



# NOTICE TO STATE WATER PROJECT CONTRACTORS

NUMBER: 03-02

DATE: FEB - 3 2003

SUBJECT: 2003 Turn-back  
Water Pool ProgramFROM:   
DIRECTOR, DEPARTMENT OF WATER RESOURCES

The Department of Water Resources is offering a 2003 Turn-Back Water Pool Program pursuant to Article 56 of its long-term Water Supply Contracts. This program is available to interested State Water Project contractors and is subject to the terms and conditions contained in this notice, and to those included in Attachment A, "2003 Turn-Back Water Pool Program Commitment" to this Notice.

The Department will administer two turn-back water pools: Pool A and Pool B. A State Water Project contractor may choose to sell or buy turn-back pool water in one or both of these pools. This program is separate from any other water sale or purchase program that the Department may administer during 2003.

To participate in this program as either a seller or a buyer, a participant must sign and date the commitment (Attachment A) attached to this Notice and return it by the dates listed in Attachment A to Dan Flory, Chief, State Water Project Analysis Office, Department of Water Resources, Post Office Box 942836, Sacramento, California 94236-0001. Last-minute submittals for both pools must be faxed to (916) 653-9628, in addition to submitting them by mail so they are received by the due date. A Schedule (Attachment B) for this program is included for your reference.

If you have any questions or would like further information about this program, please contact Dan Flory at (916) 653-4313, or Craig Trombly, of his staff, at (916) 653-6250.

Attachments

## **2003 Turn-Back Water Pool Program Commitment**

### **Criteria**

1. The 2003 turn-back water pools are subject to Article 56 of the long-term Water Supply Contracts.
2. A State Water Project contractor may sell allocated 2003 Table A water that it will not use, provided that: (1) the contractor has not elected to store project water outside of its service area in 2003, and (2) the contractor has not elected to carry over under Article 12(e) or Article 56 of its long-term water supply contract Table A water from 2002. However, the contractor may participate in the 2003 turn-back pool program even if it has also participated in the 2002 summer carryover allocation program, as described in Contract Notice 02-10.
3. Sales and purchases of turn-back pool water shall not affect the 2003 allocation of Table A water to any SWP contractors.
4. The Department may limit or delay delivery of turn-back pool water due to either (a) limits on the operational capacity of SWP facilities, or (b) changed operational conditions.
5. Delivery priority of turn-back pool water will be the same as for Table A water (Priority 1), as described in Article 12(f) of the long-term Water Supply Contracts so long as the total amount of project water does not exceed the contractor's 2003 Table A amount. Delivery priority of turn-back pool water in excess of the contractor's Table A amount will be Priority 6.
6. A contractor selling or purchasing turn-back pool water shall be required to enter into a written agreement with the Department.
7. A contractor purchasing turn-back pool water shall submit its revised delivery request to the Department as soon as possible after being allocated the turn-back pool water.
8. Turn-back pool water may be stored outside of the purchasing contractor's service area for later use inside of the contractor's service area consistent with Article 56. The location of this storage may be inside or outside of the State Water Project service area, but it must be consistent with water rights permits for the State Water Project.
9. The 2003 turn-back water pool program shall not be a precedent for future programs.

### **Scheduling and Charges**

1. A State Water Project contractor offering to sell turn-back pool water in Pool A must submit a completed and signed copy of the "Commitment to

Sell/Purchase 2003 Turn-back Pool Water” (see last page of this document). A mailed or faxed copy must be received by the Department on or before 12:00 p.m., February 14, 2003. The Department will notify all State Water Project contractors of the availability of water through Pool A on or before February 20, 2003.

2. A SWP contractor willing to buy turn-back pool water through Pool A must submit a completed and signed copy of the “Commitment to Sell/Purchase 2003 Turn-back Pool Water” (see last page of this document). A mailed or faxed copy must be received by the Department on or before 12:00 p.m., on March 3, 2003. The price for such water will be \$11.90 (50 percent of the 2003 Delta Water Rate) for each acre-foot of water purchased. In addition to the charge per acre-foot, the purchasing contractor shall pay the Department the 2003 Transportation Variable Operations, Maintenance, Power, and Replacement Component charges and the Off-Aqueduct Power Facilities Charges for turn-back pool water delivered, plus any incremental costs identified by the Department as described in Article 56(d)(7).
3. All sales and purchases through Pool A are irrevocable even if the Department reduces Table A allocations on or after February 14, 2003.
4. The Department will notify all participating contractors of Pool A sale allocations on or before 12:00 p.m., March 7, 2003. Pool A buyers must return the signed contract that will be provided by the Department, together with payment for the full Pool A allocation, by March 21, 2003.
5. Pool A sellers must return a signed contract, to be provided by the Department, for full Pool A commitments by March 14, 2003. For any water that remains unsold in Pool A, the offering contractor may cancel its offer to sell its share of unsold water in writing. A cancellation letter or faxed advance copy must be received by the Department no later than March 14, 2003.
6. A SWP contractor offering to sell turn-back pool water in Pool B must submit a completed and signed copy of the “Commitment to Sell/Purchase 2003 Turn-back Pool Water” (see last page of this document). A mailed or faxed advance copy must be received by the Department on or before 12:00 p.m., March 14, 2003. Pool B water will consist of turn-back water offered by a seller after February 14, but on or before March 14, and any unsold water from Pool A which was not canceled by March 14. The Department will notify all participating contractors of the availability of water through Pool B on or before March 20, 2003.
7. If the Department reduces or increases Table A allocations between March 14 and April 1, the amount of water available through Pool B will be reduced or increased by the amount of the changes to the sellers’ approved allocations, unless notified otherwise, in writing, by the selling contractor.

