



One Water & Stewardship Committee

# Approaches for Securing Dry-Year Water Transfers

Item 6b

August 19, 2024

# Item #6b Approaches for Securing Dry- Year Water Transfers

## Subject

Approaches for Securing Dry-Year Water Transfers

## Purpose

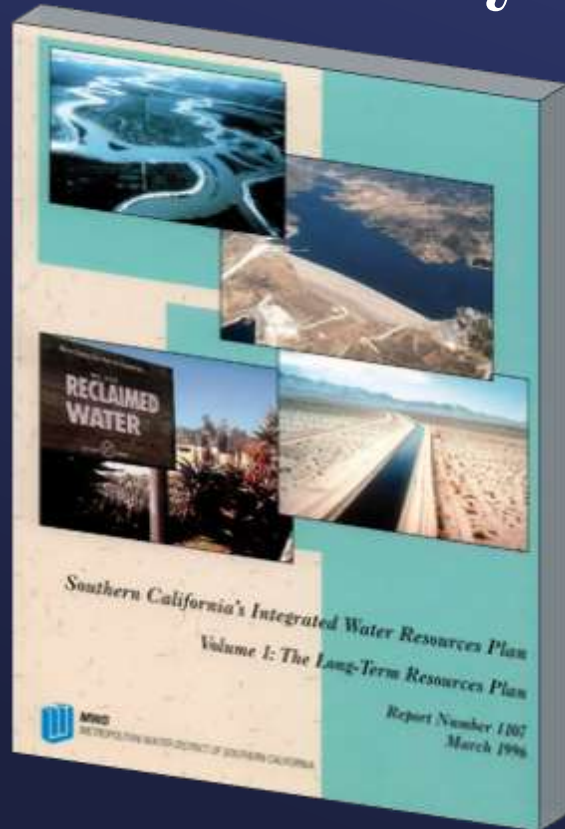
Inform board on past practices in securing dry-year water transfers via State Water Project facilities and discuss current challenges

## Next Steps

Update the board in future months with information and action on potential new agreements

# Water Transfers

## History



- Metropolitan stepped up strategic planning efforts towards diversification of supplies following the 1986 - 1991 drought
  - Long-term Colorado River transfers
  - SWP banking program development
  - **SWP annual transfers**

Metropolitan Administrative Code

# Section 4203

Adopted January 1992

## Metropolitan Water Transfer Policy

- To meet its public water supply objectives in the future, Metropolitan will vigorously pursue the development of water transfers subject to the following considerations:
  - Voluntary basis with willing partners
  - Full range of options and partners
  - Protection of environment
  - Avoidance of groundwater overdraft
  - Avoidance of unreasonable impacts to agricultural community
  - Addressing potential community impacts

