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THE WHITE HOUSE

WASHINGTON

February 13, 1991

MEMORANDUM FOR EDE HOLIDAY

FROM: MICHAEL P. JACKSON 
SUBJECT: Announcement of Interior Department Water
Allotments for California

FYI, attached is a draft statement and other background information that the Bureau of Reclamation plans to release in California tomorrow regarding Bureau water allotments. The top page summarizes the new water allotment reductions.

Interior will note (see page 2 of the attached) that they will monitor conditions continuously and make changes in this program as needed.

Attachments

cc: Stephen Danzansky
Steve Hart
Deb Anderson
David Carney
Richard Porter

Commissioner

CENTRAL VALLEY PROJECT WATER SUPPLY FOR 1991

... tapping into the CVP's reserves

DRAFT

February 14, 1991

Bottom Line on Central Valley Water Supplies for 1991

With a water year unfolding that is, in some cases, as dry or drier than 1977, the Bureau of Reclamation is forced to cut back on allotments to all Central Valley Project water service contractors.

The first declaration of available CVP supplies for Water Year 1991 is as follows:

- 25 percent supply for agricultural contractors;
- 75 percent supply for Sacramento River water rights holders and San Joaquin River exchange contractors; and
- 50 percent or 25 percent supply to urban water users depending on their contracts.

This initial water allotment is based on forecasted runoff to the Sacramento River Basin of 4.8 million acre-feet. To accommodate the forecasted supplies, total CVP storage is projected to be decreased by about 3.0 million acre-feet and to be at 600,000 acre-feet on September 30, 1991. The 600,000 acre-feet represents an all-time low for CVP storage. On a reservoir-by-reservoir basis, the seriousness of the conditions becomes even more evident. Shown below (in acre-feet) are the capacities and the current, projected maximum, and projected minimum reservoir levels for major CVP reservoirs in Water Year 1991.

Reservoir	Storage Capacity	Current Storage	1991 Maximum Storage	1991 Minimum Storage
Clair Engle	2,448,000	960,600	965,000	322,000
Whiskeytown	241,100	186,900	200,000	28,000
Shasta	4,552,000	1,564,300	1,573,000	130,000
Folsom	1,100,000	163,700	176,000	89,000
New Melones	2,420,000	371,900	380,000	17,000
San Luis (Federal share)	971,000	588,500	690,000	55,000

The Bureau will continue to review precipitation, snowpack, and reservoir storage information to analyze the cumulative effects of the remaining one-third of the precipitation season on the overall water supply outlook. If conditions change, the water supply declaration could be modified.

Dry Year Five

Sustaining full water deliveries from the CVP in 1991 was rendered impossible by the combination of several important factors: 1) the effects of the 4 consecutive dry years preceding this year; 2) precipitation and snowpack levels for 1991 that are far below normal; and, 3) storage levels as low as those of 1977. Given the uncertainty of the next few months, Bureau experts are planning for reality but hoping for an extraordinary amount of precipitation.

Water Transfer and Hardship Guidelines

Copies of draft guidelines for water transfers are available from the Bureau's Public Affairs Office. Also available are copies of the Bureau's draft policy for providing hardship or relief water for agricultural or urban users.

**For more information regarding the
Central Valley Project water supply,
please contact
the Bureau of Reclamation's
Public Affairs Office
916/978-4919**

