

**NOTICE TO STATE WATER PROJECT CONTRACTORS****Date: JAN 21, 2020****Number: 20-01****Subject: 2020 Turn-Back Water Pool Program**

**From:** Original signed by  
**Ted Craddock**  
**Acting Deputy Director, State Water Project**  
Department of Water Resources

The Department of Water Resources (DWR) is offering a 2020 Turn-Back Water Pool Program pursuant to Article 56 of the Water Supply Contracts. The Turn-Back Water Pool Program allows State Water Project (SWP) contractors to sell unscheduled water from their 2020 Table A allocation to other SWP contractors. This Program is available to interested SWP contractors who have signed the Monterey Amendment, and is subject to the attached terms and conditions (Attachment A).

DWR will administer two Turn-Back Water Pools: Pool A and Pool B. An SWP 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 DWR may administer during 2020.

To participate in the 2020 Turn-Back Water Pool Program and be on the notification list, a contractor must complete, sign and date the commitment (Attachment A) attached to this notice, and return all pages of the attachment to Mark Risney, State Water Project Analysis Office, Department of Water Resources, Post Office Box 942836, Sacramento, California 94236-0001. To meet the commitment due date, contractors can email signed notices to Mark Risney at [Mark.Risney@water.ca.gov](mailto:Mark.Risney@water.ca.gov), as long as the original notice is also mailed. A schedule for this Program (Attachment B) is included as a reference.

If you have any questions or need additional information about this Program, please contact Mahmoud Mabrouk at (916) 653-4635 or Tasmin Eusuff at (916) 653-6250.

Attachment A: 2020 Turn-Back Water Pool Program  
Attachment B: 2020 Turn-Back Pool Schedule

## **Attachment A**

### **2020 Turn-Back Water Pool Program**

#### **Terms and Conditions**

1. The 2020 Turn-Back Water Pools are subject to Article 56 of the Water Supply Contracts.
2. An SWP contractor may sell allocated 2020 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 2020, and (2) the contractor has not elected to carry over Table A water from 2019 pursuant to Article 12(e) or Article 56 of its Water Supply Contract.
3. Sales and purchases of Turn-Back Water Pool water shall not affect the 2020 allocation of Table A water to any SWP contractors.
4. Turn-Back Pool water purchased by a contractor will be delivered to the contractor's service area from the SWP facilities, or as otherwise arranged, consistent with the contractor's Water Supply Contract.
5. DWR may limit or delay delivery of Turn-Back Pool water due to either (a) limits on the operational capacity of SWP facilities, or (b) changing operational conditions.
6. 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 contractors' 2020 Table A amount. Delivery priority of Turn-Back Pool water in excess of the contractors' Table A amount will be Priority 6.
7. Contractors selling Turn-Back Pool water shall submit a revised water delivery schedule to DWR reflecting changes due to the sale of their water. Likewise, a contractor purchasing Turn-Back Pool water should submit its revised delivery request to DWR as soon as possible after being allocated the Turn-Back Pool water. All water schedules shall be prepared in accordance with Article 12 of the contractor's Water Supply Contract.
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 SWP service area, but it must be consistent with water rights permits for the SWP.
9. The 2020 Turn-Back Water Pool Program shall not be a precedent for future programs.

10. An SWP contractor offering to sell Turn-Back Pool water in either Pool A or in Pool B must submit a completed and signed copy of this Agreement for each Pool as appropriate (see last two pages of this Agreement). Sellers shall indicate the amount of water they want to sell in Pool A and/or Pool B using the chart provided with the signature page. DWR must receive a signed Agreement on or before 12:01 p.m., February 15, 2020 for Pool A water sales and on or before 12:01 p.m., March 15, 2020 for Pool B water sales. It is acceptable to submit a signature page by e-mail to Mark Risney at **Mark.Risney@water.ca.gov** and Mahmoud Mabrouk at **Mahmoud.Mabrouk@water.ca.gov** in order to meet the deadline; however, an original signature must be submitted as soon as possible afterwards.
11. An SWP contractor offering to buy Turn-Back Pool water in either Pool A or in Pool B must submit a completed and signed copy of this Agreement for each Pool as appropriate (see last two pages of this Attachment). Buyers shall indicate the amount of water they want to purchase in Pool A and/or Pool B using the chart provided with the signature page. DWR must receive a signed Agreement on or before 12:01 p.m., March 1, 2020 for Pool A water purchases and on or before 12:01 p.m., April 1, 2020 for Pool B water purchases. It is acceptable to submit a signature page by e-mail to Mark Risney at **Mark.Risney@water.ca.gov** and Mahmoud Mabrouk at **Mahmoud.Mabrouk@water.ca.gov** in order to meet the deadline; however, an original signature must be submitted as soon as possible afterwards.
12. The price for Pool A water will be \$40.80 (50 percent of the 2020 Delta Water Rate) for each acre-foot of water purchased or sold. Also, the price for Pool B water will be \$20.40 (25 percent of the 2020 Delta Water Rate) for each acre-foot of water purchased or sold. In addition to the charge per acre-foot, the purchasing contractor shall pay DWR the 2020 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 DWR as described in Article 56(d)(7).
13. DWR will notify all participating contractors by e-mail after the current sales and allocation information at each stage of the Program. These notifications will be sent out within three working days of each of the above milestone dates.
14. DWR will invoice each purchasing contractor for the purchase price of the water, with payment due 30 days from the date of the invoice. Likewise, DWR will pay each selling contractor for their water within 30 days after DWR has received payment from all the purchasers.
15. All sales and purchases through Pool A are irrevocable even if DWR reduces or increases Table A allocations on or after February 15, 2020.

16. DWR will finalize the allocation of sales and purchases of Pool B water on June 1, 2020. The percentage of Table A allocations in effect on this date will determine the final amounts. Only contractors who were active participants in this Program on April 1, 2020 will be allowed to participate.
17. No reallocation of sales or purchases will be done after June 1, 2020.
18. In the event that any water remains unsold in either Pool, the offering contractor may cancel its offer to sell its share of unsold water in writing. A cancellation letter or advance copy sent by e-mail must be received no later than 12:01 p.m., March 15, 2020 for Pool A water and by no later than 12:01 p.m., April 15, 2020 for Pool B water.
19. DWR shall decide by April 21, 2020 whether to purchase any portion of Pool A water remaining unsold on that date.

**AGREEMENT TO SELL/PURCHASE 2020 TURN-BACK POOL WATER IN POOL A**

In order to sell or purchase Turn-Back Pool water under Article 56 of the contractors' long-term Water Supply Contracts, please fill in the information required below, sign in the space provided, and return all pages of this Attachment A to the State Water Project Analysis Office. A contractor's signature indicates acceptance of all of the terms and conditions of this Program as set forth in this Attachment A.

Purchasers of Turn-Back Pool A water may either check the following box to receive the full allocation of water offered or fill in the chart below for specific purchase amounts.

( ) We agree to purchase all available Turn-Back Pool A water.

Table A Allocation As of February 15, 2020 (Percent)	Amount to Sell (Acre-Feet)	Amount to Buy (Acre-Feet)
5		
10		
15		
20		
25		
30		
35		
40		
45		
50		
55		
60		
65		
70		
75		
80		
85		
90		
95		
100		

Authorized Representative  
Signature

\_\_\_\_\_

Agency

\_\_\_\_\_

Date

\_\_\_\_\_

Contact Person

\_\_\_\_\_

Email

\_\_\_\_\_

Telephone

STATE OF CALIFORNIA  
DEPARTMENT OF WATER RESOURCES

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Chief, State Water Project Analysis Office

**AGREEMENT TO SELL/PURCHASE 2020 TURN-BACK POOL WATER IN POOL B**

In order to sell or purchase Turn-Back Pool water under Article 56 of the contractors' long-term Water Supply Contracts, please fill in the information required below, sign in the space provided, and return all pages of this Attachment A to the State Water Project Analysis Office. A contractor's signature indicates acceptance of all of the terms and conditions of this Program as set forth in this Attachment A.

