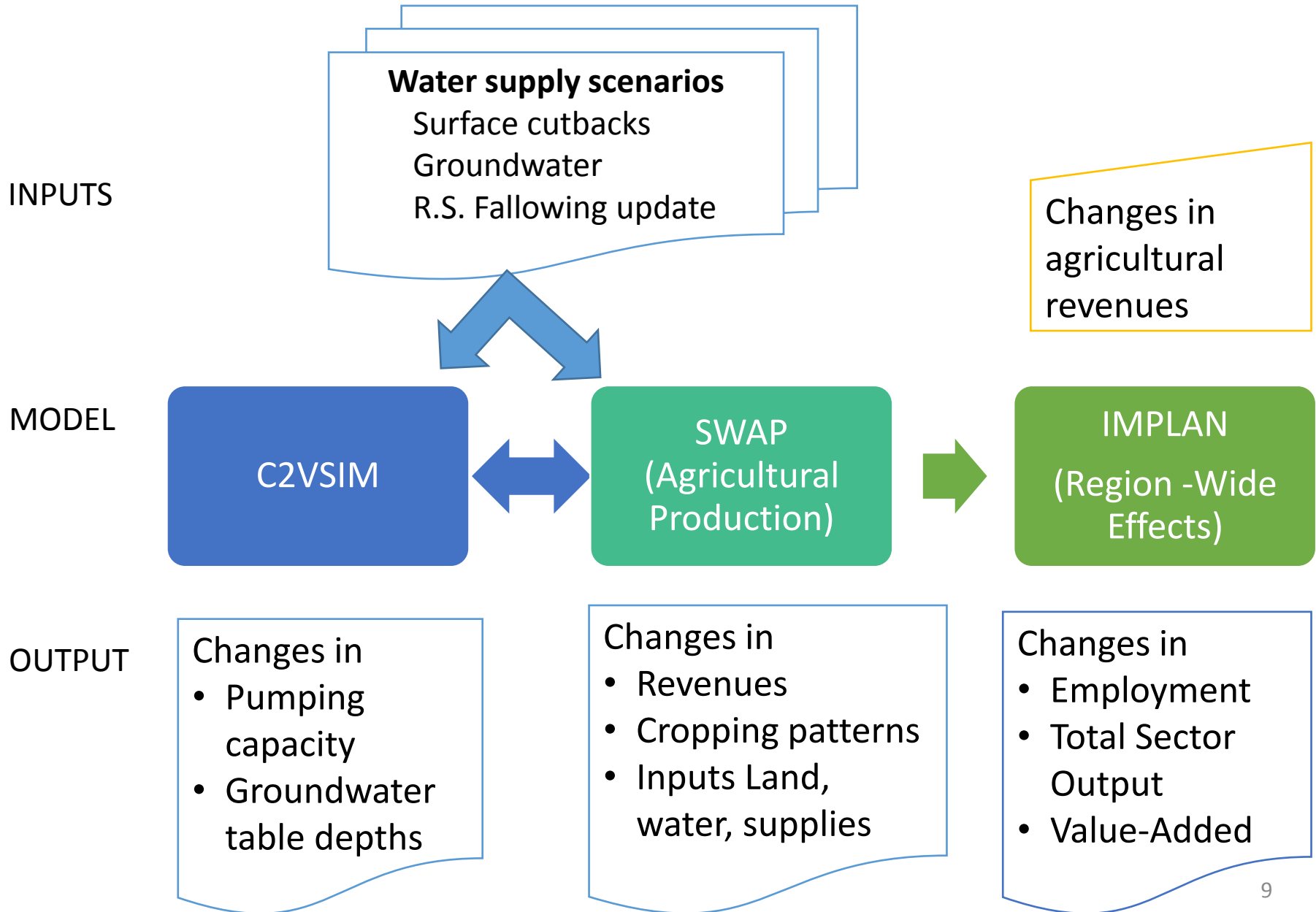
Julien J. Harou ^{a,*}, Manuel Pulido-Velazquez ^b, David E. Rosenberg ^c, Josué Medellín-Azuara ^d,
Jay R. Lund ^d, Richard E. Howitt ^e