WHO TO CALL FOR INFORMATION ON RELATED IMPACTS

... ON IMPACTS TO FARMERS

Jason Peltier, Central Valley Project Water Users Association, 916/488-1638

Bill Martin, Sacramento River Water Contractors Association, 916/446-0198

Mike Henry, California Farm Bureau, 916/924-4060

Steve Hall, Farm Water Coalition, 209/227-1695

... ON IMPACTS TO URBAN USERS

Teddy Morse, Santa Clara Valley Water District, 408/265-2600, ext. 279

... ON IMPACTS TO ENERGY RESOURCES

Dave Coleman, Western Area Power Administration, 916/649-4418

... ON IMPACTS TO FISH AND WILDLIFE

Ted Thomas, California Department of Fish and Game, 916/445-7613

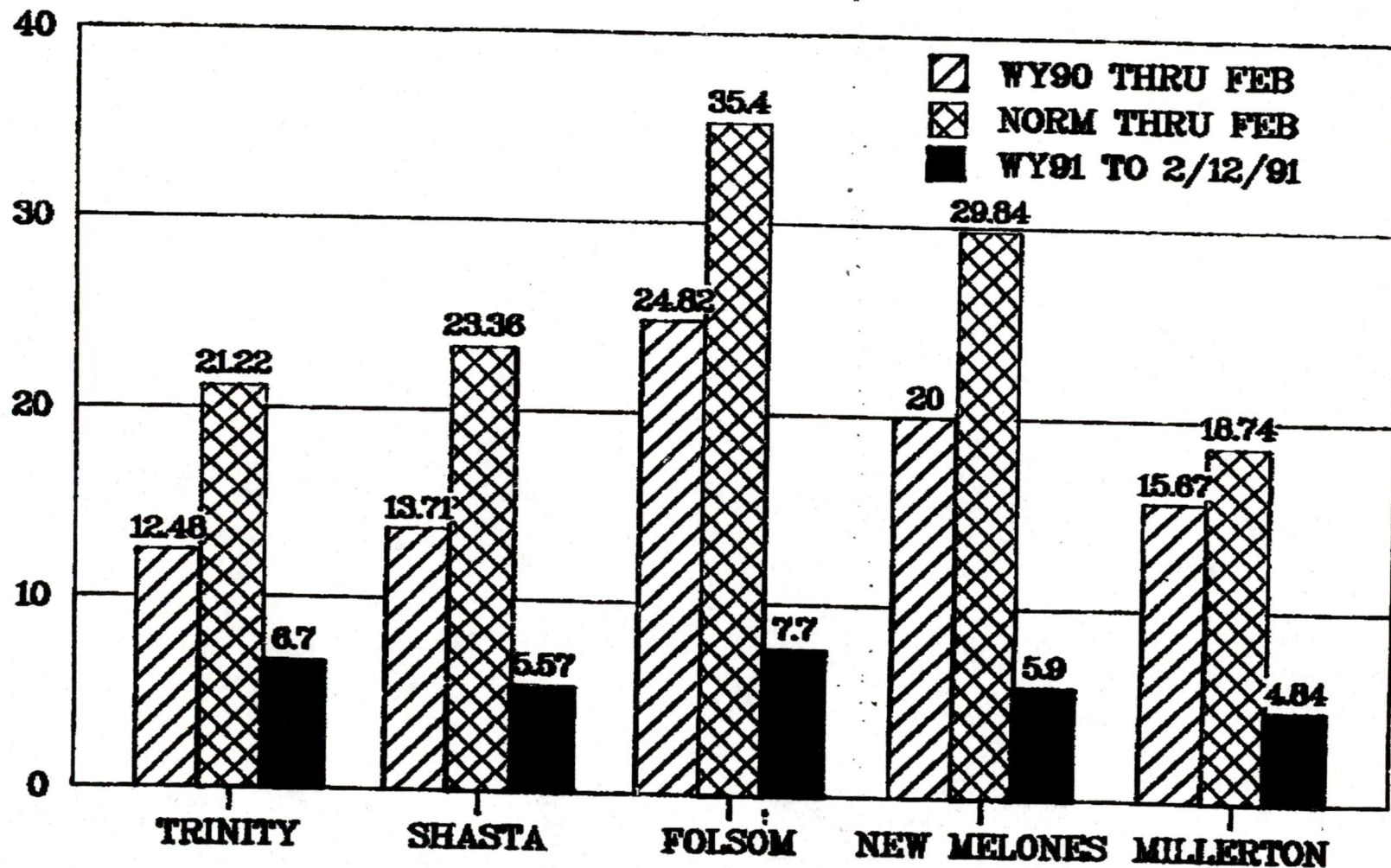
... ON IMPACTS TO RECREATION

Larry Paynter, California Department of Parks and Recreation, 916/445-6709

**FOR CURRENT CVP RESERVOIR LEVELS, INFLOWS, AND RELEASES,
CALL 916/978-5378**

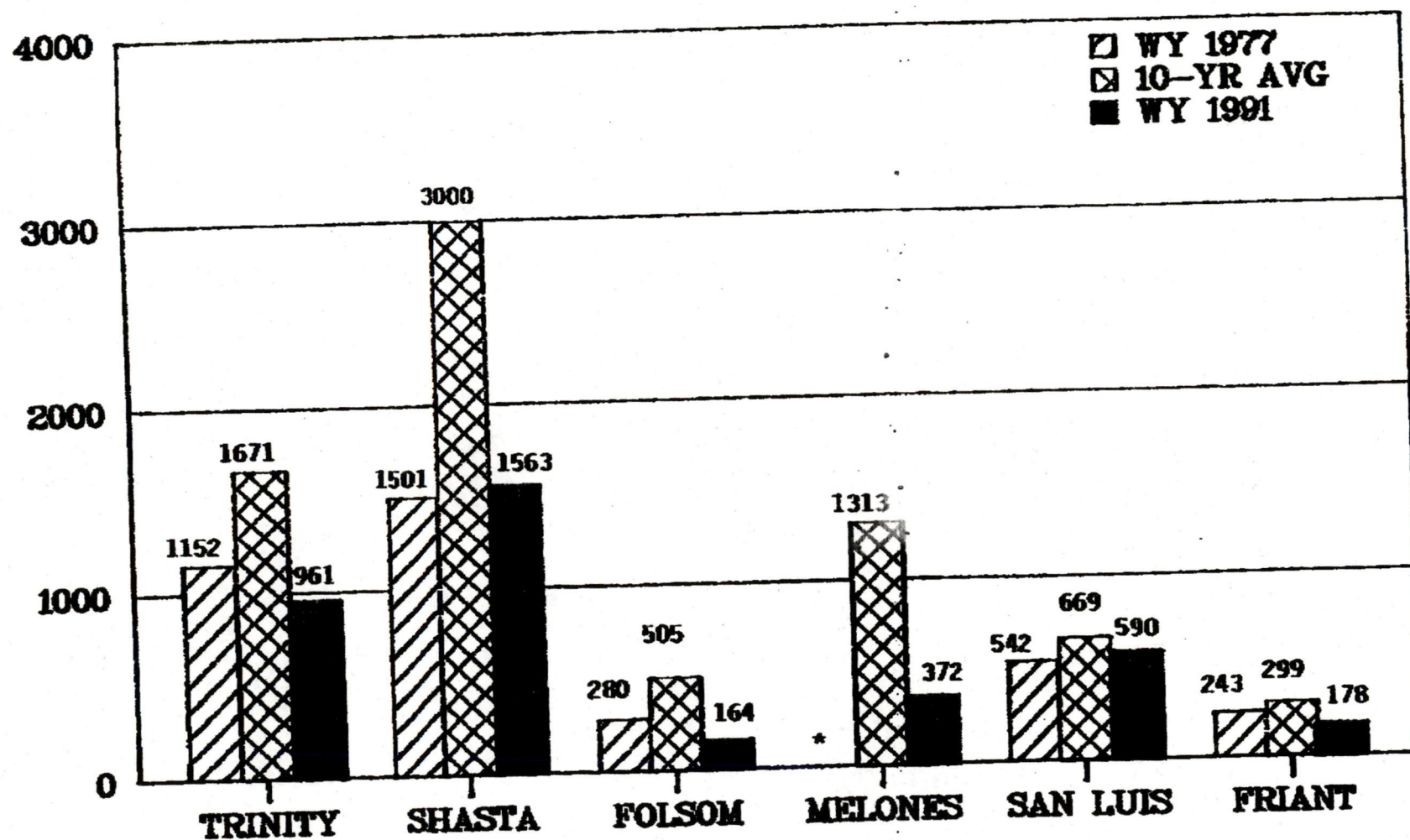
PRECIPITATION ABOVE CVP RESERVOIRS

2/12/91



RESERVOIR STORAGES

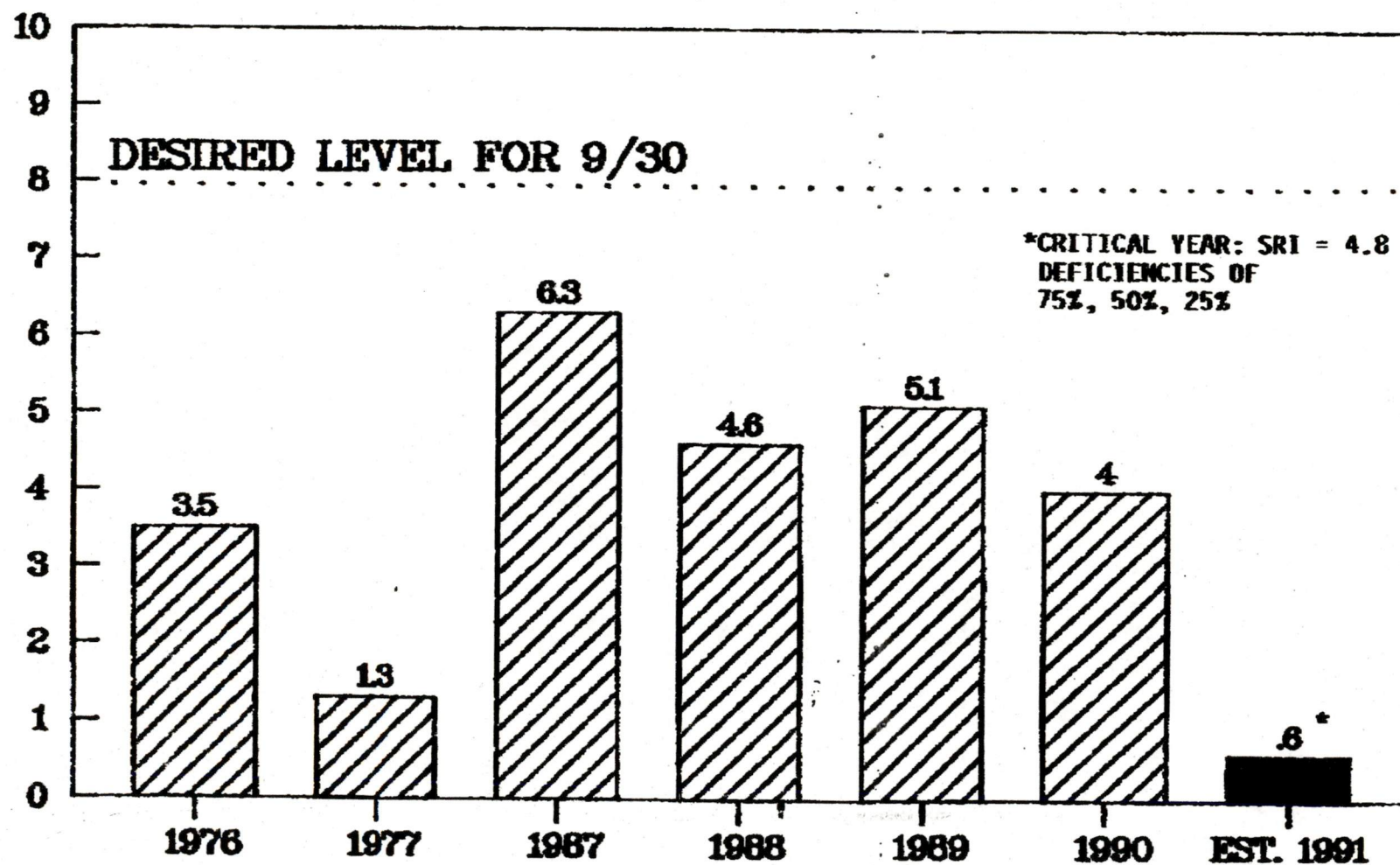
FEBRUARY 12, 1991



*NOT OPERATIONAL

RESERVOIR STORAGE ON SEPTEMBER 30

CENTRAL VALLEY PROJECT



F-I-N-A-L D-R-A-F-T

February 12, 1991

1991 CENTRAL VALLEY PROJECT WATER TRANSFER GUIDELINES**I. GENERAL PROVISIONS**

