

Authority Board Meeting

Agenda Item 3-1, DWR and Reclamation
Technical Discussions on Coordinated Operations

July 21, 2021

Background

- Staff and small group of participants have been engaged in frequent and well attended discussions with Reclamation and DWR since November 2020
- Discussions have revolved around coordinated operations with Sites and the CVP/SWP:
 - Seasonal operations focus
 - Process for exchanges
 - Issue specific discussions water rights, power, carriage water, COA

Discussion Focus Areas

- **Ensuring “No Harm” to CVP and SWP:**
 - No harm issues have been identified thus far.
 - In general, discussions have revolved around mutual benefit and recognize that operations could change to achieve these benefits.
- **Financial Considerations:**
 - Federal investment assumed to be between 7 and 25 percent, nothing more specific has been determined
 - O&M Cost - Feds and State are aware of Sites beneficiary pays approach, but no clear funding source yet
 - SWP contract modification discussions underway separate from the technical discussions

Discussion Focus Areas (cont.)

- **Operational Considerations:**
 - Annual operations of Sites diversions and releases have been reviewed
 - Movement of Sites water through Delta would be in the transfer window and would be "non-project water"
 - A Sites proposal for analyzing carriage water is being discussed
- **Use of Facilities and Power:**
 - Power use at each facility was analyzed with Reclamation
 - No direct impacts on CVP power identified, but exchanging water needs case by case review for potential power generation effects
 - Sites will procure its own energy source for all non-Federal uses
 - Warren Act contract and land entitlements appear feasible

Discussion Focus Areas (cont.)

- **Water Rights and Permitting**

- Water Rights staff have reviewed draft parameters for the Authority's water right application
- No unseizable water rights issues have been identified
- Coordination will continue during the development of the application
- Operations permitting is an outstanding discussion topic
- COA considerations were reviewed, and no significant issues have been identified. Use of existing COA accounting methods appear workable.

Next Steps

- Commitments or decisions, especially by Reclamation, are contingent on final analysis and issuance of a ROD
- Technical discussions will continue
- An operating agreement would be between the Authority, DWR, and Reclamation
 - Final agreement to be executed following ROD (summer 2022)
- Authority staff's focus for coming months:
 - Prepare Authority's Operations Plan consistent with technical discussions (continued input from DWR and Reclamation)
 - Continue focused discussions on specific technical areas, e.g., operations permitting, carriage water, water rights, ensuring "no harm"

Questions?