



**WATER
AGENCY**

2021 Water Transfer/s

February 23, 2021, 10 am

Water Resources Committee Meeting

Preliminary 2021 Water Supply Operations Plan

		10% SWP Allocation
Available Supply	Source	Annual Amt
	State Water Project - (Table A)	8,100
	State Water Project - Carryover (2020 to 2021)	9,000
	Yuba Transfer ¹	3,000
	Lake Del Valle Local Yield - 2020 Carryover	0
	Other Water Transfers ¹	3,000
	Groundwater Production ²	13,000
	Groundwater Production (Disposal to brine)	200
	Semitropic-(Pumpback)	9,100
	Semitropic-(Exchange)	0
Cawelo	10,000	
Lake Del Valle Local Yield - 2021 Capture	300	
Total	55,700	

- Dry conditions, with Table A allocation currently at 10%.
- Anticipated need for about 6,000 AF of water transfers in 2021.
- This would support carryover of up to 10,000 AF of water for 2022.

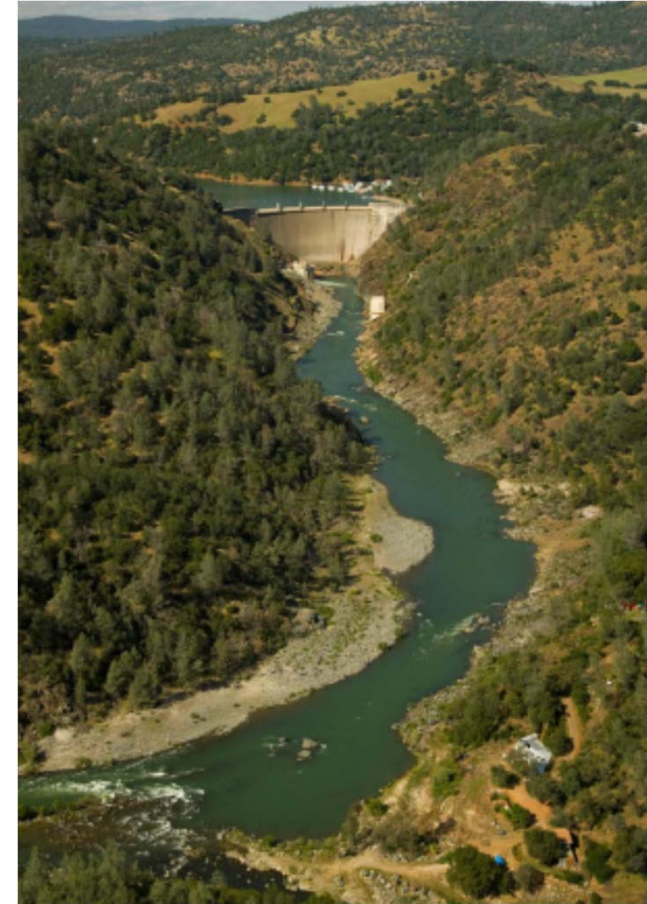
Water Transfer Options

- Yuba Accord
- Dry Year Transfer Program
- Water Transfer with a SWP Contractor



Yuba Accord

- Zone 7 has an existing agreement with DWR to purchase additional water under the Lower Yuba River Accord (Yuba Accord)
- Four different types (“components”) of water available
 - Components 1, 2, and 3 water during dry conditions
 - Component 4 water when Yuba County Water Agency has excess water
- Prices are pre-negotiated for Components 1-3, while Component 4 is based on market conditions
- Available supplies are allocated based on participants’ Table A amounts
- In 2020, Zone 7 purchased 3,016 AF under the Yuba Accord at a total cost of \$975,058 (\$200-350/AF).
- Subject to ‘carriage loss’—Zone 7 only received 70% of the water purchased in 2020.
- Delivered during ‘transfer window’, July to ~November



Dry Year Transfer Program (DYTP)