- A. These transfer guidelines will be followed in the event the 1991 water year continues the current drought conditions. The purpose of the guidelines is to address all transfers equitably, help move water to reduce the impacts of the drought, and maintain CVP operational flexibility to meet a balance of the essential water needs to protect long-term resources and the public health and safety for metropolitan areas in this drought period.
- B. Central Valley project water in excess of the contractor's needs or that a contractor is willing to transfer may be approved for transfer on a case-by-case basis in accordance with the guidelines identified herein. Water to be transferred must meet the criteria of "transferable water" which is defined as the following (a) water that has been historically (during the 5 to 7 years prior to 1988) used for beneficial purposes, including transferred water, by the transferor district and (b) as water that, in the absence of the transfer agreement would have been beneficially used and, if so, would not be available to the transferee, the Central Valley Project (CVP) or the State Water Project (SWP), or other water right holder by virtue of their water right.
- C. Water transferred from one contractor or contractor organization to another must not create a significant adverse impact on CVP supplies and will be required to meet the demonstration of transferable water. When making a determination of water available to transfer, any water that has been transferred under existing agreements must meet the transferable water criteria before additional transfers can be approved.
- D. Water made available from idling lands or crop "set aside" acreage must meet the criteria for "transferable water" and such lands shall not be irrigated with other surface supplies. A substitute irrigation water supply from wells must not be from stream underflow adversely affecting the water supply available to the CVP. Adjustments for impact on return flow and conveyance losses will be made to the quantities of all such water made available.

II. APPROVAL CRITERIA FOR RECIPIENTS

- A. Transfers of CVP water to users or areas outside the CVP will not be considered.

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- B.** Approval of transfers of CVP water among CVP contractors will consider the following uses:
1. Municipalities with long-term CVP M&I contracts requiring additional water supplies to maintain health and safety.
 2. CVP agricultural contractors for survival of plantings of trees and vines.
 3. Fish and wildlife needs in areas operated by public agencies, including wildlife management areas under public agency control, for survival of wildlife and wildlife habitat.
 4. Other agricultural users with a critical need.
- C.** All transfer requests must be accompanied by a monthly delivery schedule including identification of the source of water.
- D.** The receiving entity must pay at least the rates as required by the Rules and Regulations and any administrative costs to the transferor. The transferor may require the transferee to pay a water rate equal to or greater than the cost-of-service water rate in order to avoid an increase in their deficit. In such cases, the transferor must remit to Reclamation the amount up to the cost-of-service water rate. Amounts of payment in excess of the cost-of-service water rate (incentives to generate the transfer) may be retained by the transferor.
- E.** All conveyance losses and carriage water, if appropriate, will be assessed against the water transferred.
- F.** Conveyance capacity and CVP power must be available in the CVP system.
- G.** No transfer will be considered to use CVP facilities on an individual to individual transfer except as provided in CVP contracts.