SWAP Model

- More than 90% of the irrigated agriculture
- Positive mathematical programming
- 20 Crop groups
- Maximizes net returns to land and management
- SWAP and C2VSim linked to IMPLAN



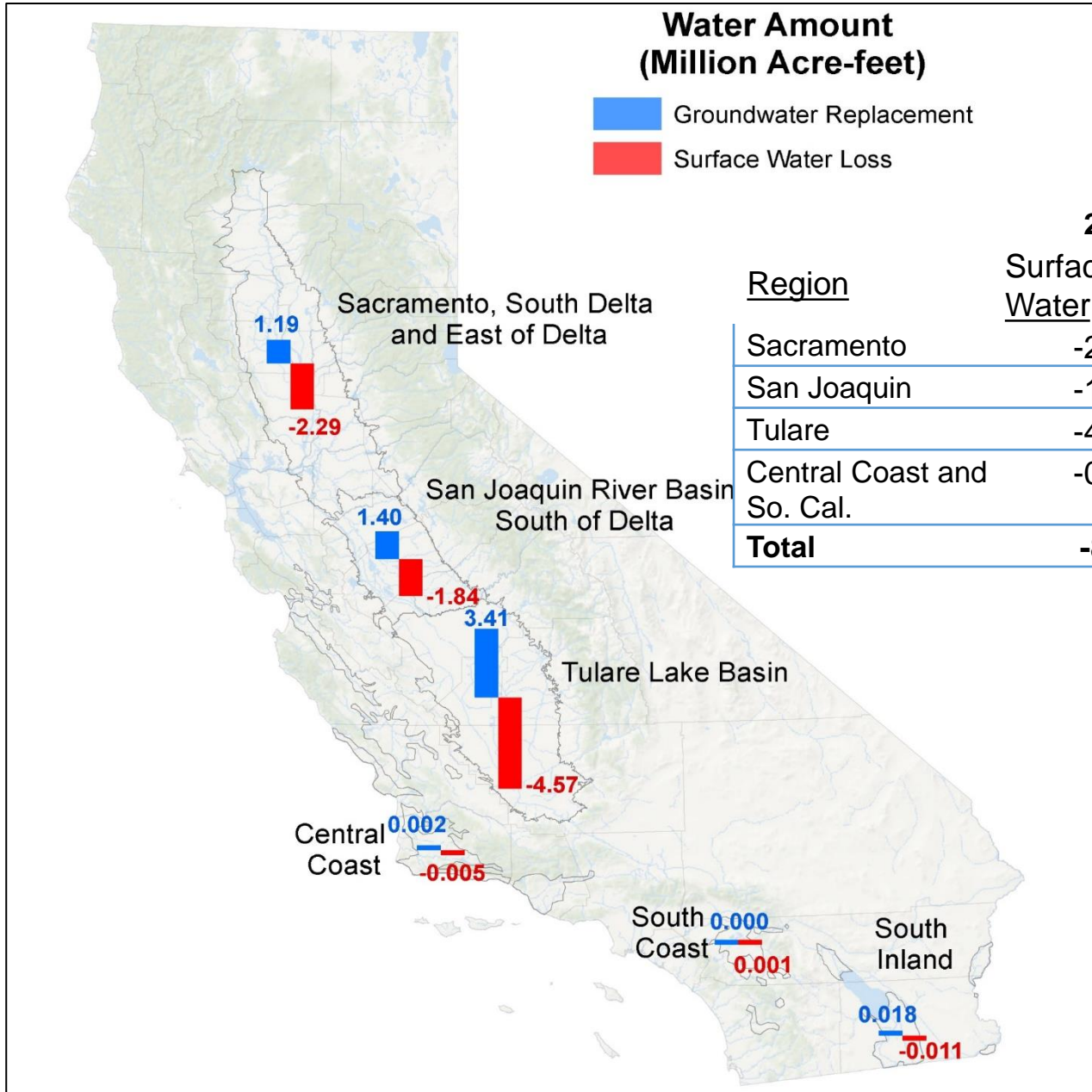
Suite of Models for Studying Drought Impacts



