



State Water Resources Control Board

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FROM: ORIGINAL SIGNED BY:

Erik Ekdahl, Deputy Director
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STATE WATER RESOURCES CONTROL BOARD

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SUBJECT: REQUEST NO. 2 FOR ADDITIONAL EXCHANGE OF WATER PURSUANT TO DIVISION OF WATER RIGHTS JULY 2021 ORDER APPROVING CONSOLIDATED PLACE OF USE (CPOU) UNDER SPECIFIED LICENSE AND PERMITS OF THE STATE WATER PROJECT AND CENTRAL VALLEY PROJECT

On July 14, 2021, the State Water Resources Control Board (State Water Board), Division of Water Rights (Division), issued an Order (2021 CPOU Order) approving a petition¹ from the Department of Water Resources (DWR) and the U.S. Bureau of Reclamation (Reclamation), collectively Petitioners, requesting temporary changes in the place of use of water rights of the State Water Project (SWP) and Central Valley Project (CVP), collectively the Projects. The 2021 CPOU Order temporarily approved a consolidated place of use for DWR's SWP with Reclamation's CVP allowing for

¹ The petition was filed for Permit 16479 (Application 14443) of the Department of Water Resources' State Water Project and License 1986 and Permits 11885, 11886, 12721, 11967, 11887, 12722, 12723, 12727, 11315, 11316, 11968, 11969, 12860, 11971, 11973 and 12364 (Applications 23, 234, 1465, 5626, 5628, 5638, 9363, 9364, 9368, 13370, 13371, 15374, 15375, 15764, 16767, 17374 and 17376, respectively) of the United States Bureau of Reclamation's Central Valley Project.

E. JOAQUIN ESQUIVEL, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR

transfer/exchange of up to 431,780 acre-feet (af) of water for projects that were detailed in the original petition. The proposed additional exchange will not increase the overall volume of the approved exchange amount (431,780 af) authorized under the 2021 CPOU Order. Two of the exchanges per the 2021 CPOU Order, detailed below, will be collectively reduced by 100,000 af to accommodate the proposed additional exchange.

Condition 5 of the 2021 CPOU Order provides a process for DWR and Reclamation to request the approval of transfers/exchanges not specifically identified in the petition if the proposed transfer/exchange meets certain criteria detailed in the 2021 CPOU Order as follows:

1. The transfer or exchange would not result in any increase in the amount of water diverted from the Delta.
2. The water to be exchanged would be part of any available Project allocations, water currently stored in San Luis Reservoir, or previously placed in groundwater storage south of the Delta.
3. The water to be exchanged or transferred would have been consumptively used or stored in the absence of the transfer.
4. The total quantity of water delivered to SWP or CVP contractors as a result of the change will not exceed historic average deliveries.
5. The transfer or exchange will not result in the net loss of San Joaquin River or Sacramento River flow.
6. The transfer or exchange will not result in an increase in saline drainage to the San Joaquin River.

On August 5, 2021, the Division approved Petitioners' request for an additional exchange of up to 50,000 af pursuant to Condition 5 of the 2021 CPOU Order. The exchanges of water under the 2021 CPOU Order are limited to the period beginning on July 16, 2021 and ending July 15, 2022.

On April 1, 2022, Petitioners submitted a second request to the Division pursuant to Condition 5 of the 2021 CPOU Order to approve an additional water exchange of up to an additional 100,000 af (an increase from the 50,000 af approved amount to 150,000 af). Petitioners' request involves allowing San Joaquin River water in Millerton Lake to be exchanged for water in San Luis Reservoir and provided to the San Joaquin River Exchange Contractors Water Authority (Exchange Contractors). Petitioners described the exchange as follows:

Proposed Additional Exchange

Due to the extreme drought conditions and severe Delta export restrictions at the Jones Pumping Plant, CVP supplies in the San Luis Reservoir are critically low and Reclamation has insufficient Delta and San Luis supplies to meet demands of the Exchange Contractors. The Exchange Contractors traditionally receive water from the Delta-Mendota Canal under the Exchange Contract. However, under the terms of the

Exchange Contract, Reclamation can supply the Exchange Contractors Substitute Water consistent with Reclamation's water rights. In the absence of the proposed supplemental exchange, the water would be delivered to the Exchange Contractors directly from Millerton Lake, resulting in higher conveyance losses.

Reclamation and the Friant Division Contractors of the CVP (Friant Contractors) have reached an agreement whereby Reclamation and the Friant Contractors will exchange San Joaquin River water in Millerton Lake for water in San Luis Reservoir. Reclamation and the Friant Contractors will make up to 100,000 af of CVP water available for this action.

Arvin-Edison Water Storage District (AEWSD) is a CVP contractor located in both CVP and SWP places of use and has exchange agreements with Metropolitan Water District (Metropolitan) and Kern County Water Agency (KCWA), both SWP contractors. AEWSD has CVP supplies available via the Friant Division as well as recaptured San Joaquin River Restoration Program flows in San Luis Reservoir.

Up to 100,000 af of Friant Division supply will be delivered to AEWSD. AEWSD will then deliver up to 100,000 af of its Friant CVP contract supply to Metropolitan from the Friant-Kern Canal either through AEWSD's distribution system connected to the California Aqueduct, and/or through the Cross Valley Canal to the California Aqueduct. The amount delivered to Metropolitan will be reduced by measured conveyance losses in the Cross Valley Canal, referred to as CVC losses.