91CVTRN4.POL

F-I-N-A-L D-R-A-F-T

February 12, 1991

**1991 CENTRAL VALLEY PROJECT
HARDSHIP CRITERIA FOR IRRIGATION AND URBAN WATER USERS****I. PURPOSE**

Establish the Bureau of Reclamation, Mid-Pacific Region's criteria to be followed in evaluating requests for relief from the hardships to Central Valley Project (CVP) irrigation and municipal and industrial (M&I) water contractors created by the water shortage in 1991. The special situations regarding wildlife refuges, the other impacts on fish and wildlife resources caused by the drought conditions and the impacts of transfers of water from one contractor to another are not considered herein.

II. CRITERIA TO DETERMINE HARDSHIP UNDER DROUGHT CONDITIONS

Requests for additional water supply allocations will be considered on a case by case basis. Further, hardship water for M&I purposes will not be available until the CVP "end of year" storage is projected to be greater than 600,000 acre feet and for irrigation purposes will not be available until the CVP "end of year" carryover storage is projected to be greater than 1.1 million acre feet. Requests for water to relieve hardships for any contractor will not be considered unless the contractor has an approved water conservation plan in place and the users are following the requirements of the plan. Evaluation of the request for the hardship supply will include a review of all other water available including groundwater, the condition of the aquifer, and the potential for permanent damage due to continued overdrafting.

A. M&I - Permanent Contractors

1. Water will be made available to protect public health (basic needs to maintain life and maintain cleanliness to control disease) and safety (fire protection) where no other alternative supplies are available.

B. M&I - Historical annual temporary contractors

1. Water will be made available to protect public health (basic needs to maintain life and maintain cleanliness to control disease) and safety (fire protection) where no other alternative supplies are available.

C. Irrigation - Permanent contractors

1. At water supply levels of less than 50 percent of the contractor's maximum contract entitlement - in cases where there are no alternative water supplies available, additional water (the amount determined to be necessary for survival) will be made available to prevent loss of trees and vines only.

F-I-N-A-L D-R-A-F-T**2****III. PROCEDURE TO ALLOCATE WATER BASED ON ABOVE CRITERIA**

A. **M&I** - Assure M&I contractors that if all efforts to manage their contract amount and/or acquire water from other sources available are not successful in preventing threats to public health and safety, upon request and with appropriate documentation to justify additional water, Reclamation will make limited additional water available when their existing supplies are essentially exhausted.

B. **IRRIGATION** - Determine that additional water, to augment the supplies available under the contract, is required to provide for the survival of trees and vines. The additional water determined to be needed will not be available to be allocated until CVP "carry over" storage reaches the levels indicated above.

91HRDSP1.CRI

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February 12, 1991

GUIDELINES FOR THE REVIEW OF REQUESTS FOR THE USE OF PROJECT FACILITIES TO TRANSPORT AND/OR STORE NONPROJECT WATER

I. PURPOSE

The continued drought conditions in California will necessitate increasing numbers of water transfers to meet critical water needs within the State. Many of these transfers will require the use of Central Valley Project (CVP) facilities to transport the transferred water to the new user.

The purpose of these guidelines is to provide a consistent basis for the Bureau of Reclamation (Reclamation) to evaluate requests for transportation through CVP facilities of non-CVP (nonproject) water, including water provided by CVP to prior water right holders in recognition of those prior rights. The CVP water supply will be adversely impacted by use of project facilities for nonproject water if such use does not meet the criteria set forth below. All parties contemplating a request for wheeling of nonproject water in CVP facilities should consult with the Reclamation staff prior to formulation of the transfer requiring the use of such facilities to determine the level of analysis that will be required to meet the following guidelines.

These guidelines will also serve as a basis for review and approval of transfers of water under contract to water right holders in recognition of those water rights where the contracts provide for transfers with the Contracting Officer's approval.