2015 Estimated Changes in Water Availability

Region	Surface Water Change (maf/yr)	Additional Groundwater Use (maf/yr)	Net Change (maf/yr)
Sacramento Valley	-2.2	1.3	-0.9
San Joaquin Valley	-1.9	1.4	-0.5
Tulare Lake Basin	-4.8	3.5	-1.3
Central Valley subtotal	-8.8	6.2	-2.6
Central Coast	-0.0	0.0	-0.0
South Coast	-0.0	0.0	-0.0
Colorado River Region	-0.0	0.0	-0.0
Statewide Total	-8.7	6.0	-2.7

2015 Water Shortage & Changes in Groundwater



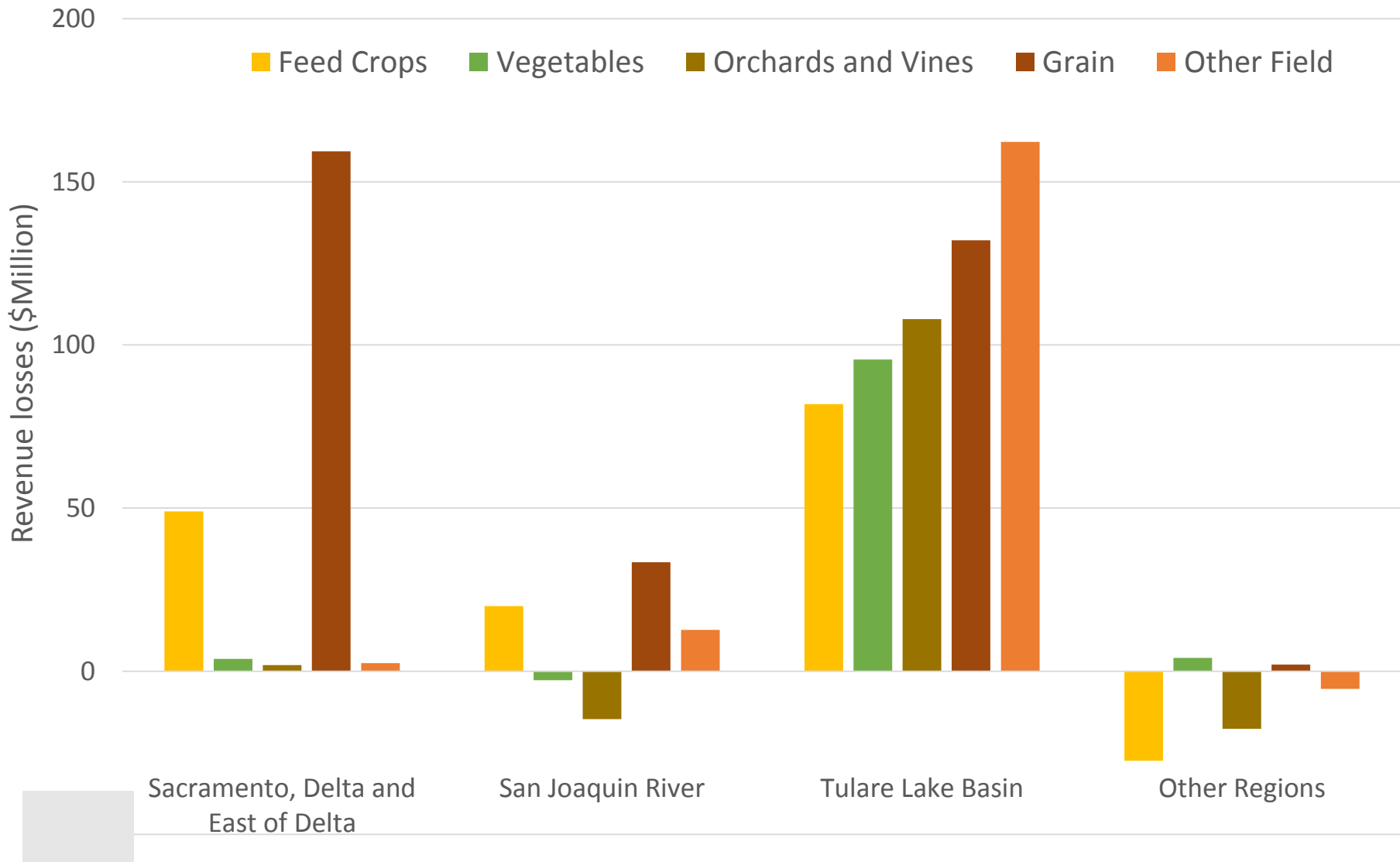
2015 Water use changes (MAF)