8. A SWP contractor willing to buy turn-back pool water through Pool B must submit a completed and signed copy of the "Commitment to Sell/Purchase 2003 Turn-back Pool Water" (see last page of this document). A mailed or faxed advance copy must be received by the Department on or before 12:00 p.m., April 1, 2003. The price for such water will be \$5.95 (25 percent of the 2003 Delta Water Rate) for each acre-foot of water purchased. In addition to the charge per acre-foot, the purchasing contractor shall pay the Department the 2003 Transportation Variable Operations, Maintenance, Power, and Replacement Component charges and the Off-Aqueduct Power Facilities Charges for turn-back pool water delivered, plus any incremental costs identified by the Department as described in Article 56(d)(7).
9. The Department will notify all participating contractors of Pool B sale allocations on or before 12:00 p.m., April 7, 2003. Pool B buyers must return the signed contract that will be provided by the Department, together with payment for the full Pool B allocation by April 21, 2003.
10. Pool B sellers must return a signed contract, to be provided by the Department, for full Pool B commitments by April 14, 2003. For any water that remains unsold in Pool B, the offering contractor may cancel its offer to sell its share of unsold water in writing. A cancellation letter or faxed advance copy must be received by the Department no later than 12:00 p.m., April 14, 2003.
11. Pool B buyers must return a signed contract, to be provided by the Department, together with full payment for their allocations of Pool B water, by April 21, 2003.
12. If the Department reduces Table A allocations between April 1 and April 20, 2003, and there is no unsold Pool B water remaining on April 20, 2003, the Pool B sales for each seller will be reduced by the same amount the seller's approved allocations are reduced, unless otherwise notified, in writing, by the selling contractor; the Department will then reallocate the sales and purchases of Pool B water and notify all participating contractors by April 23, 2003.
13. The Department shall decide on April 20, 2003, whether to purchase any portion of unsold Pool B water remaining on that date.
14. No reallocation of sales or purchases will be done after April 20, 2003.

In order to sell or purchase turn-back pool water under Article 56 of the contractor's long-term Water Supply Contracts, please fill in the information required in the blank spaces below, sign the following commitment form, and return it to: Dan Flory, Chief, State Water Project Analysis Office, Post Office Box 942836, Sacramento, California 94236-0001. A contractor's signature indicates acceptance of all of the terms and conditions of this program.

**COMMITMENT TO SELL/PURCHASE 2003 TURN-BACK POOL WATER**

By signing below, \_\_\_\_\_ agrees to sell/purchase 2003 Turn-Back Pool water in accordance with all of the terms and conditions set forth in this 2003 Turn-Back Water Pool Commitment, Attachment A to State Water Project Contractors Notice No. 03-02.

**POOL A SELLER**

ACRE-FEET OF WATER COMMITTED TO SELL \_\_\_\_\_,

**POOL B SELLER**

ACRE-FEET OF WATER COMMITTED TO SELL \_\_\_\_\_,

**POOL A BUYER**

ACRE-FEET OF WATER COMMITTED TO PURCHASE \_\_\_\_\_,  
OR

FULL ALLOCATION OF WATER OFFERED \_\_\_\_\_.

**POOL B BUYER**

ACRE-FEET OF WATER COMMITTED TO PURCHASE \_\_\_\_\_,  
OR

FULL ALLOCATION OF WATER OFFERED \_\_\_\_\_.

ACCEPTED:

\_\_\_\_\_  
AGENCY

\_\_\_\_\_  
AUTHORIZED REPRESENTATIVE, SIGNATURE      DATE

# 2003 TURN-BACK POOL SCHEDULE

## Attachment B