II. GENERAL PROVISIONS

- A. Evaluation of water transportation proposals. All proposals for transportation of transferred non-CVP (nonproject) water through CVP facilities will be considered on a case-by-case basis. Each proposal must contain sufficient information for thorough evaluation. The party requesting the transportation services must agree in advance to pay Reclamation for all costs associated with reviewing the proposal for the use of the project facilities, including defining the potential impacts on CVP. In some cases, the California Department of Water Resources (Department) may also be required to evaluate the proposal. If both agencies are required to provide comprehensive review of the proposal, the costs of each agency must be paid by the parties proposing the use of project facilities.
- B. Transportable water. Transportable water is nonproject water that has been historically diverted or stored and could be transferred under an established legal water right or entitlement. "Transportable water" is water that would not be available to the receiving party, the CVP, the State Water Project (SWP) or any other water right holder in the absence of the transfer agreement. To assure that all transfers involve "transportable water", the following criteria will apply.

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1. **Direct diversion.** The water transferred must have been historically diverted. The proposal should indicate how the water will become available under the proposed operational changes. All requests for transportation or storage of nonproject surface water must be submitted by April 15, 1991, for the 1991 water year, unless extenuating circumstances require submittal at a later date.
 2. **Stored water.** Nonproject stored water considered for transportation must be in addition to those stored quantities normally released under existing reservoir operations.
 3. **Ground water.** Groundwater considered for transportation must not adversely impact the water quality of stream flows or the use of groundwater by other users. Documentation of ground-water quality will be required. Reclamation will provide transportation of water transferred from an overdrafted ground-water basin only if the water transferred as part of an exchange, including ground-water bank withdrawals.
- C. **Coordinated Operation Agreement.** The Coordinated Operation Agreement of November 24, 1986 (COA), between Reclamation and the Department, designates certain rights and obligations of Reclamation and the Department with respect to the operation of the CVP and the SWP. Water transfers involving the export of nonproject water through CVP facilities may affect aspects of the new operation covered by the COA, including exports and storage withdrawals for each agency, responsibility for in-basin uses and Delta water quality, and allocation of unstored flows in the Delta. Reclamation and the Department must determine the impacts of the proposed transfer of nonproject water and agree on how to account for the impacts under COA in advance of conveying nonproject water through CVP facilities.

III. REVIEW OF USE OF FACILITY PROPOSALS FOR NONPROJECT WATER

- A. **Transportable water.** Reclamation must agree that the water transferred is transportable water, as defined above.
1. **Established legal right.** The proposal must document, to the satisfaction of Reclamation, the Department, and, if necessary, the State Water Resources Control Board (SWRCB), that nonproject water to be placed in project facilities is transportable water as defined above. Conveyance of the nonproject water through CVP facilities will be subject to SWRCB approval of the transfer, if required under the water rights being exercised. Transferor must have an established legal right or entitlement for use of the water by the transferee. Water use

F-I-N-A-L D-R-A-F-T**3**

records should be available to demonstrate a valid water right for water transferred pursuant to pre-1914 water rights.

2. **Impacts on other users.** The proposal must demonstrate, to the satisfaction of Reclamation, that the transfer would not adversely impact the CVP, the SWP or other users.
- B. **Permits.** Acquiring necessary water right permits, and completing any required environmental documentation will be the responsibility of the party requesting the use of project facilities to complete the transfer.
- C. **Operation studies.** Transportation proposals involving nonproject water transfers must include operation studies showing the pattern of delivery, impacts on other users (including the CVP), and changes in storage levels for conditions with and without the transfer, if applicable. The operation studies should also indicate the schedule of releases or diversions to be transferred and proposed delivery schedule.
- D. **Releases.** Releases of the transferred water will be measured at points and by methods mutually agreed between the transferor and the agency conveying the water. That agency will determine the flow rate and timing of the water transfer releases.
- E. **Assessment.** A minimum assessment of 10 percent of the total amount of nonproject water transported through CVP or transfers of water delivered in recognition of water rights will be required to mitigate drought impacts on fish and wildlife resources.
- F. **Carriage Water.** Thirty percent, or some quantity as agreed to between Reclamation and the Department, of all water transferred across the Delta, for export through project facilities, will be required for carriage water requirements in the Delta. Reclamation may also assess conveyance and storage losses for water transported through CVP facilities.
- G. **Water quality.** Conveyance in project facilities will not be provided during times the proposed transfer will adversely impact the efforts of the CVP and the SWP to meet Delta water quality standards, or reduce the quantity or quality of the CVP and SWP water available for export.
- H. **Water temperature.** Conveyance will not be provided during times the proposed transfer will adversely impact the efforts of the CVP to meet temperature objectives for fishery habitat.
- I. **Refill Impacts.** Reclamation will require an operations refill agreement for transportation of transfers involving withdrawals from storage reservoirs or ground-water basins. This will protect the availability of water to the CVP