Purchasers of Turn-Back Pool B water may either check the following box to receive the full allocation of water offered or fill in the chart below for specific purchase amounts.

( ) We agree to purchase all available Turn-Back Pool B water.

Table A Allocation As of June 1, 2020 (Percent)	Amount to Sell (Acre-Feet)	Amount to Buy (Acre-Feet)
5		
10		
15		
20		
25		
30		
35		
40		
45		
50		
55		
60		
65		
70		
75		
80		
85		
90		
95		
100		

Authorized Representative  
Signature

\_\_\_\_\_

Agency

\_\_\_\_\_

Date

\_\_\_\_\_

Contact Person

\_\_\_\_\_

Email

Telephone

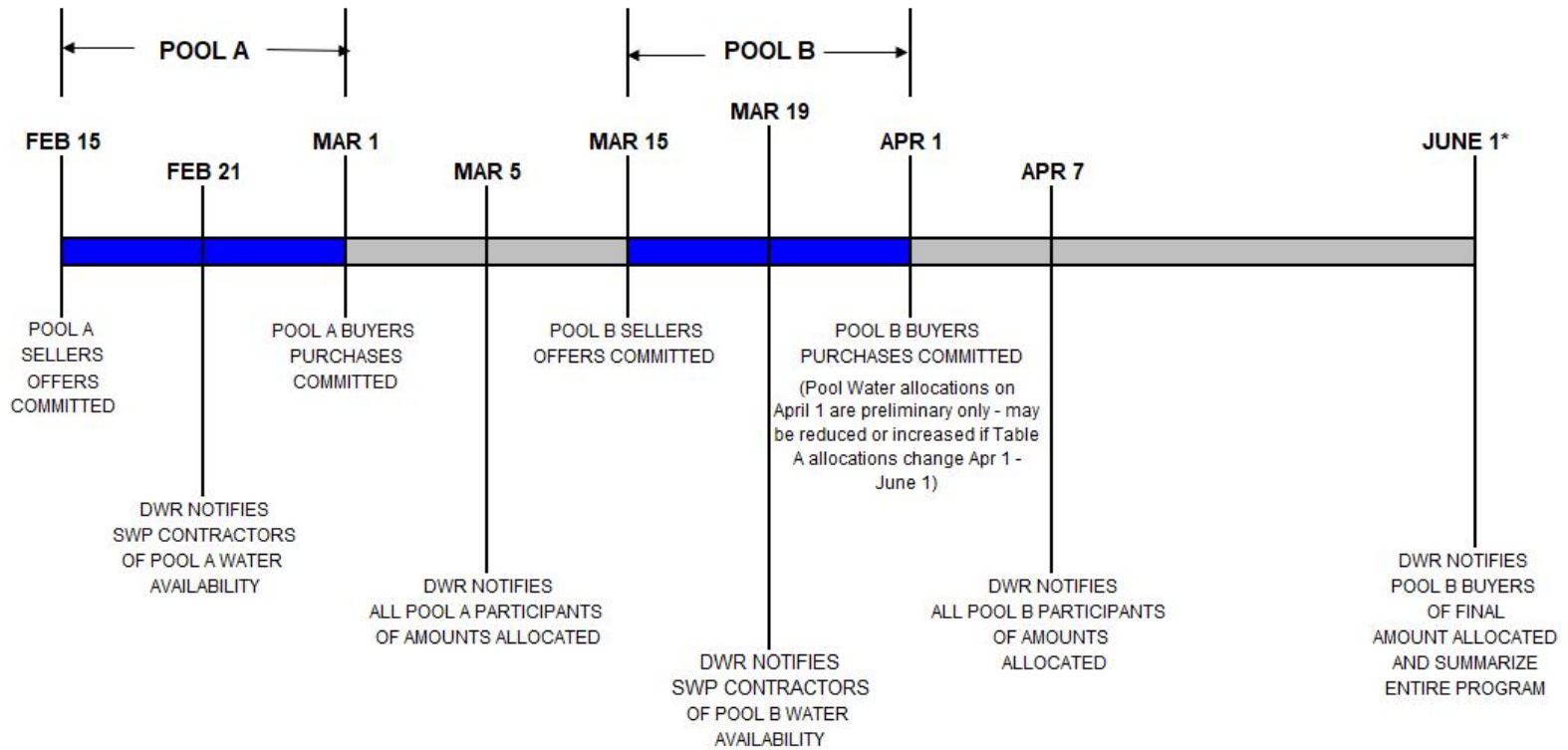
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STATE OF CALIFORNIA  
DEPARTMENT OF WATER RESOURCES

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Chief, State Water Project Analysis Office

# 2020 TURN-BACK POOL SCHEDULE

## Attachment B



\* The June 1 date only applies if Table A allocations change between April 1 and June 1. Participants who were fully committed as of April 1 will be involved.

**NOTICE TO STATE WATER PROJECT CONTRACTORS****Date: JANUARY 24 2020****Number: 20-02****Subject: 2020 State Water Project Allocation Increase from 10 to 15 Percent**

**From:** Original signed by  
**Ted Craddock**  
**Acting Deputy Director, State Water Project**  
Department of Water Resources

The Department of Water Resources (DWR) is increasing the allocation of 2020 State Water Project (SWP) water for long-term contractors from 427,167 acre-feet to 635,434 acre-feet. Based on the recent precipitation, runoff, and current water supply conditions, SWP supplies are projected to be 15 percent of most SWP contractors' 2020 requested Table A amounts, which totals 4,172,786 AF. Attached is the revised 2020 SWP 15 percent allocation table.

This allocation increase is made consistent with the long-term water supply contracts and public policy. DWR's approval considered several factors including existing storage in SWP conservation reservoirs, SWP operational constraints such as the conditions of the Biological Opinions for Delta Smelt and Salmonids, the Longfin Smelt Incidental Take Permit, and the 2020 contractor demands. DWR may revise this and any subsequent allocations if warranted by the year's developing hydrologic and water supply conditions.

To develop the new 15 percent schedule, DWR will scale up the current long-term SWP contractors' 10 percent schedules that were submitted in October 2019 (as part of their initial request), unless contractors submit updated schedules. DWR will send the approved monthly water delivery schedules to the long-term SWP contractors.

If you have any questions or need additional information, please contact Pedro Villalobos, Chief, State Water Project Analysis Office, at (916) 653-4313.