Region	Surface Water	Groundwater	Net Delivery Shortage
Sacramento	-2.29	1.19	-1.1
San Joaquin	-1.84	1.40	-0.44
Tulare	-4.57	3.41	-1.16
Central Coast and So. Cal.	-0.02	0.02	0.01
Total	-8.72	6.02	-2.7

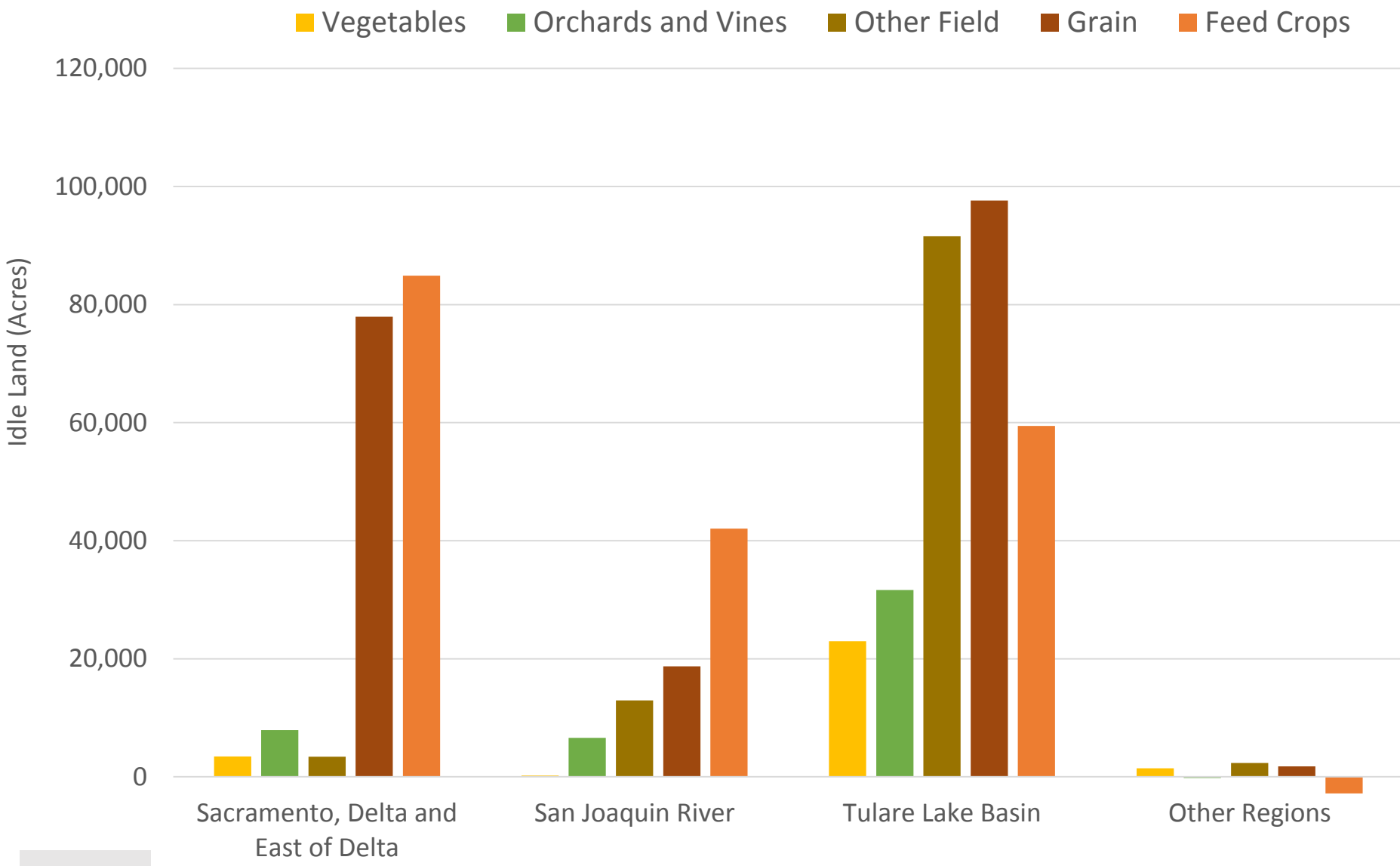
2015 Summary of Drought Impacts

Impact	Quantity
Water supply, 2015 drought	
Surface water reduction	8.7 million acre-feet
Groundwater pumping increase	6.0 million acre-feet
Net water shortage	2.7 million acre-feet
Statewide Agriculture Economic Impacts	
Total fallow	564,000 acres
Crop revenue loss	\$844 million
Additional groundwater pumping cost	\$558 million
Livestock and dairy revenue loss (dairy ~ \$250 mil, livestock ~ \$100 mil)	\$350 million
Total direct costs	\$1.75 billion
Total agriculture economic costs	\$2.7 billion
Direct job losses	8,546
Total job losses	18,600

