

2022 Water Allocation and Transfer Recap

1/13 Board Meeting: Based on the significant rain in October and December, along with the lake levels and project inflows ACID anticipated a (Bureau of Reclamation) BOR Shasta Critical year designation. A 75% allocation equals an irrigation season for mid-April to September 30.

2/10 Board Meeting: Based on the dry January and forecast ACID was hopeful for 75% but considering the option for a BOR allocation of 50% to 75%.

2/15 BOR issues an initial Notification of Critical Year “Shasta Critical” but does not commit to a percentage allocation and includes a cautionary statement “As you know, dry hydrologic conditions continue throughout California, particularly in the Shasta watershed. Reclamation will review the forecasted full natural inflow to Shasta Lake as frequently as conditions and information warrant and will notify you of any significant changes in the forecast. If dry conditions persist, there may be additional actions needed to address the deepening drought. We will continue to coordinate with you on any additional actions needed.”

- ACID staff worked to identify private wells with significant production that might be used to augment the water supply. While there are some wells in the district the overall capacity is limited.

3/10 Board Meeting: BOR and the Sacramento River Settlement Contractors (SRSC) ongoing discussion and modeling efforts indicated the dry January, February, and dry forecast will result in a significant reduction in available water 20% to 25%. Furthermore, the Sacramento River flows would be between 4,000-5,000 cubic feet second (cfs) but not to exceed 5,000 cfs. Previously the lowest summer river flows were 6,800 cfs. With river levels below 5,000 cfs the Churn Creek pumps cannot sustain pumping.

3/11 ACID staff submitted a request to BOR to reschedule the anticipated water supply into April, May and June so that a partial irrigation season might be available for the main canal from early April to early June which could support approximately 5 irrigations for the Main Canal only. The low river condition prevents any pumping for the Churn Creek area.

3/14 BOR issues an Update to Notification of Critical Year that states “As you make your decisions for 2022, plan for considerably less water for irrigation purposes than you have done in prior Critical Years. We are letting you know at this time that April supplies may be unreliable and limited in availability, if available at all. We will continue to communicate with you in the coming months.”

3/15 BOR staff responded to ACID request to reschedule stating “water will only be provided in proportion to our monthly contact quantities (no front-loading)”.

3/27 Board meeting: Based on the continued dry weather, forecast, and the going BOR and SRSC discussion. The modeling continued to indicate a worsening of conditions and without the ability to front-load ACID water diversions it seems that an irrigation season will not be possible. The Board requested that Staff explore all options.

4/14 BOR issues a Second Update to Notification of Critical Year that states “we estimate for most SRS Contractors sufficient tributary flows and natural accretion exists upstream of the SRS Contractors' point(s) of diversion and is available for diversion under the SRS Contracts through the end of April 2022

while not affecting Shasta operations. Beginning May 1, there may be no additional water available for diversion and the 18% of Contract Total will be in effect.”

The two highlighted sections are key to BOR 2022 operations the:

1) indicates that a district could divert water if the river has flows above the Keswick releases at your point of diversion. In ACID case there were minimal tributary inflows between Keswick and the diversion dam thus ACID could not divert water above the 18%.

2) The 2nd highlighted section confirms that BOR will not change the river flow to meet demand and only 18% of ACID contract would be available in proportion to the SRSC contracts.

The BOR letter further states that “In recognition of the limited supply available for diversion under the SRS Contracts and in furtherance of maximizing flexibility to meet the multiple beneficial purposes of the CVP, for contract year 2022 only, Reclamation agrees to account for water diverted under your SRS Contract, May 1 through October 31, 2022, as follows:

1. If the water is used within the service area depicted on Exhibit B of your SRS Contract, it will be treated as Base Supply. Reclamation will waive the requirement of Articles 8(a), 3(c)(I) and 3(c)(2)(ii).
2. If the water is transferred out to another in-basin CVP contractor in accordance with the Accelerated Water Transfer Program, it will be treated as Project Water; and the Rate, Restoration Charge, and Trinity PUD Assessment will be applicable. Reclamation will waive the requirement of Article 8(a).
3. The provisions in 1. and 2. above will not apply in the event that total diversions, including any water transferred out, under your SRS Contract exceed 18% of the Contract Total.
4. Diversions exceeding 18% of the Contract Total will be considered as exceeding the amount available and will be handled on a case-by-case basis.

Should additional water become available during the May 1 through October 31 period, Reclamation will notify you; and such water will be additive to the 18% of Contract Total.”

The highlighted section set out the terms under which any of the SRSC can transfer water within the Sacramento Valley. Transfer water is subject to market price plus BOR charges. What does it cost to purchase project water?

- \$375.00 / AF Market Rate
- \$52.86 / AF BOR ACID Project Cost of Service (varies by contractor \$32.85 to \$189.00 / AF)
- \$22.46 / AF BOR Restoration Charge
- \$00.15 / AF BOR Trinity PUD Assessment
- \$91.00 / AF BOR O&M Deficit Charge
- \$541.47 / AF Total Water Cost per Acre Foot

If ACID was to purchase water to increase supply from 18% to 36% (22,500 AF to 45,000 AF) and BOR would approve rescheduling (front-loading) it would cost \$12,183,075 or approximately 6.75 times ACID annual budget or approximately \$2030 per acre.

4/14 Board Meeting: After considering BOR 18% allocation or 22,500 AF, Groundwater loss (recharge) from the main canal (44,000 AF), cost of purchasing water, public testimony, and other factors the Board adopted Resolution 2022-01 determining that there would be no irrigation season and directing staff to transfer ACID water.

5/12 Board Meeting: As directed by the Board, staff contacted interested buyers first in Shasta County to meet critical health and public safety needs and then to buyers within the Sacramento Valley.