Attachment



2020 STATE WATER PROJECT ALLOCATION  
(ACRE-FEET)

SWP CONTRACTORS	TABLE A	INITIAL REQUEST	APPROVED ALLOCATION	PERCENT INITIAL REQUEST APPROVED (3)/(2) (4)
	(1)	(2)	(3)	(4)
<b><u>FEATHER RIVER</u></b>				
County of Butte	27,500	27,500	5,000	18%
Plumas County FC&WCD	2,700	2,700	405	15%
City of Yuba City	9,600	9,600	2,400	25%
<b>Subtotal</b>	<b>39,800</b>	<b>39,800</b>	<b>7,805</b>	
<b><u>NORTH BAY</u></b>				
Napa County FC&WCD	29,025	29,025	7,256	25%
Solano County WA	47,756	47,756	11,939	25%
<b>Subtotal</b>	<b>76,781</b>	<b>76,781</b>	<b>19,195</b>	
<b><u>SOUTH BAY</u></b>				
Alameda County FC&WCD, Zone 7	80,619	80,619	12,093	15%
Alameda County WD	42,000	42,000	6,300	15%
Santa Clara Valley WD	100,000	100,000	15,000	15%
<b>Subtotal</b>	<b>222,619</b>	<b>222,619</b>	<b>33,393</b>	
<b><u>SAN JOAQUIN VALLEY</u></b>				
Oak Flat WD	5,700	5,700	855	15%
County of Kings	9,305	9,305	1,396	15%
Dudley Ridge WD	41,350	41,350	6,203	15%
Empire West Side ID	3,000	3,000	450	15%
Kern County WA	982,730	982,730	147,410	15%
Tulare Lake Basin WSD	87,471	87,471	13,121	15%
<b>Subtotal</b>	<b>1,129,556</b>	<b>1,129,556</b>	<b>169,435</b>	
<b><u>CENTRAL COASTAL</u></b>				
San Luis Obispo County FC&WCD	25,000	25,000	3,750	15%
Santa Barbara County FC&WCD	45,486	45,486	6,823	15%
<b>Subtotal</b>	<b>70,486</b>	<b>70,486</b>	<b>10,573</b>	
<b><u>SOUTHERN CALIFORNIA</u></b>				
Antelope Valley-East Kern WA	144,844	144,844	21,727	15%
Santa Clarita Valley WA	95,200	95,200	14,280	15%
Coachella Valley WD	138,350	138,350	20,753	15%
Crestline-Lake Arrowhead WA	5,800	5,800	870	15%
Desert WA	55,750	55,750	8,363	15%
Littlerock Creek ID	2,300	2,300	345	15%
Metropolitan WDSC	1,911,500	1,911,500	286,725	15%
Mojave WA	89,800	89,800	13,470	15%
Palmdale WD	21,300	21,300	3,195	15%
San Bernardino Valley MWD	102,600	102,600	15,390	15%
San Gabriel Valley MWD	28,800	28,800	4,320	15%
San Geronio Pass WA	17,300	17,300	2,595	15%
Ventura County WPD	20,000	20,000	3,000	15%
<b>Subtotal</b>	<b>2,633,544</b>	<b>2,633,544</b>	<b>395,033</b>	
<b>TOTAL</b>	<b>4,172,786</b>	<b>4,172,786</b>	<b>635,434</b>	

## **NOTICE TO STATE WATER PROJECT CONTRACTORS**



**Date:** MAY 5, 2020

**Number:** 20-03

**Subject:** Criteria for Bulletin 132-2020

**From:** Original signed by  
Ted Craddock  
Acting Deputy Director, State Water Project  
Department of Water Resources

Attached for your information are copies of "Criteria for Bulletin 132-2020 Project Operations Studies" and "Interest and Escalation Rates for Preparing Bulletin 132-2020."

These criteria are being used by the Department of Water Resources (DWR) to prepare information for Bulletin 132-2020, "Management of the California State Water Project" and to determine State Water Project (SWP) Contractors' Statement of Charges for the year 2021.

If you have any questions, please contact Pedro Villalobos, Chief of DWR's State Water Project Analysis Office, at (916) 653-4313, or you may call Susan Lee of his staff at (916) 653-1894.

Attachment

## **CRITERIA FOR BULLETIN 132-2020 STATE WATER PROJECT OPERATIONS STUDIES**

These criteria provide summaries of the basic operations assumptions to be used in developing the 2021 Statements of Charges. Actual State Water Project (SWP) operations may ultimately be different and contractor billings will be adjusted as appropriate.

1. **Water Deliveries:** Water demands for the water operations studies will be based on the short-range, five-year (2020-2024) requests submitted by the SWP Contractors (Contractors) in October 2019 and the long-range (2025-2035) requests submitted by Contractors in October 2019.
2. **Water Supply:** The water and power operations studies will reflect compliance with the March 15, 2000 revision of the State Water Resources Control Board December 1999 Water Right Decision 1641; the biological opinion issued December 15, 2008 by the US Fish and Wildlife Service on the long-term Central Valley Project and the State Water Project Operations Criteria and Plan (OCAP) concerning the delta smelt; the SWP Longfin Smelt Incidental Take Permit issued February 23, 2009; the National-Marine Fisheries Services (NMFS) biological and conference opinions on the OCAP issued June 4, 2009, concerning salmonids, green sturgeon and killer whales; and implementation of the Lake Oroville 2018/2019 Flood Control Season Operations Plan. Additionally, Feather River Service Area Settlement Contractors' water demand is included in all studies and is based on historical water delivery patterns. The water supply assumed for water and power operation studies will be as follows:
  - (a) **2020:** The initial operations study for 2020 will assume hydrology sufficient to deliver 2.472 million acre-feet (MAF) (60 percent of Contractors' projected Table A requests). Projections of power generation at the Oroville Thermalito Complex will be based on the Lake Oroville Reservoir inflow from the same hydrology. For generation at Pine Flat Lake, the lower quartile inflow will be assumed. The 2020 water deliveries and water and power operations studies will be reviewed and finalized in May 2020 when the final water supply forecast based on May 1, 2020 snow survey becomes available.
  - (b) **2021:** SWP operations projected for 2021 are the basis for the 2021 Statements of Charges. The study will assume hydrology sufficient to deliver 2.474 MAF (60 percent of Contractors' projected Table A requests). Lower quartile inflow will be assumed for Pine Flat generating facilities.
  - (c) **2022:** The 2022 studies will assume hydrology sufficient to deliver 2.474 MAF (60 percent of Contractors' projected Table A requests). Lower quartile inflow will be assumed for Pine Flat generating facilities.
  - (d) **2023:** Assume hydrology sufficient to deliver 60 percent of Contractors' projected Table A requests of 2.474 MAF.
  - (e) **2024:** Assume hydrology sufficient to deliver 60 percent of Contractors' projected Table A requests of 2.474 MAF.
  - (f) **2025-2035:** Assume hydrology sufficient to deliver 60 percent of Contractors' projected Table A requests of an average 2.474 MAF.

### 3. **Water Supply Augmentation:**

- (a) **Delta Pumps.** The total capacity of Banks Pumping Plant is 10,300 cubic feet per second; however, the actual daily allotment for Clifton Court Forebay will be limited as stated in the U.S. Army Corps of Engineers Public Notices 5820A, October 1981, and 19990715, May 2000.
- (b) **South Delta Improvements Program (SDIP).** This program was originally scheduled for implementation as one of the components of Stage 1 of the CALFED Bay-Delta Program to address local and SWP water supply problems in the South Delta. Construction of the permanent operable gates and the channel dredging were proposed to be implemented under Stage 1 of the SDIP. Stage 2 of the SDIP, which would have included increasing diversions, is currently being re-evaluated in light of regulatory changes since 2008. Due to DWR requirements included in the NMFS biological and conference opinions on the OCAP issued June 4, 2009, all SDIP related work was delayed until completion of the Temporary Barriers salmonid effects study. This report, Effects of South Delta Agricultural Barriers on Emigrating Juvenile Salmonids, was released in December 2018. The report recommends permanent operable barriers as a preferred alternative over the temporary rock barriers. Permanent operable barriers would provide improved fish passage and reduce yearly on-going construction impacts. In 2019, DWR conducted a reconnaissance level analysis of previous SDIP work and additional project concepts. From this completed analysis DWR will make recommendations for potential continuation of SDIP, or identify if the project could be re-conceptualized and still address some of the original project goals, while minimizing the issues identified in the NMFS biological and conference opinions. DWR will provide the analysis and recommendations in summer 2020. The following facilities will be considered for inclusion in the SDIP concept:
- ◆ Construction of three flow control structures (gates). These gates are proposed in South Delta channels to control water levels and circulation in the South Delta. A fourth gate that would provide protection for salmon migrating along the San Joaquin River will also be evaluated.
  - ◆ Selected channel dredging in the South Delta and modification of local diversion structures. Several miles of river channels would be evaluated for proposed dredging to reduce the need to operate gates for water stage. Twenty-four shallow agricultural diversions would be evaluated for extension to ensure access to water. This work is likely to be tied to whether additional SWP diversions are feasible and pursued in Stage 2.
- (c) **Ground Water Programs.** On August 9, 1996, ownership of the Kern Fan Element Property and the La Hacienda Facilities was transferred to Kern County Water Agency (KCWA) and Dudley Ridge Water District through the Kern Water Bank Authority (KWBA) as part of the Monterey Amendment. Fifty percent of any SWP water remaining in storage from the Berrenda Mesa Demonstration Program and the La Hacienda Water Purchase Program was also transferred to KWBA. The SWP retains the right to recover 15,000 acre-feet under the recovery agreement with KCWA. Under the 1990 Demonstration Program, the SWP had a

balance of 20,065 acre-feet at the start of 2019 that had been stored in Semitropic Water Storage District's service area. DWR recovered 10,033 acre-feet of this water in 2019, leaving a remaining balance of 10,032 acre-feet.