To complete the exchange, DWR will make a like amount of Metropolitan's SWP allocation available to Reclamation for delivery to the Exchange Contractors, less CVC losses and what Reclamation and DWR describe as a 10 percent exchange operating cost. Up to 100,000 af would be delivered to Metropolitan, but the amount of Metropolitan's supply in San Luis Reservoir transferred to Reclamation for delivery to the Exchange Contractors would be reduced by the amount of measured CVC losses and by the 10 percent exchange operating cost.

The proposed additional exchange will not change the overall volume of the approved exchange amount (431,780 af) authorized under the 2021 CPOU Order as AEWSD and Santa Clara Valley Water District (Valley Water) have agreed to collectively reduce their maximum exchange amount by up to 100,000 af per the 2021 CPOU Order. This amount is within AEWSD's and Valley Water's combined remaining amount (as of April 6, 2022) of 150,096 af approved for transfer under the 2021 CPOU Order.

Compliance with 2021 CPOU Order

Petitioners indicated that the proposed modified exchange meets the criteria identified under Condition 5 of the 2021 CPOU Order as follows:

1. Petitioners' operations in the Delta will not change as a result of the proposed exchange. All the water proposed for exchange is already in storage downstream of the Delta or allocated. There will be no change in inflows to or exports from the Delta as a result of the proposed exchange. AEWSD's Friant CVP contract supply to be delivered to Metropolitan is currently stored in Millerton Lake south of the Delta. Metropolitan's SWP allocation is available for delivery by exchange from San Luis Reservoir to the Exchange Contractors.
2. The quantity of the exchange will not exceed the amount of SWP or CVP water currently scheduled for delivery to AEWSD, Metropolitan, or the Exchange Contractors. No change in SWP or CVP allocations will be made. The water that the Projects will deliver by exchange is water that the Projects previously stored under their water rights in San Luis Reservoir or allocated. The Projects will not pump additional water from the Delta to recover the storage in San Luis Reservoir that was vacated by the exchange.
3. The water stored in San Luis Reservoir that the Projects would exchange is stored under their water rights. The SWP water is water that would have otherwise been delivered to SWP contractors in the fall; the CVP water would have been delivered to CVP contractors in the rest of 2022.
4. There will be no increase in allocations to any SWP or CVP contractors as a result of the exchange. Therefore, no exceedance of historic average deliveries.
5. The water that the Projects would exchange is water that the Projects have already stored in San Luis Reservoir downstream of the Delta or allocated. Since there is no additional export pumping, the Sacramento River or San Joaquin River will not experience any losses.
6. There are no potential additional return flows to the San Joaquin River because of the exchange. There will be no increased deliveries to CVP contractors, thus no increase in saline drainage.

Central Delta Water Agency Comment Letter

The Central Delta Water Agency (CDWA) submitted a comment letter dated March 29, 2022. The CDWA was concerned that the releases from San Luis Reservoir would increase salinity in the Delta in the current year and in subsequent dry or critical years. CDWA was also concerned that the transfer would involve additional exports from the Delta.

State Water Board Response:

The Division approved the 2021 CPOU Order on July 14, 2021. Condition 5 of the 2021 CPOU Order allows for additional exchanges to be implemented in accordance with the conditions of the order. The water stored in San Luis Reservoir for the exchange is

already stored south of the Delta; therefore, there would be no increase in salinity in the Delta per the releases from San Luis Reservoir for the exchange than would occur absent the exchange. In addition, the transfer would not involve any additional exports from the Delta and there would be no change in the amount of return flows from the place of use.

Comments received during the comment period for the original transfer/exchange petition were addressed in the 2021 CPOU Order.

Approval of Condition 5 Request

Pursuant to Condition 5 of the 2021 CPOU Order, the additional exchange of up to 100,000 af as described above is approved. The maximum amount of water exchanged between AEWS and Metropolitan and the Valley Water exchanges pursuant to this supplemental exchange and the exchanges originally approved under the 2021 CPOU Order between AEWS and Metropolitan and the Valley Water exchanges shall not exceed 240,000 af.

Per Condition 10 of the 2021 CPOU Order, we require that Petitioners continue to submit an interim report via email on a monthly basis during the transfer period to document transfers and exchanges that have occurred to date, any transfers and exchanges that proceeded for less than the full amount requested, and how much remains of the authorized amount of 431,780 af.

In addition, as a condition of approval of this supplemental exchange, the following information shall be emailed in one or more tables to the Deputy Director for Water Rights on a monthly basis, within seven days after the end of each month that the exchange is implemented:

1. The latitude, longitude, and name of each point of withdrawal from the Delta-Mendota Canal (DMC), or other point of rediversion, of water made available to Reclamation at San Luis Reservoir.
2. The volume of water withdrawn from the DMC or otherwise rediverted, including the volume of water at each subsequent point of rediversion, of water made available to Reclamation at San Luis Reservoir pursuant to this approval.
3. The latitude, longitude, and name of each point of delivery or point of rediversion of water delivered to AEWS from Millerton Lake, and of each point of delivery to the California Aqueduct.
4. The daily volumes of water delivered pursuant to this supplemental approval to AEWS and subsequently to the California Aqueduct at each of the locations identified in Item 3 above.

If you require further assistance, please contact Patricia Fernandez at patricia.fernandez@waterboards.ca.gov.

Messrs. Adam Nickels and Andy Chu -6-
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