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CALIFORNIA-NEVADA SECTION AWWA

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Groundwater Issue

Markets, Banking,
Water Quality
... AND MORE



THE SOURCE INTERVIEW

E.J. REMSON

The Nature Conservancy

*A First-of-its-kind Groundwater Market in Ventura County,
California May Just Be a Model for the State*

BY PENELOPE GRENOBLE

E.J. Remson, The Nature Conservancy, Matthew Finup, California Lutheran University and Edgar Terry, Terry Farms.

THE FOX CANYON GROUNDWATER MARKET, California's first formal centralized groundwater market under the 2014 Sustainable Groundwater Management Act (SGMA), is a unique partnership between a groundwater management agency, a local university and an organization best known for environmental conservation. California Lutheran University led the effort to organize and structure the market; Fox Canyon Groundwater Management Agency (FCGMA) passed the ordinances that authorized a pilot to test the strategies and administrative structure the university helped develop; and The Nature Conservancy secured an \$800,000 National Resource Conservation Service (NRCS) grant to subsidize the advanced metering structure (AMI) that has made it possible. Here, E.J. Remson, The Nature Conservancy's Senior Program Director, talks about how it all came together.

SOURCE: How would you describe the market?

REMSON: It's essentially a cap-and-trade system built on matching the highest amount someone is willing to pay for water with the lowest amount someone is willing to sell it for. An algorithm matches them up. Groundwater becomes an economic asset, increasing conservation and water use efficiencies. Growers have the flexibility to adapt to uncertain or declining availability and can use their water for purposes they consider the most valuable.

SOURCE: What caused The Nature Conservancy to become involved?

REMSON: It's a great laboratory in which to engage. The Santa Clara River runs through the basin's FCGMA administrators. For the past 18 years, we have been securing land in the area to preserve the river ecosystem and protect threatened and endangered species.

Ventura County is the eleventh most productive agricultural county in the country — no small player in the agricultural