(d) Other Project Yield. For purposes of preparing water and power studies for future years, it will be assumed that the SWP will deliver 60 percent of full Table A requests based on the latest reliability study prepared by the Bay-Delta Office.

4. **Power Operations**: With the changing of price patterns in the energy markets, energy prices are forecasted to be highest during non-solar hours and summer months. To minimize power costs, aqueduct operation will be optimized by minimizing pumping during expensive hours within operating criteria constraints.

For Bulletin 132-2020, forecasted SWP power resources for the study period will be based on existing SWP generation and power purchases including the contract to purchase 29 megawatts of renewable output from the Metropolitan Water District of Southern California October 1, 2019 through September 30, 2022.

Project Order 36, State Power Contract for the Use of Oroville Power, will continue to be applied to the criteria for SWP operations studies until rescinded. Project Order 36 was issued in 1994 to address the continuation of DWR's charges to the contractors for Oroville power.

5. **Contract Extension Effective Date**: For the purpose of calculating the cost recovery charges, the assumption is that the water supply contract amendment for Contract Extension will be effective on January 1, 2024.
6. **Future SWP Facilities**: The schedule for initial operation of future SWP facilities to be used when preparing information for Bulletin 132-2020 is shown in the following table:

FUTURE SWP CAPITAL PROJECTS	Dates for Completion	
	Bulletin 132-2019	Bulletin 132-2020
<b>OROVILLE FACILITIES</b>		
Oroville Dam Spillways Response, Recovery, and Restoration		
Phase 2 – Flood Control Outlet, Terrain Re-grading		2020
Phase 3 – Site Rehabilitation		2024
Thermalito Powerplant Clean-up and Reconstruction		2020
P2100 FERC Relicensing		2024
<b>DELTA FACILITIES</b>		
Sherman and Twitchell Island Fish Screens	2020	2021
Yolo Bypass Salmonid Habitat Restoration and Fish Passage Project		2022
<b>CALIFORNIA AQUEDUCT</b>		
California Aqueduct Subsidence Study and Remediation		2023
<b>CALIFORNIA AQUEDUCT - WEST BRANCH</b>		
P2426 FERC Relicensing		2024
<b>CALIFORNIA AQUEDUCT - EAST BRANCH</b>		
Perris Dam Remediation		
Tower Outlet Retrofit		2022
Emergency Release Facility		2024
P2426 FERC Relicensing		2024
<b>OTHER PROJECTS</b>		
Financial Management Enhancements Program		2023
SWP Protective Relay Replacement		2022
SWP Fire Systems Modernization		2026
SWP Dam Safety Program		2030

**TABLE 1**  
**INTEREST RATES**  
**RECOMMENDED IN PREPARING DATA FOR**  
**2021 STATEMENTS OF CHARGES, BULLETIN 132-2020**  
**AND DWR FINANCIAL ANALYSIS STUDIES**

Item	Interest Rate <sup>1</sup> per year
1 Interest Rates on future general obligation "Offset" bonds (If assumed sold) <sup>2</sup>	2.300 (3.350)
2 Interest Rate for future Water System Revenue Bonds <sup>2</sup>	2.150 (3.150)
3 Project Interest Rate for determining Statements of Charges for 2021	4.610 (4.610)
4 Interest Rate on future short-term investment of SWP funds <sup>3</sup>	2.042 (1.731)

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<sup>1</sup>For the purposes of DWR studies, these rates are to be used as the effective rates of interest. Figures in parentheses are Bulletin 132-2019 assumptions.

<sup>2</sup>Future bonds are assumed to be repaid by the end of the current water supply contract repayment period (2035) or sooner, with maturities commencing in the year following the date of sale and with equal annual bond service for the principal repayment period.

<sup>3</sup>Based on the expected rate of return for funds invested in the State's Surplus Money Investment Fund.

**TABLE 2**  
**COST ESCALATION RATES**  
**RECOMMENDED IN PREPARING SWP FACILITIES DATA FOR**  
**2021 STATEMENTS OF CHARGES, BULLETIN 132-2020**  
**AND DWR FINANCIAL ANALYSIS STUDIES**

Item	Percent Increase Per Year <sup>1</sup>			
	2020	2021	2022	2023-2035
<b>Capital Costs</b>				
State Operations (Salaries and Benefits) <sup>2</sup>	0 (4.0)	4.0 (4.0)	4.0 (4.0)	4.0 (4.0)
Construction, Direct Pay	0 (4.2)	4.2 (4.2)	4.2 (4.2)	4.2 (4.2)
Relocation, Direct Pay	0 (4.0)	4.0 (4.0)	4.0 (4.0)	4.0 (4.0)
Land and Rights, Direct Pay	0 (4.0)	4.0 (4.0)	4.0 (4.0)	4.0 (4.0)
<b>Operations and Maintenance Costs<sup>3</sup></b>				
State Operations (Salaries and Benefits) <sup>2</sup>	0 (4.0)	4.0 (4.0)	4.0 (4.0)	4.0 (4.0)

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<sup>1</sup> Figures in parentheses are Bulletin 132-2019 assumptions.

<sup>2</sup> Reflects agreed salary and benefit adjustments. Escalation rate should be considered preliminary. Continuing labor negotiations may change rate.

<sup>3</sup> Operation and Maintenance costs for the 2021 Statements of Charges and Bulletin 132-2020 are to be escalated through 2022 and escalated one percent for the remainder of the current water supply contract repayment period for certain costs.



## **NOTICE TO STATE WATER PROJECT CONTRACTORS**



**Date:** MAY 21, 2020

**Number:** 20-04

**Subject:** Summary of the 2020 Statements of Charges Preparation

**From:** Original signed by

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**Ted Craddock**

**Deputy Director, State Water Project**

Department of Water Resources

Attached for your information is the "Summary of the 2020 Statements of Charges Preparation".

This summary document of the preparation of the 2020 Statements of Charges contains year-over-year comparison of 2019 projected costs and actual charges, the 2019 process changes, Contractor requested projects, and a detailed component-by-component analysis. Also included is a summary of the revised 2020 Statements of Charges.

If you have any questions, please contact Pedro Villalobos at (916) 653-4313 or you may call Dave Paulson at (916) 653-7402.

Attachment

## Summary of 2020 Statements of Charges

The State Water Project Analysis Office (SWPAO) completed the determination of the State Water Project (SWP) Contractors' 2020 Statements of Charges (SOC) in June 2019. The 2020 total charges are \$1.358 billion which includes SWP Capital, Minimum, estimated Variable, and other charges billable to each of the 29 SWP Contractors. This represents a \$182 million (approximately fifteen percent) increase from the 2019 Rebill of \$1.176 billion.

This summary document contains an analysis of the billing component changes and assumptions used in preparing the 2020 SOC. Bulletin B132-19, Appendix B was published in August 2019 and provides supporting information describing billing component calculations and methodologies that are supplemental to this document.

Table 1 is a comparison of the 2020 SOC to the 2019 Rebill and a summary view of SWP planned expenditures with associated annual charges by major cost component. The "Projected Costs" columns represent the water supply costs reimbursable by the SWP water contracting agencies (SWP Contractors). All SWP planned expenditures by program were reviewed with the SWP Contractors in early 2019 prior to the preparation of the SOC. The charges that SWP Contractors pay are based on the allocated projected costs and any prior year adjustments.