2015 Estimated Gross Revenue Reduction

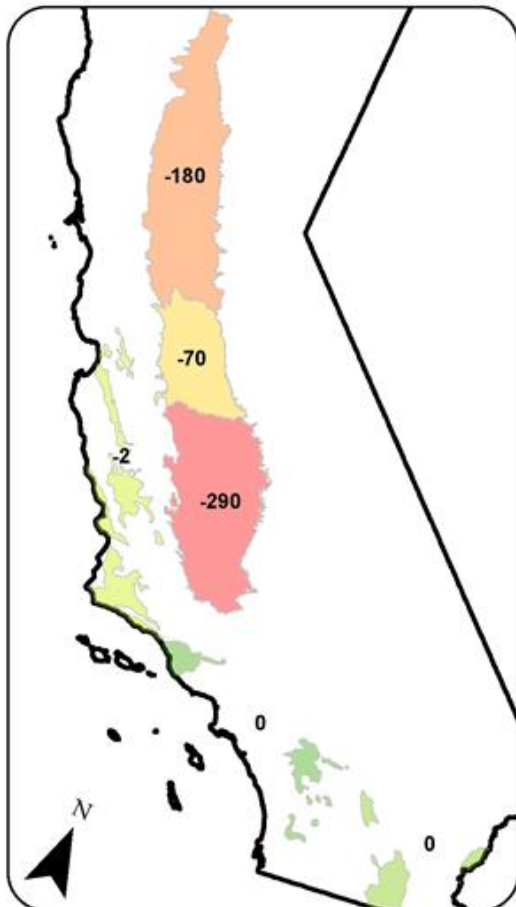


2015 Estimated Crop Acreage Reductions

