

February 11, 2025

Napa County Groundwater Sustainability Agency 1195 Third Street Napa, CA

Re: Comments on Draft NCGSA Water Conservation Certification Program

Technical Advisory Group Members:

On behalf of the Napa Valley Vintners (NVV), representing 535 wineries Napa Valley, we are writing to provide feedback on the proposed NCGSA Water Conservation Certification Program: Structure and Minimum Requirements draft. As you may know, our association has a long-standing commitment to environmental stewardship and sustainability in Napa Valley. For more than 20 years, the NVV has led industry education initiatives and supported members in adopting sustainable practices that preserve our region's agricultural heritage and natural resources for future generations.

Members of the association have demonstrated their dedication to water conservation through significant investments in efficient irrigation systems, innovative management practices, and participation in various sustainability certification programs. We strongly support widespread conservation efforts in Napa County and appreciate the collaborative approach taken in developing this program. However, in reviewing the proposed program, we believe it is important to look at how such a program would work given the existing business realities in the wine industry.

Napa Valley vineyards and wineries are operating in an extremely challenging economic and regulatory environment. Among other challenges, business owners are navigating increased production costs, required capital improvement expenditures to meet regulatory requirements, along with shifting consumer demands. Wineries are examining and limiting their expenditures as much as possible right now.

It is unclear to us at this time if the program as currently envisioned will garner widespread participation and if it will be able to substantively reduce overall water use in the subbasin, as many property owners are already implementing significant conservation measures.

Incentives

We believe the current proposal's vague reference to "potential future incentives" creates uncertainty that will limit participation. Business owners need to be able to evaluate:

- Exact cost-sharing percentages for required equipment, including water meters and monitoring devices
- 2. Available tax incentives or fee reductions
- 3. A firm timeline for when each incentive becomes available

The wine industry faces tight operating margins and rising costs across all aspects of production. Without a detailed understanding of the program's financial benefits, operators cannot justify diverting resources from other critical needs.

Reducing Administrative Burden

The current proposal seems unnecessarily burdensome, despite using existing certification programs to implement and track required conservation measures. The wine industry already manages more than 35 different regulatory compliance reports annually, from water quality monitoring to pesticide use documentation. Adding complex administrative requirements to a voluntary conservation program would undermine its effectiveness and discourage participation. The program should instead prioritize two core objectives: delivering practical conservation education and accurately measuring water usage outcomes.

Current regulatory documentation already requires anywhere between 10-16 hours per month of staff time. Vineyard managers must track and report everything from groundwater extraction volumes to worker safety protocols, costing small wineries an estimated \$60,000 - \$90,000 annually in administrative overhead. Adding another layer of paperwork to document voluntary conservation efforts would divert resources away from implementing water-saving practices.

Rather than creating new verification protocols, the program should leverage existing monitoring systems and focus resources on helping participants succeed. This could include providing technical assistance, sharing best practices from successful water conservation projects, and using simplified reporting methods that capture essential data without creating undue burden. The goal should be encouraging widespread adoption of water-saving techniques, not creating additional regulatory hurdles.

We appreciate the opportunity to provide this input and welcome the opportunity to be more closely involved the ongoing development of viable and impactful conservation solutions for our community.

Sincerely,

Michelle Novi

Sr. Director of Industry Relations on behalf of the NVV Groundwater Sustainability Task Force