Table 1. Comparison of 2020 SOC to the 2019 Rebill  
(\$ shown in thousands)

Components	2020 SOC			2019 Rebill			Year-over-Year Change
	Projected Costs	Prior Year Adjustments	Charge	Projected Costs	Prior Year Adjustments	Charge	
<b>Capital</b>							
Transportation Component	106,908	-	143,537	110,665	-	147,196	(3,659)
Debt Service Projects	595	-	61,554	1,349	-	61,223	331
East Branch Enlargement	-	-	36,525	-	-	35,817	708
Conservation Component*	168,343	-	138,840	165,443	-	101,448	37,392
WSRB Surcharge	-	-	78,961	-	-	107,903	(28,942)
Capital Subtotal			459,418			453,587	5,831
<b>Minimum</b>							
Transportation Component	344,994	29,134	373,004	280,392	(65,438)	225,931	147,073
Conservation Component*	275,724	-	201,663	191,947	-	191,009	10,654
EBE Minimum Component	10,917	1,311	12,075	10,341	811	11,152	923
Conservation RAS	-	-	-	-	-	-	-
Minimum Subtotal		(66,947)	586,742		(64,627)	428,092	158,650
<b>Other (Various)</b>							
Off-Aqueduct Power	-	-	6,650	-	-	6,700	(50)
Variable Component	292,735	6,965	299,700	262,780	23,516	286,296	13,403
Transportation RAS	4,656	1,294	5,950	9,165	(7,567)	1,598	4,352
Other Subtotal		8,259	312,300		15,949	294,594	17,706
<b>Grand Total</b>			<b>1,358,460</b>			<b>1,176,273</b>	<b>182,187</b>

\* Conservation costs shown are for the respective bill year only.

SWP Contractors and their representatives independently review and analyze the annual SOC in detail. This memorandum documents the major differences between the Bulletin 132-19 (B132-19) cost projections used to calculate the 2020 SOC and the 2019 charges projected in last year's Bulletin 132-18. Additional data to support the SOC is published in the Bulletin 132-19 Appendix B, which was disseminated to the SWP Contractors in August 2019 for their use in analyzing the 2020 SOC.

## **Key Takeaways**

The total charges for 2020 are \$1.358 billion, approximately fifteen percent (\$182 million) higher than 2019. Significant changes in the 2020 charges are primarily due to the following cost components:

1. Increased Delta Water Rate - Capital
  - a. Inclusion of reimbursable Oroville Dam Spillway Recovery costs (\$228 million).
  - b. Yolo Bypass Fish Passage and Salmonid Habitat Restoration project (\$157 million).
2. Increased Transportation Minimum
  - a. Primarily due to the increasing cost projections from the Division of Operations and Maintenance included in the 2020 charges.
3. Decreased WSRB Surcharge
  - a. Delta Water Rate capital revenue calculation methodology updated.
  - b. The issuance of Water Systems Revenue Bond Series AZ and BA.

The 2020 SOC included the following SWP Contractor requested projects:

1. Sites Reservoir Project Planning (2020 - \$36.4 million)

## **Billing Process and Assumptions**

Significant year-over-year changes included in the 2020 SOC process are the following: the Division of Operations and Maintenance's (O&M) baseline projections; the inclusion of Oroville Spillway Emergency Response and Recovery costs; the exclusion of conservation capital cost projections beyond calendar year 2021; and Sites Reservoir Project planning funding. These changes are discussed in detail below.

### **Division of Operations and Maintenance Baseline Projected Costs**

Transportation and conservation minimum charges are significantly influenced by the annual update from the Division of Operations and Maintenance cost projections. For the 2020 SOC, O&M minimum cost projections increased year-over-year by \$50 million for calendar year 2019, and \$27 million for calendar year 2020. These increases are primarily driven by the new Dam Safety program within O&M contributing approximately \$30 million per year in increased minimum costs. Additional O&M headquarters-related program increases contributed to the 2019 cost projection update included in the 2020 SOC.

### **Oroville Spillway Emergency: Response and Recovery Costs**

The Oroville Spillway incident occurred in February of 2017. There are two separate aspects of the Oroville Spillway incident, the Oroville Emergency Response effort and Oroville Recovery Project. For the 2020 SOC, only the non-FEMA reimbursable, water supply portion of the Oroville Emergency Response costs were included in Delta Water Rate calculation. Total cost projections for the Oroville Dam Spillway Emergency Response and Recovery program are \$1.1 billion. For the 2020 SOC, an assumption of 75% FEMA reimbursement was included for both recovery and response costs.

In April 2019, the Department issued Water Systems Revenue Bonds series BA to finance the water supply portion of the known Oroville Recovery Project costs reimbursable by the SWP Contractors. The total costs financed in Series BA were approximately \$228 million reflecting the water supply portion of the 25% assumed DWR cost share responsibility for the Oroville Recovery Project. The assumed 25% of reimbursable costs for the Oroville Emergency Response Project were financed in WSRB series AZ as described in the 2019 SOC summary document and included in the 2019 and 2020 SOC Delta Water Rate calculation.

#### WSRB Surcharge

For the 2020 SOC, an update to the calculation of the revenues collected under the Delta Water Charge capital component was included in the WSRB surcharge billing component. The updated calculation increased offsetting Delta Water Charge revenue by approximately \$28 million, effectively reducing the year-over-year WSRB surcharge obligation by \$28 million.

#### Delta Water Charge - Capital

The Delta Water Charge capital component increased by approximately \$37 million. This is driven by the inclusion of the Oroville Recovery Project costs (\$228 million) and the new Yolo Bypass Fish Passage and Salmonid Habitat Restoration Project (\$157 million) in the B132-19 cost projections. The Department has also included an assumption of calendar year 2022 as the effective date for Water Supply Contract Extension, therefore no conservation capital cost projections beyond 2021 were included in the Delta Water Charge calculation.

#### Sites Reservoir Pre-funding

The Department included the contractor requested prefunding amounts totaling \$36.4 million for the 2020 Sites Reservoir – Phase II planning project. Participating SWP Contractors submitted letters of authorization to include the pre-funding amounts as a line item in the transportation minimum billing component. Funding agreements are to be executed prior to contractor billings beginning in January 2020.

### **Details of Statement Components**

#### Conservation Components – Delta Water Charge

Costs associated with conservation facilities are collected under the Delta Water Charge. These costs, both capital and minimum are amortized over the project repayment period of the water supply contracts ending in 2035. To reflect the assumed execution and implementation of the Water Supply Contract Extension amendment, conservation capital cost projections for 2022 and beyond were not included in the calculation. Capital costs beyond 2022 are assumed to be collected on a direct debt service cost recovery methodology under the Contract Extension Amendment terms.

The total Delta Water Rate (DWR) used in computing the charges for 2020 is \$81.60 per acre-foot for the signers of the Monterey Amendment (signers). The DWR is \$11.53 per acre-foot higher than the 2019 DWR of \$70.07 per acre-foot for the signers.

The DWR for non-signers of the Monterey Amendment (non-signers) increased \$11.38 per acre-foot to \$80.29 for 2020 from the 2019 SOC DWR of \$68.91 per acre-foot.

For 2020, the DWR Capital Component increased \$8.96 per acre-foot to \$33.27 per acre-foot for the Monterey Amendment signers. This increase is primarily due to the inclusion of the Oroville Spillway Recovery and increasing capital expenditures for new projects in the Yolo Bypass Program through calendar year 2021.

The major projects contributing to the DWR Capital increase are the following: Thermalito Powerplant Restoration and Modernization (2019: \$32.7 million); Yolo Bypass Salmonid Habitat Restoration and Fish Passage Project (2019: \$22.75 million, 2020: \$91.92 million, 2021: \$37.6 million), Lookout Slough Tidal Restoration Project (2019: \$14.96 million, 2020: \$18.61 million, 2021: \$32.12 million), Prospect Island Tidal Habitat Restoration (2019: \$3.3 million, 2020: \$16.66 million, 2021: \$16.45 million), Fish Restoration Passage Habitat Credit (2019: \$8.05 million, 2020: \$8.05 million, 2021: \$8.05 million).