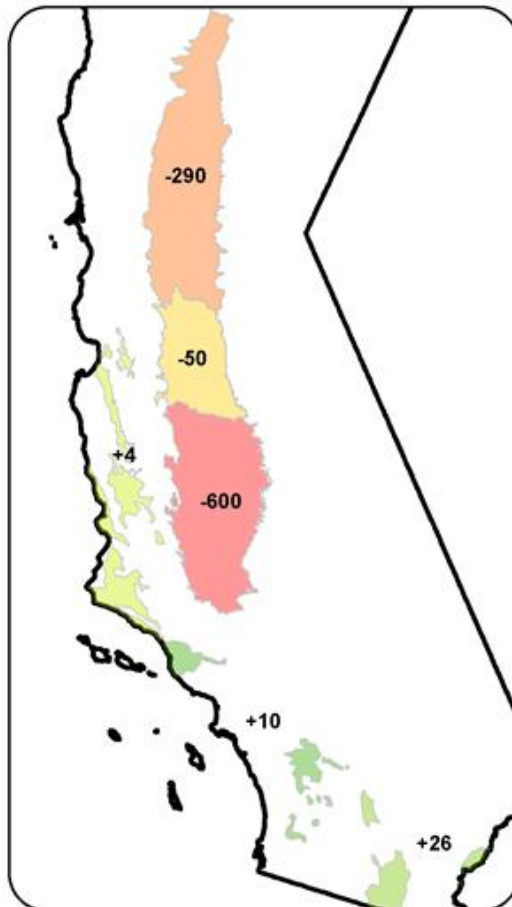


2015 Estimated Crop Acreage Reductions

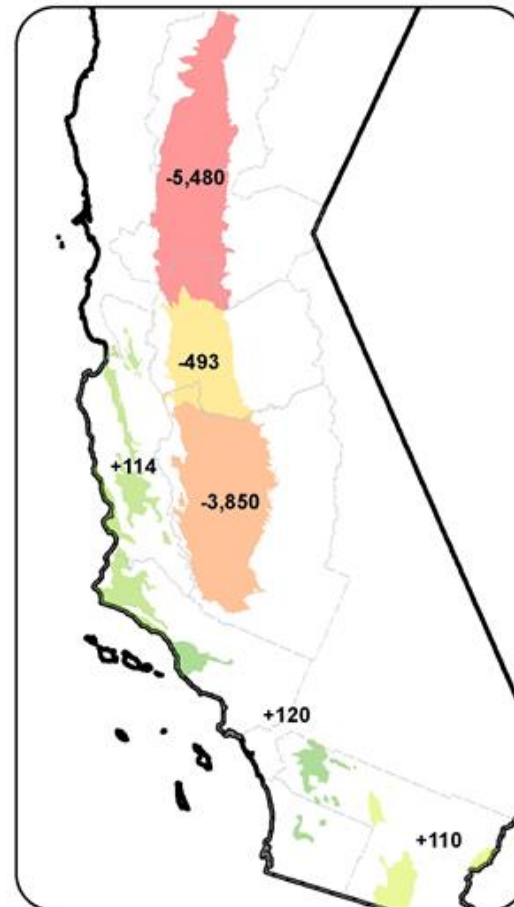
Crop Fallowing
(thousand acres)