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during the refill period. Refill impacts will not be required if the transfer water is made available by taking lands out of production.

CVPDWR-3.GDL

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February 12, 1991

**1991 IMPLEMENTATION GUIDELINES FOR TRANSPORTATION OF
NONPROJECT WATER IN CVP FACILITIES**

- I. All transportation of nonproject water through CVP facilities will be through agreements or contracts with existing CVP Contractors, water districts, or other public or private water companies. The Bureau of Reclamation (Reclamation) will not provide services or use of CVP facilities for individuals within districts that currently are under a CVP contract for water service.
- II. Reclamation must agree there is sufficient capacity in the system available to convey the nonproject water without adversely impacting the CVP operations. Power to convey nonproject water through CVP pumps must be supplied by the parties requesting the transportation. No CVP power will be used to convey nonproject water in the CVP system. The first priority for pumping in CVP facilities will be for off-peak CVP pumping.
- III. Prior to Reclamation consideration being given to a request to transport nonproject water through CVP facilities, the requesting parties must agree, in writing, to pay the Reclamation costs and deposit with United States an amount equal to the estimated cost of the analysis and administration in advance of any review or consideration of a proposed transportation. In addition to the costs to review the proposal, there will be a \$300 administrative charge to enter into a contract to utilize CVP facilities.
- IV. The charge for the use of CVP facilities will be the current "cost-of-service" rates for the facilities being used to transport the water. Water may also be stored if space is available and the contractor agrees that the nonproject water is the first water spilled in the event the reservoir fills.
- V. Any party requesting use of CVP facilities and/or transfer of nonproject water under a water right settlement contract will be responsible for completion of any required federal or state environmental documentation.
- VI. Requests for transportation through CVP facilities requiring export from the Delta, must be at rates of delivery of at least 100 ft³/second into the upstream river system. Transportation using CVP facilities but not being exported from the Delta will be evaluated on a case-by-case basis.
- VII. Reclamation must agree that there is nonproject water to be transported. The transportation proposal must include the following information. Upon review of this information, further information may be required by Reclamation.

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A. Transportable water covered by a direct diversion right.

1. Evidence to show that a valid right exists for the water proposed for transfer.
2. Evidence to show that the water proposed for transfer is "transportable water."
3. Evidence submitted for A.1. and 2. above, shall, at least, include permittee or licensee reports and detailed operation records showing diversion quantities and rates for the last 10 years.
4. If the water right for the water proposed to be transported is a Water Code water right (post-1914), Reclamation will require that a petition be submitted to the State Board for approval.

B. Transportation of water covered by a storage right.

1. Evidence to show that a valid right exists for the water proposed for transportation.
2. Evidence to show that the water proposed for transportation in CVP facilities is "transportable water." Such evidence is particularly important to the approval of transportation of nonproject water associated with a storage right and must include an operation study to show operations in this year are to be different than in past years.
3. Evidence submitted for B.1. and 2. above, shall, at least, include permittee or licensee reports and detailed operation records showing diversion quantities and rates for the last 10 years.
4. If the water right for the nonproject water proposed for transportation is a Water Code water right (post-1914), Reclamation will require that a petition be submitted to the State Board for approval.

C. Ground Water.

1. Evidence to show that the transportation proposal will not adversely affect stream flow.
2. Evidence to show that the transportation proposal will not adversely affect water quality.
3. Evidence to show that the water proposed for transportation is ground water and not surface water.