The DWR minimum component increased by \$2.57 per acre-foot from \$45.76 per acre-foot in 2019 to \$48.33 per acre-foot in 2020 for signers. Total minimum cost projections in the Oroville field division for 2019-2021 have increased compared to prior years' projections, primarily related to the SWP Dam Safety and Emergency Communications and Security Upgrade programs. Slight increases in Delta program costs for the Temporary Barriers and Fish Restoration and Passage Activities programs also contributed to the increased rate.

The major programs and projects contributing to the DWR minimum increase are the following: Bay Delta Planning Model Development (2019: \$4.4 million, 2020: \$4.7 million, 2021: \$4.7 million), Delta Temporary Barriers (2019: \$7.8 million, 2020: \$8.1 million, 2021: \$8.4 million), Oroville Project 2100 Environmental (2019: \$8.8 million, 2020: \$10.2 million, 2021: \$10.4 million), Suisun Marsh Compliance Program (2019: \$3.0 million, 2020: \$3.1 million, 2021: \$3.0 million).

The third component of the Delta Water Charge is the conservation replacement accounting system (RAS) charge. There were no planned conservation replacements projects included in the 2020 SOC. There also were no historical cost adjustments. The result is no charge to the SWP Contractors for the 2020 SOC. The conservation RAS billing component includes a reserve amount of \$4 million.

#### Transportation Capital Component

The project interest rate remained unchanged at 4.610%. Total charges under the transportation capital billing component for 2020 totaled \$205.1 million, a decrease of \$3.3 million from last year's charges. The decrease in charge is primarily due to the following cost projection reductions: Perris Dam Remediation Program - Perris Dam Tower Improvements from \$6.3 million to \$2.5 million, Perris Dam Emergency Release Facilities from \$15.8 million to \$3.5 million, and Perris Seepage Recovery Project from \$10.4 million to \$2.1 million.

The calculated component decreased by \$4.45 million and the amortized adjustment increased by \$1.1 million resulting in a decrease of \$3.378 million in transportation capital charges. A charge of \$1.684 million for 2020 and a 2019 credit of \$1.66 million for SBA Off-Peak Power provides a net charge of -

\$24.1 thousand. Increases in charges for Coastal Branch Extension, South Bay Enlargement, Tehachapi Afterbay, and East Branch Extension are due to higher debt service and bond cover schedules for 2020 from new bond series AZ and BA.

In 2020, cost projections changed for the following projects: Perris Dam Remediation Project - Emergency Release Facilities from \$19.0 million to \$6.1 million, Pyramid Dam Emergency Spillway Mitigation is \$7.4 million, and SWP Spillway Program Phase 2 - SFD (Pyramid) from \$0 to \$1.2 million.

The following projects were removed in year-over-year projection updates for calendar year 2020: South Bay Aqueduct Milepost 35 Out of Round Repair, Santa Clara Pipeline Seismic Evaluation, Castaic Left Abutment Rehabilitation, San Joaquin Field Division Canal Repairs MP 230.88, Milepost 62 Embankment and Liner Repair, Santa Ana Pipeline Repairs Reach 28H, Santa Ana Pipeline Box Springs Butterfly Valves.

The 2021 cost projections show decreases for the following projects: Castaic Intake Tower and Outlet Works Design and Construction from \$24 million to \$2.5 million, Castaic Toe Drain Refurbishment from \$6.2 million to \$0.6 million, Castaic Tower Bridge Retrofit from \$7 million to \$2 million, and SFD Replace Controls on all Overhead Cranes from \$1.6 million to \$0.1 million.

Increases in the 2021 cost projections are due to the following projects: San Luis Field Division Pool 20-21 Raise Subsidence at \$22.2 million, California Aqueduct Subsidence Remediation – San Luis Field Division Reach 7 at \$1.4 million, Santa Ana Pipeline Repairs Reach 28H at \$4.7 million, Santa Ana Pipeline Management Plan at \$1.1 million, Perris Dam Remediation Project - Emergency Release Facilities from \$1.5 million to \$24.2 million, and Perris Seepage Recovery Project from \$0.1 million to \$11.9 million.

In the previous bill year, cost projections went out as far as 2021. This year's major program cost projections also reach to calendar year 2021.

Kern County Water Agency, Santa Barbara County FC&WCD, Mojave Water Agency, and Metropolitan Water District of Southern California had the largest change in their current bill year charges. Metropolitan Water District of Southern California had the largest decrease due to Perris Dam program cost projection reductions. The decreased cost projections resulted in lower charges by \$5 million for Metropolitan.

All adjustments for over payments or under-collections of past transportation capital component charges are amortized to 2035 as required under provisions of the 1987 WSRB amendments to the water supply contracts. Currently the over/under adjustments are \$66.1 million for all SWP Contractors combined.

Transportation Variable Operations, Maintenance, Power and Replacement (OMP&R) Component

The Transportation Variable OMP&R charge for 2020 is \$305.6 million, which is an increase of \$17.7 million compared to 2019. These charges are based on 60% of maximum Table A water deliveries for 2020, with total turnout deliveries of 2.57 million acre-feet (MAF) and 2.2 MAF flowing through Dos Amigos Pumping Plant. The total energy requirement for pumping deliveries in the 2019 SOC was consistent with projections in the 2020 SOC, requiring energy resources of approximately 6,930 GWh.

The 2020 SOC includes a prior years' under-collection adjustment of \$6.96 million. The 2020 SOC under-collection is primarily due to 2018 actual cost true-ups and the 2019 projected costs increasing by approximately \$13 million from the 2019 SOC to the 2020 SOC. Increased costs were primarily due to increased debt service for the Thermalito Cleanup and Recovery, lower energy generation projections at Hyatt-Thermalito, and increased CAISO Monthly Net Power Purchases. Cost recovery of the variable component is determined in the initial invoicing rate calculation prepared in late January each bill year. This process was implemented due to significant variances occurring in water and power operations from initial projections.

The Transportation Replacement Accounting System (RAS) charge is also included in transportation variable OMP&R charge in SOC Attachment 5. The 2020 SOC RAS billing component is a charge of \$5.95 million, which is \$4.35 million higher than the 2019 SOC. The net increase is driven by the over-collection of \$7.57 million that occurred in 2018, which offset the 2019 bill. There was also a \$1.29 million under-collection from the 2019 SOC that will be realized as an increase to the 2020 bill. The calculated component decreased \$4.50 million from \$9.2 million in the 2019 SOC to \$4.7 million in the 2020 SOC. The decrease in the calculated component is due to decreased cost projections at Dos Amigos Pumping Plant, and removal of projections at Edmonston Pumping Plant related to stationary equipment.

East Branch Enlargement Transportation Charge

The East Branch Enlargement (EBE) capital charge increased \$700 thousand to \$36.5 million for the 2020 SOC, which included a \$74 thousand increase in charges for EBE Phase 1 and a \$21 thousand increase for EBE Phase 2. The increased charges are due to prior year over-under adjustments and corrections to several bond series containing the EBE Phase 1 and 2 projects.

The Minimum OMP&R EBE charge increased \$923 thousand in the 2020 SOC. The increase is due to an over-under adjustment related to previous years payments of \$1.2 million.