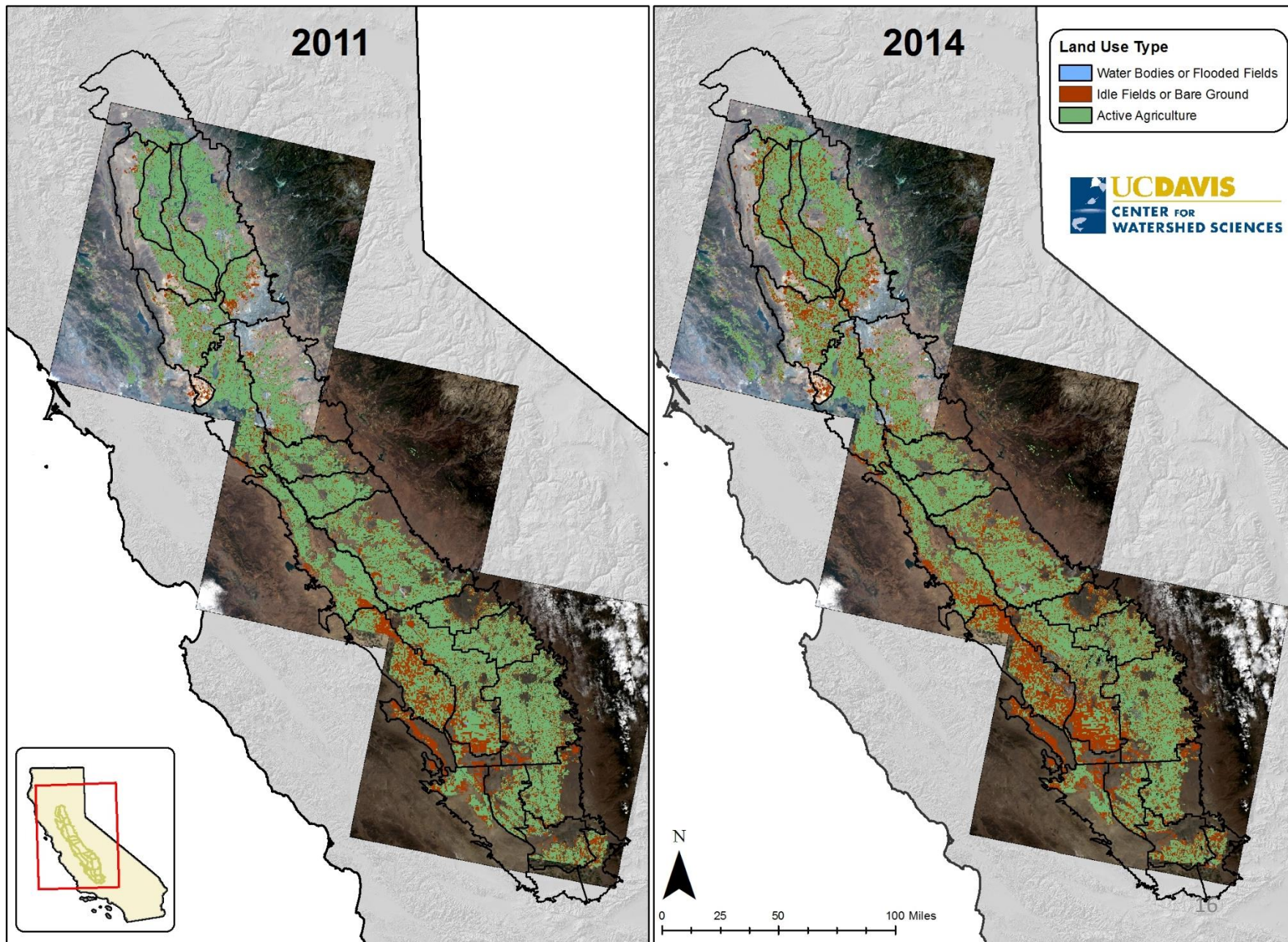
Crop Revenue Change
(\$ millions)



Employment Loss
(full and part time jobs)



UC Davis estimate Idle Land



Hydro-economic models are useful for improving quantitative understanding of a water system and, assess economic costs, and screening water management alternatives. Remote sensing can be helpful in ground thruting model predictions.

What can we do better?

- Land use information
- Groundwater management
- Water trade environmental impact reports
- Water data and hydro-economics
- Remote sensing efficiency

Conclusions

- California is remarkably drought resilient
- Agriculture relies on groundwater, Urban uses a portfolio approach
- Drought Impacts vary greatly by sector
from high to low impact:
 - Environmental values and fish species
 - Rural communities
 - Agricultural production
 - Urban water use

Further information

Drought Report Website:

<https://droughtimpacts.ucdavis.edu>

<http://californiawaterblog.com/>

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Acknowledgments

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