

K.W.

**SWP**

**Environmental Water Account  
Operational Issues**

- 1) The State Water Project policy for Oroville Reservoir is that storage capacity is for flood control, meeting river and delta demands, and export needs. Storage of non-project water is not allowed except under unusual circumstances such as the previous Drought Water Bank. The current policy is to avoid impacts to SWP operations and avoid setting precedent for other uses. The operation of the Oroville facilities requires balancing multiple requirements and storing non-project water would place an additional burden on management of the reservoir.

Recommendation: Storage of non-project water in Oroville should not be allowed, except under defined emergency conditions.

- 2) Water wheeled by the SWP and stored in San Luis Reservoir is subject to storage, energy and administrative charges. Similarly, the Environmental Water Account can incur these costs.

Recommendation: The Environmental Water Account should be considered similar to non-project water transfers and a fund needs to be established to reimburse the SWP for these EWA transfer costs. This burden should not be borne by the SWP contractors.

- 3) An accurate accounting for pumping, conveying, and storing of EWA water through SWP facilities is necessary. An accurate accounting for sharing of Joint Point Of Diversion between the EWA and Central Valley Project is also necessary to attribute costs based on the benefits received.

Recommendation: Although the Department of Water Resources would provide the accounting with input from the EWA Managing agencies and U.S. Bureau of Reclamation, DWR will be the final authority.

- 4) Borrowing against SWP/CVP water by the EWA is to be based on current EWA assets of storage and water purchases as well as those water purchases next year.

Recommendation: Borrowing should be based on "firm" assets such as south of Delta groundwater or south of Delta purchases. Borrowing should not be allowed against "variable" assets such as a share of JPOD or the additional summer 500 cfs. (Note borrowing agreement will need to be established defining specific limitations to minimize risk to projects.)

- 5) SWP allocations are made based on storage in Oroville Reservoir and the state share of San Luis Reservoir. Any water borrowed by the EWA will need to be considered as in place to minimize impacts to allocations.

Recommendation: An operating guideline needs to be established to address such conditions. Amendments to existing contracts may also be necessary.

- 6) Delivery of Interruptible Water (entitlement) to SWP contractors is subject to the schedule for filling the state share of San Luis Reservoir. The state share of San Luis is to be considered "full" using credit for any water borrowed by the EWA so that delivery of IW occurs as though the projects were paid back.

Recommendation: An operating guideline needs to be established to address such conditions. Amendments to existing contracts may also be necessary.

- 7) Priority of water stored in San Luis needs to be clearly defined. The priority needs to establish the order of water "spilling". Non-project water, including EWA, stored in San Luis is subject to "spill" if the project can fill its share. San Luis is to be considered "full" using credit for any water borrowed by the EWA so that "spill" occurs as though the projects were paid back.

Recommendation: Non-project, including EWA, is subject to spill prior to spill of contractor carryover water. An operating guideline needs to be established to address such conditions. Amendments to existing contracts may also be necessary.

- 8) Operational flexibility used to accommodate EWA activity needs to be defined. Guidelines establishing how the SWP and CVP will determine which agency would provide the borrowed water, share risk, and share conveyance cost impacts.

Recommendation: Establish operational guidelines defining procedures to implement the EWA operations plan in coordination with the SWP and CVP on a minimum 12 month rolling schedule.

- 9) SWP allocations to contractors are established on December 1 each year. An EWA operations plan needs to be developed and coordinated with both the SWP and CVP operation plans to ensure SWP and CVP deliveries are not impacted.

Recommendation: Establish procedures to prepare an EWA operations plan in coordination with the SWP and CVP on a minimum 12 month rolling schedule.

- 10) The priority for use of project conveyance for SWP contractor's non-project water acquisitions needs to be defined. The priority in relation to EWA and other water transfers should be clearly defined.

Recommendation: The priority for EWA conveyance should be after all existing SWP contractual conveyance requirements are met. Establish operating priorities for use of project facilities by the EWA, CVP, and non-project water.

- 11) There are carriage water, evaporation losses, aqueduct losses, and entrainment losses associated with the transfer and storage of EWA (as well as other transfers).

Recommendation: The EWA needs to be responsible for their appropriate share of these quantities similar to existing arrangements with other transfers.

- 12) Movement of EWA assets will require power for pumping through SWP facilities.

Recommendation: The USBR/CVP is to provide the required power similar to existing arrangements for JPOD.

- 13) Conflicts associated with implementation of the EWA need to be addressed.

Recommendation: A conflict resolution process similar to the Operations Decision-Making Process should be prepared.

- 14) Implementation of the EWA may affect the ability of the SWP and CVP (and outside interests) to purchase water. This competition may be intense in a drought, and may affect water pricing.

Recommendation: Establish a coordinated purchase program (eg. pooled water source) for the EWA, Ecosystem Restoration Program, Drought Water Bank, and USBR Water Acquisition Program. Provide necessary resources (funding and staff) to adequately implement such a program.

- 15) CEQA and NEPA documentation as well as contractual requirements will need to be handled for changes in SWP and CVP operations, and for EWA water management.

Recommendation: Provide adequate funding and staffing to complete necessary activities associated with implementation of the EWA.

- 16) Operational changes to the SWP, and possible changes in priorities for conveyance and storage, may need to be reflected in contract changes with the 29 SWP contractors. (The same question may apply to USBR.)

Recommendation: Provide further detail in EWA implementation to assess the potential changes in project operations and associated contractual changes that may be necessary.