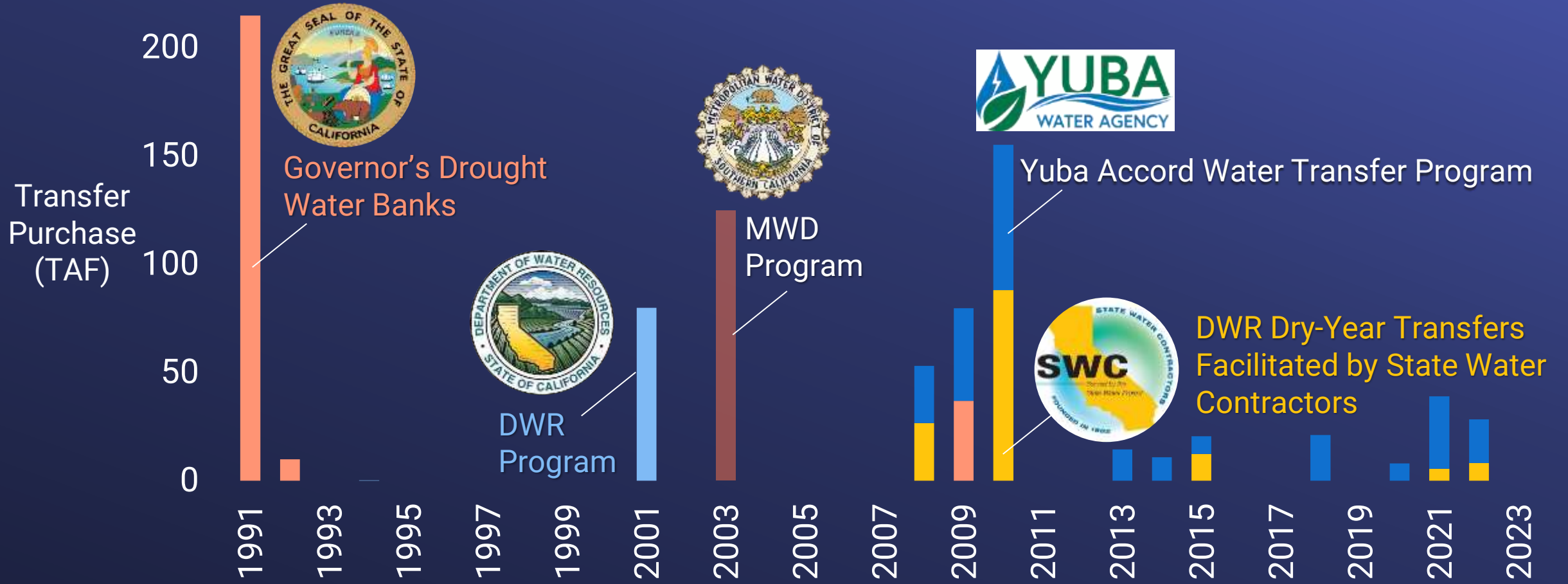
## Triggers and Hurdles



## Considerations for Purchase Decisions

- Need for water under a low SWP allocation
- Ability to store water at higher SWP allocations
- Ability to convey water across Delta
- Cost
- Political considerations

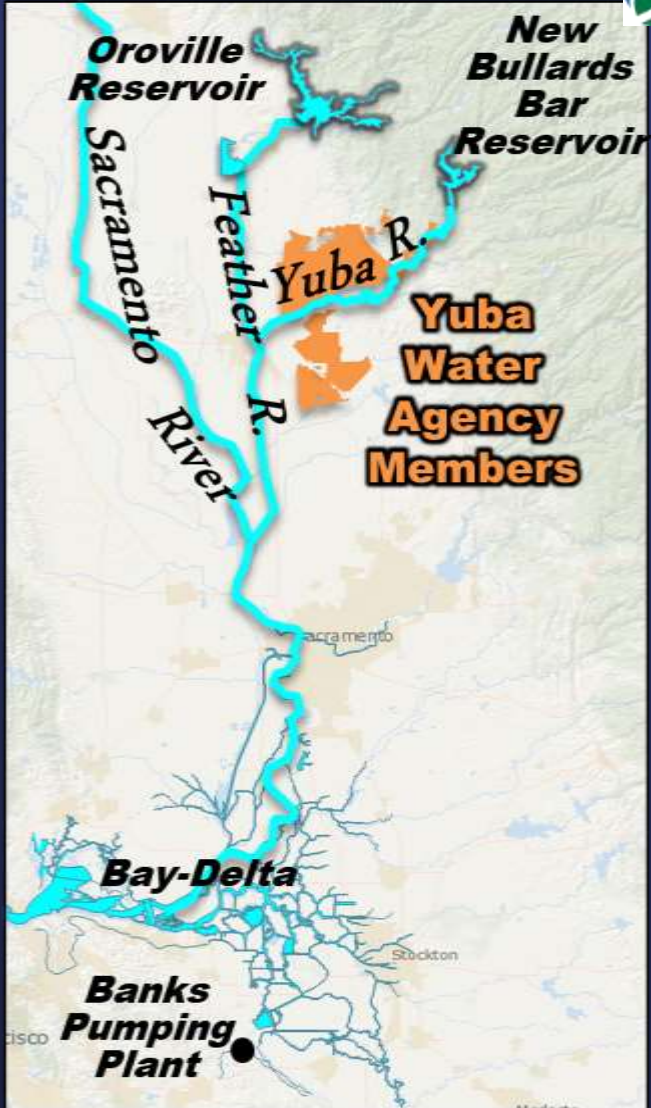
# Annual SWP Transfers Purchased by Metropolitan





## Yuba Accord Transfers Background

- Yuba Accord is a SWRCB settlement implemented in 2008 comprised of fishery flow release and transfer agreements
- Yuba Water Agency provides transfer supplies to DWR which are sold to participating SWP and CVP contractors
- Long-term transfer agreement with DWR expires 2025; extension planned through 2050



## Yuba Accord Transfers Background (cont.)

- Prices negotiated every five years other than groundwater substitution supply (annual)
- Available quantities to SWP contractors shared by Table A proportions
  - Buyers can opt out if there are other purchasers
- Buyers only pay for transfer supply that can be conveyed and exported by DWR