Water System Revenue Bond Surcharge

The Water System Revenue Bond (WSRB) Surcharge for 2020 SOCs decreased from \$107.9 million to \$79.0 million, primarily driven by changes to the conservation revenue calculations. Utilizing budgets for all SWP divisions, future capital power project projections were isolated, and a projected debt service repayment schedule was created to determine the WSRB surcharge in future years. The capital power projects included in this year's surcharge are:



1. Thermalito Power Plant Cleanup and Restoration
2. FERC Relicensing for P2100 (Oroville)
3. FERC Relicensing for P2426 (Southern California)
4. Hyatt Power Plant Turbine Refurbishment (2, 4, 6)
5. 2014 Hyatt-Thermalito Capital Cost Movement

These power projects account for \$20.7 million in debt service to meet bond resolution revenue requirements and are ultimately collected under the transportation variable component. This is an increase of \$4.4 million from the 2019 SOC amount of \$16.3 million. In addition to debt service, the power projects have bond cover requirements, which cannot be recovered under transportation variable. In order to meet the requirements, the cover is included in the WSRB surcharge and then will be returned to the SWP Contractors in the 2021 SOCs.

#### Water System Revenue Bond Issuance

Water System Revenue Bonds Series AZ issued \$48.0 million and WSRB Series BA issued \$76.6 million in principal that were incorporated in the calculation of the 2020 SOCs. The total debt service and cover for water system projects, cover for power facilities, and debt service for power facilities needed to meet bond resolution associated with WSRB Series A-BA is \$211 million, while the 2019 SOCs including WSRB Series A-AY was \$199 million.

Major capitalized projects included in WSRB bond series BA consist of the following:

1. \$228 million for Oroville Emergency Recovery
2. \$104.3 million for Facility Reconstruction and Improvements
3. \$9.5 million for Perris Dam Remediation
4. \$77.5 million Delta Facilities Program
5. \$94 thousand for SWP Communication System Replacement
6. \$41 thousand for Arroyo Pasajero Program

#### Repayment of Off-Aqueduct Power Facilities

Off-Aqueduct Power facilities (OAP) costs are charged under terms of the contract amendment signed by SWP Contractors in early 1983. The Department exited from the Reid Gardner Unit No. 4 (RG4) contract in July 2013. Additional costs associated with the remediation and separation of the RG4 contract are included in the OAP billing component.

The OAP charge for 2020 is \$6.65 million, which is \$50 thousand less than the 2019 OAP charge. The remaining costs to be recovered through the OAP billing component include the annual O&M costs of remaining OAP facilities and RG4 remediation costs. The RG4 remediation costs included in the 2020 SOC total \$6.5 million. The Department will review OAP facility costs in 2020 to adjust SWP Contractor charges and will also reallocate 2020 OAP costs in May of 2020 using updated water delivery data.

## Summary of Revised 2020 SOC (2020 Rebill)

A revision of the 2020 Rebill was sent to the SWP Contractors on December 1, 2019.

The total decrease in the 2020 revised SOC was \$28.8 million. During the 2020 SOC billing process, the Department determined that Sites Reservoir prefunding authorization letters were sufficient to include in the Statements of Charges with the understanding that letter agreements with participating SWP Contractors would be executed prior to calendar year 2020. During the 2020 Rebill process, the Department determined that without executed agreements it was necessary to remove the prefunding amounts from the six participating SWP Contractors Transportation Minimum charges. The Sites Reservoir prefunding removal decreased the six participating SWP Contractors' charges by \$36.4 million.

The Department also addressed two additional billing modifications in the revised SOC that impacted several other SWP Contractors. Transportation Variable charges increased by \$2.5 million for San Geronio and San Bernardino due to prior year Citrus Pumping Plants costs affecting their over-under adjustments. The Water System Revenue Bond (WSRB) Surcharge for 2020 Rebill increased charges by \$5.3 million from \$79.0 million to \$84.3 million. Several procedural modifications to the WSRB Surcharge calculation were included in the revised bill. The total debt service and cover for water system projects, cover for power facilities, and debt service for power facilities needed to meet bond resolution associated with WSRB Series A-BA increased to \$239.2 million from \$211.1 million due to including Oroville Emergency Response and Recovery projects. The Department updated the total amount of costs financed with WSRB proceeds, resulting in an increase to the conservation revenues generated in the Delta Water Charge capital component.

All revisions are listed below and shown in Table 2 on the following page:

1. Sites Reservoir prefunding removed from Transportation Minimum - \$36.4 million decrease
2. Citrus Pumping Plant Costs - \$2.5 million increase
3. WSRB Surcharge - \$5.3 million increase
  - a. Inclusion of Oroville Dam Spillway debt service issued in WSRB Series AZ and BA.
  - b. Updated the costs financed with Water Systems bond proceeds to accurately reflect conservation revenues generated through the Delta Water Charge capital component.

Table 2. Comparison of Rebill 2020 to the 2020 SOC

Components	2020 Rebill (Thousands of \$)			2020 SOC (Thousands of \$)			Year-over- Year Change
	Projected Costs	Prior Year Adjustments	Amortized Charge	Projected Costs	Prior Year Adjustments	Amortized Charge	Charge
<b>Capital</b>							
Transportation Component	106,908	-	143,537	106,908	-	143,537	-
Debt Service Projects	595	-	61,554	595	-	61,554	-
East Branch Enlargement	-	-	36,525	-	-	36,525	-
Conservation Component*	168,343	-	138,840	168,343	-	138,840	-
WSRB Surcharge	-	-	84,275	-	-	78,961	5,313
<b>Capital Subtotal</b>	275,847		464,732	275,847		459,418	5,313
<b>Minimum</b>							
Transportation Component	308,576	29,134	336,586	344,994	29,134	373,004	(36,418)
Conservation Component*	275,724	-	201,663	275,724	-	201,663	-
EBE Minimum Component	10,917	1,311	12,075	10,917	1,311	12,075	-
Conservation RAS	-	-	-	-	-	-	-
<b>Minimum Subtotal</b>	595,217	30,445	550,324	631,635	30,445	586,742	(36,418)
<b>Other (Various)</b>							
Off-Aqueduct Power	-	-	6,650	-	-	6,650	-
Variable Component	292,735	9,513	302,248	292,735	6,965	299,700	2,548
Transportation RAS	4,656	1,294	5,950	4,656	1,294	5,950	-
<b>Subtotal</b>	297,391	10,807	314,848	297,391	8,259	312,300	2,548
	1,168,455	41,251	1,329,903	1,204,873	38,703	1,358,460	(28,557)

\* Conservation costs shown are for the respective bill year only.

**NOTICE TO STATE WATER PROJECT CONTRACTORS****Date:** MAY 22, 2020**Number:** 20-05**Subject:** 2020 State Water Project Allocation Increase from 15 to 20 Percent**From:** Original signed by

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**Ted Craddock****Deputy Director, State Water Project**

Department of Water Resources

The Department of Water Resources (DWR) is increasing the allocation of 2020 State Water Project (SWP) water for long-term contractors from 635,434 acre-feet to 843,696 acre-feet. Based on the recent precipitation, runoff, and current water supply conditions, SWP supplies are projected to be 20 percent of most SWP contractors' 2020 requested Table A amounts, which totals 4,172,786 AF. Attached is the revised 2020 SWP 20 percent allocation table.

This allocation increase is made consistent with the long-term water supply contracts and public policy. DWR's approval considered several factors including existing storage in SWP conservation reservoirs, SWP operational constraints such as the conditions of the Biological Opinions for Delta Smelt and Salmonids, the Longfin Smelt Incidental Take Permit, and the 2020 contractor demands. DWR may revise this and any subsequent allocations if warranted by the year's developing hydrologic and water supply conditions.

To develop the new 20 percent schedule, DWR will scale up the current long term SWP contractors' 10 percent schedules that were submitted in October 2019 (as part of their initial request), unless contractors submit updated schedules. DWR will send the approved monthly water delivery schedules to the long-term SWP contractors.

If you have any questions or need additional information, please contact Pedro Villalobos, Chief, State Water Project Analysis Office, at (916) 653 4313.