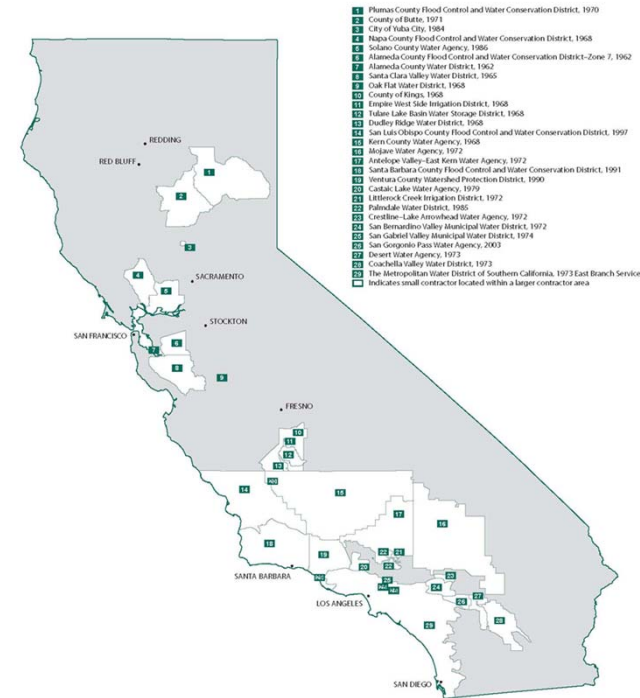


- Administered by the State Water Contractors (SWC) on behalf of SWP contractors interested in a water transfer with potential sellers in Sacramento Valley
- Requires three agreements to execute: SWC-Buyer Agreement (with payment of an 'administrative fee' [\$5/AF in 2021] to participate), Seller-Buyer Agreement, DWR-Buyer Agreement
- Prices are market-driven, particularly rice prices; previous dry years ~\$450/AF
- Subject to 'carriage loss', up to 35% in very dry years (net delivery of 65%).
- Delivered during transfer window
- 2021 DYTP Schedule
 - Early March Buyers provide their initial water transfer request
 - Early April Notice of water available, terms, initial allocation to buyers
 - Mid-April Buyers provide notice of final water request
 - Late April Buyers negotiate and execute Buyer-Seller Agreements
 - May-June Payments



Water Transfer with a SWP Contractor

- Zone 7 purchased 5,000 AF from Napa County in 2020 at \$230/AF (1,250 AF to be returned within 10 yrs)
- Zone 7 has been seeking potential transfer opportunities in 2021 (and potentially multi-year agreement)
- Given dry conditions in 2021 and low Table A allocation (currently 10%) following the dry year in 2020, not many SWP contractors have water to transfer
- No carriage loss associated with this type of transfer
- Can be delivered over the year
- Prices will be driven by market conditions (i.e., Dry Year Transfer Program)



Next Steps (1)

- **Yuba Accord**

- DWR issues Notice of Availability under Yuba Accord and Zone 7 submits initial request (April 2021)
- Zone 7 submits final request (mid-May 2021)
- Payments starting in July 2021

- **Dry Year Transfer Program**

- Zone 7 executes Zone 7 SWC-Buyer Agreement, pays \$5/AF admin fee, and submits initial request (early March)
- SWC issues notice of availability and price terms (early April)
- Zone 7 staff makes recommendation to the Board for final request and execution of Zone 7-Seller Agreement and DWR-Zone 7 (mid April)
- ***If approved by the Board:***
 - Zone 7 executes Zone 7-Seller Agreement and DWR-Zone 7 Agreement (late April)
 - Payments in May/June 2021



Next Steps (2)

- **Water Transfer with a SWP Contractor**

- Continue to explore water transfer options and negotiate term sheet/s
- Zone 7 staff makes recommendations to the Board for execution of agreements (mid-March/early April)
- ***If approved by the Board:***
 - Zone 7 executes Zone 7-Seller Agreement/s and DWR-Zone 7 Agreement/s (late April)
 - Payments starting in July 2021 (depending on delivery schedule)



Questions..?