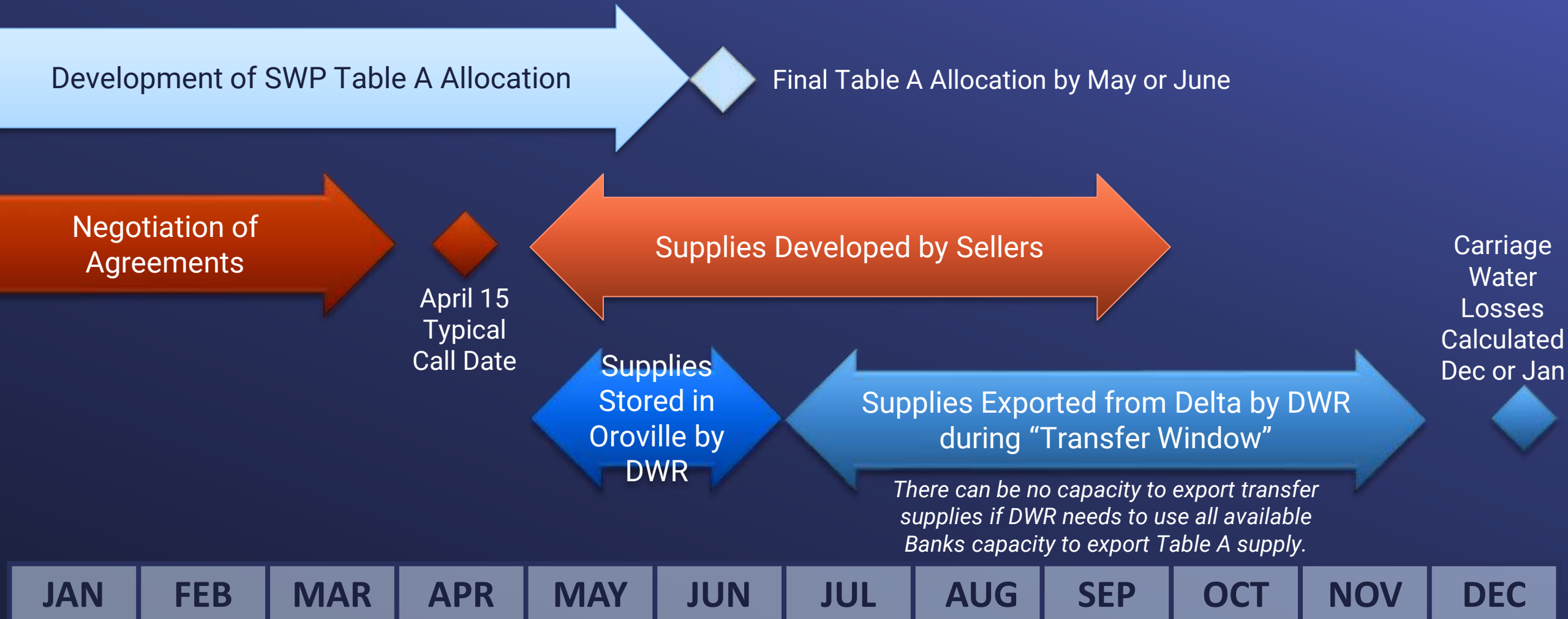


## Annual SWP Transfer Background



- Agreements negotiated annually facilitated by State Water Contractors (“Buyers Group”)
- Sellers are agricultural water districts in the Feather River area
- Three types of transfer supplies
  - Crop idling
  - Groundwater Substitution
  - Reservoir Re-operation

# Timing Considerations for Annual SWP Transfers



# Challenges



## Limited Conveyance for North of Delta

- Reduced ability for DWR to convey transfer supplies during the transfer window
- Export restrictions for fishery protection in winter and spring mean that summer exports are for Table A contract supplies

## Challenges



## Limited Supply Quantities in Dry Years

- Sellers may be curtailed during drought
- Increasing needs for Delta outflow may limit available supply in the future
- Increasing competition for limited dry-year transfer supplies

## Exploring Options

### Multi-Year Agreements

- Potential streamlining of administration
- Greater certainty
- May be additional regulatory hurdles

## Exploring Options

### First Right of Refusal Agreements

- Prioritize access to limited supply
- Insurance for meeting demands in SWP-dependent area

## Next Steps

- Continue to identify structures and partnerships
- Board information item on potential new agreements in future months
- Action items on potential new agreements in future months