Attachment

2020 STATE WATER PROJECT ALLOCATION  
(ACRE-FEET)

SWP CONTRACTORS	TABLE A  (1)	INITIAL REQUEST  (2)	APPROVED ALLOCATION  (3)	PERCENT INITIAL REQUEST APPROVED  (3)/(2) (4)
<b><u>FEATHER RIVER</u></b>				
County of Butte	27,500	27,500	6,000	22%
Plumas County FC&WCD	2,700	2,700	540	20%
City of Yuba City	9,600	9,600	2,880	30%
<b>Subtotal</b>	<b>39,800</b>	<b>39,800</b>	<b>9,420</b>	
<b><u>NORTH BAY</u></b>				
Napa County FC&WCD	29,025	29,025	8,708	30%
Solano County WA	47,756	47,756	14,327	30%
<b>Subtotal</b>	<b>76,781</b>	<b>76,781</b>	<b>23,035</b>	
<b><u>SOUTH BAY</u></b>				
Alameda County FC&WCD, Zone 7	80,619	80,619	16,124	20%
Alameda County WD	42,000	42,000	8,400	20%
Santa Clara Valley WD	100,000	100,000	20,000	20%
<b>Subtotal</b>	<b>222,619</b>	<b>222,619</b>	<b>44,524</b>	
<b><u>SAN JOAQUIN VALLEY</u></b>				
Oak Flat WD	5,700	5,700	1,140	20%
County of Kings	9,305	9,305	1,861	20%
Dudley Ridge WD	41,350	41,350	8,270	20%
Empire West Side ID	3,000	3,000	600	20%
Kern County WA	982,730	982,730	196,546	20%
Tulare Lake Basin WSD	87,471	87,471	17,494	20%
<b>Subtotal</b>	<b>1,129,556</b>	<b>1,129,556</b>	<b>225,911</b>	
<b><u>CENTRAL COASTAL</u></b>				
San Luis Obispo County FC&WCD	25,000	25,000	5,000	20%
Santa Barbara County FC&WCD	45,486	45,486	9,097	20%
<b>Subtotal</b>	<b>70,486</b>	<b>70,486</b>	<b>14,097</b>	
<b><u>SOUTHERN CALIFORNIA</u></b>				
Antelope Valley-East Kern WA	144,844	144,844	28,969	20%
Santa Clarita Valley WA	95,200	95,200	19,040	20%
Coachella Valley WD	138,350	138,350	27,670	20%
Crestline-Lake Arrowhead WA	5,800	5,800	1,160	20%
Desert WA	55,750	55,750	11,150	20%
Little Rock Creek ID	2,300	2,300	460	20%
Metropolitan WDSC	1,911,500	1,911,500	382,300	20%
Mojave WA	89,800	89,800	17,960	20%
Palmdale WD	21,300	21,300	4,260	20%
San Bernardino Valley MWD	102,600	102,600	20,520	20%
San Gabriel Valley MWD	28,800	28,800	5,760	20%
San Geronio Pass WA	17,300	17,300	3,460	20%
Ventura County WPD	20,000	20,000	4,000	20%
<b>Subtotal</b>	<b>2,633,544</b>	<b>2,633,544</b>	<b>526,709</b>	
<b>TOTAL</b>	<b>4,172,786</b>	<b>4,172,786</b>	<b>843,696</b>	

**NOTICE TO STATE WATER PROJECT CONTRACTORS**

**Date:** DECEMBER 1, 2020

**Number:** 20-06

**Subject:** 2021 State Water Project Initial Allocation – 10 Percent

**From:** Original signed by

**Ted Craddock**

**Deputy Director, State Water Project**

Department of Water Resources

The Department of Water Resources (DWR) is initially approving 422,848 acre-feet (AF) of Table A water for the long-term State Water Project (SWP) contractors in 2021. SWP supplies are projected to meet 10 percent of most SWP contractors' requests for Table A water, which totals to be 4,172,786 AF. Attached is the initial 2021 SWP allocation table.

This initial allocation is made consistent with the long-term water supply contracts and public policy. DWR's approval considered several factors including existing storage in SWP conservation reservoirs, SWP operational constraints such as the conditions of the 2019 Biological Opinions for federally-listed species, the 2020 Incidental Take Permit for State-listed species and the 2021 SWP contractors' demands. DWR may revise this and any subsequent allocations if warranted by the developing hydrologic and water supply conditions.

To develop the 10 percent schedule, DWR will scale down the current long-term SWP contractors' 15 percent schedules that were submitted in October 2020 (as part of the initial requests), unless SWP contractors submit updated schedules. DWR will send the approved monthly water delivery schedules to the long-term SWP contractors.

If you have any questions or need additional information, please contact Dave Paulson, Acting Chief, State Water Project Analysis Office, at (916) 653-7402.

Attachment

2021 STATE WATER PROJECT INITIAL ALLOCATION  
(ACRE-FEET)

SWP CONTRACTORS	TABLE A  (1)	INITIAL REQUEST  (2)	APPROVED ALLOCATION  (3)	PERCENT INITIAL REQUEST APPROVED  (3)/(2) (4)
<b><u>FEATHER RIVER</u></b>				
County of Butte	27,500	27,500	4,000	15%
Plumas County FC&WCD	2,700	2,700	270	10%
City of Yuba City	9,600	9,600	1,440	15%
<b>Subtotal</b>	<b>39,800</b>	<b>39,800</b>	<b>5,710</b>	
<b><u>NORTH BAY</u></b>				
Napa County FC&WCD	29,025	29,025	4,354	15%
Solano County WA	47,756	47,756	7,163	15%
<b>Subtotal</b>	<b>76,781</b>	<b>76,781</b>	<b>11,517</b>	
<b><u>SOUTH BAY</u></b>				
Alameda County FC&WCD, Zone 7	80,619	80,619	8,062	10%
Alameda County WD	42,000	42,000	4,200	10%
Santa Clara Valley WD	100,000	100,000	10,000	10%
<b>Subtotal</b>	<b>222,619</b>	<b>222,619</b>	<b>22,262</b>	
<b><u>SAN JOAQUIN VALLEY</u></b>				
Oak Flat WD	5,700	5,700	570	10%
County of Kings	9,305	9,305	931	10%
Dudley Ridge WD	41,350	41,350	4,135	10%
Empire West Side ID	3,000	3,000	300	10%
Kern County WA	982,730	982,730	98,273	10%
Tulare Lake Basin WSD	87,471	87,471	8,747	10%
<b>Subtotal</b>	<b>1,129,556</b>	<b>1,129,556</b>	<b>112,956</b>	
<b><u>CENTRAL COASTAL</u></b>				
San Luis Obispo County FC&WCD	25,000	25,000	2,500	10%
Santa Barbara County FC&WCD	45,486	45,486	4,549	10%
<b>Subtotal</b>	<b>70,486</b>	<b>70,486</b>	<b>7,049</b>	
<b><u>SOUTHERN CALIFORNIA</u></b>				
Antelope Valley-East Kern WA	144,844	144,844	14,484	10%
Santa Clarita Valley WA	95,200	95,200	9,520	10%
Coachella Valley WD	138,350	138,350	13,835	10%
Crestline-Lake Arrowhead WA	5,800	5,800	580	10%
Desert WA	55,750	55,750	5,575	10%
Littlerock Creek ID	2,300	2,300	230	10%
Metropolitan WDSC	1,911,500	1,911,500	191,150	10%
Mojave WA	89,800	89,800	8,980	10%
Palmdale WD	21,300	21,300	2,130	10%
San Bernardino Valley MWD	102,600	102,600	10,260	10%
San Gabriel Valley MWD	28,800	28,800	2,880	10%
San Geronio Pass WA	17,300	17,300	1,730	10%
Ventura County WPD	20,000	20,000	2,000	10%
<b>Subtotal</b>	<b>2,633,544</b>	<b>2,633,544</b>	<b>263,354</b>	
<b>TOTAL</b>	<b>4,172,786</b>	<b>4,172,786</b>	<b>422,848</b>	