

CENTRAL VALLEY PROJECT (CVP) WATER TRANSFER PROGRAM FACT SHEET

- Water transfers and exchanges are an integral part of CVP water operations, particularly in drought years, as long as transfers can occur consistent with state and federal laws governing water transfers.
- §3405(a) of the Central Valley Project Improvement Act of 1992 (CVPIA) authorizes the transfer of all or a portion of a CVP contractor's contracted water supply to any other California water user or water agency, State or Federal agency, Indian Tribe, or private non-profit organization for project purposes or any purpose recognized as beneficial under State law.
- CVP water transfers are subject to the conditions prescribed in §3405(a), 1993 Interim Guidelines for Implementation of Water Transfers, and the Department of the Interior Final CVPIA Administrative Proposal on Water Transfers (1998).
- Water transfer provisions of CVPIA do not apply to permanent contract assignments under which a CVP contractor relinquishes their contractual right to Project water; water banking and recharge actions outside of the contractor's boundaries; water for water exchanges; forbearance actions whereby CVP contractors are paid not to exercise their right to water; and transfers of base supply water under settlement contracts which are carried out in accordance with State law.
- Since 1992, the Region and the State of California Department of Water Resources, owners and operators of the two largest water projects in California, have collaborated to develop criteria to facilitate water transfers.
- The Region facilitates both short and long-term transfers of CVP water. Long-term transfer approvals are accomplished through programmatic environmental documentation, with annual approvals of physical water transfers.



ESTABLISHED MP WATER TRANSFER PROGRAMS:

Accelerated Water Transfer Programs (AWTP)

The AWTP allows water transfer and/or exchange agreements between CVP contractors that had historically occurred before enactment of the 1992 Central Valley Project Improvement Act (CVPIA) to be acknowledged by Reclamation. AWTP actions have occurred since 1996. Reclamation currently has in place required environmental documentation for the transfer and exchange of up to 500,000 acre-feet of water in 2011 covering the following areas:

(1) Sacramento Valley; (2) Friant Division contractors, (3) South of Delta CVP contractors, including those in the Delta Division, San Felipe Division and San Luis Unit. The SOD AWTP also allows Cross Valley contractors to transfer to SOD contractors, and the Friant AWTP allows Friant Division contractors to transfer to Cross Valley contractors.

San Joaquin River Exchange Contractor (SJREC) Transfers

Environmental Assessments (EA) are in place covering water transfers of 80,000 acre-feet per year from the SJREC to San Luis & Delta-Mendota Water Authority (SLDMWA) contractors, federal and private wildlife refuges and Friant Division contractors. Distribution of this water depends on the CVP's annual water supply allocation, with more water going to west side SLDMWA contractors in lower allocation years. EAs are also in place for the transfer of up to 50,000 acre-feet of additional water from the SJREC to SLDMWA contractors and the wildlife refuges; however, this water would be made available through crop idling by the SJREC, which may occur in 2011. Programmatic approval also exists for an annual transfer of up to 20,000 acre-feet available by groundwater pumping, water conservation and fallowing to SLDMWA contractors. EAs are also in place for individual members of the SJREC, specifically the Central California Irrigation District for 20,500 acre-feet and the Firebaugh Canal Water District for 5,000 acre-feet, to annually transfer water made available by groundwater substitution to various SLDMWA contractors.

East to West Water Transfers

In 2008, regional policy was revised to allow East to West transfers to occur as a "transfer facilitated by an exchange." The San Joaquin River Restoration Settlement Act (SJRRSA) allows for the exchange or transfer of San Joaquin River water recaptured in San Luis Reservoir to reduce or avoid impacts to deliveries to Friant Division contractors caused by the SJRRSA Interim Flows and Restoration Flows. In 2010, P.L. 111-85,



Energy and Water Development and Related Agencies Appropriations Act, provided for the transfer of CVP water between Friant Division contractors and SOD CVP agricultural water contractors. This legislation suspended for 2 years the CVPIA requirement that transfer water in these areas be limited to historic use and to the amount that would have been consumptively used and/or irretrievably lost absent the transfer. As a result of these actions/authorizations, 25,000 acre-feet was transferred in 2010. In 2011, the Region clarified that transfers between east-side contractors and west-side contractors which require an exchange to effectuate the transaction, wherein the physical molecules of water never leave either watershed also fall within the exemption criteria of 3405(a)(1)(M) in CVPIA. To date a programmatic environmental document to cover this latter type of transfer has not been completed.

Lower Yuba River Accord

Under the Lower Yuba River Accord, up to 70,000 acre-feet can be purchased by SLDMWA members annually from DWR. This water must be conveyed through the federal and/or state pumping plants in coordination with Reclamation and DWR. Because of conveyance losses, the amount of Yuba Accord water delivered to SLDMWA members is reduced by approximately 25 percent to approximately 52,500 acre-feet. Although Reclamation is not a signatory to the Yuba Accord, water conveyed to CVP contractors is treated as if it were Project water.

North to South Water Transfers

In 2011, Reclamation completed an EA for the 2011-2012 Water Transfer Program to allow for the transfer of water from willing sellers upstream of the Delta to buyers that export water from the Delta. The EA covered transfers of up to 220,000 acre-feet; however, because of current pumping restrictions in the Delta and limitation on the quantity that can be transferred from crop idling actions, no north to south transfers will occur this year. Transfer actions will likely be limited to the amount of water that can be made available by groundwater pumping. A 10-year long-term Water Transfer Program is currently planned to be implemented in 2013 upon completion of the environmental analysis.



DEFINITIONS:

Water Transfers

CVPIA authorizes all individuals or districts who receive CVP water under contract to transfer all or a portion of their contract supply to any other California water user for any purpose recognized as beneficial under applicable State law. Water transfer agreements may be short-term, covering less than 10-years, or long-term involving periods 10-years or more. Transfers generally must meet the historic-use and consumptive-use criteria within CVPIA (“real water” test) in order to be transferable. Section 3406(a)(1)(M) exempts from historic-use, consumptive-use criteria those transfers conducted within counties, watersheds, or other areas of origin as those terms are defined in State law.

Contract Assignments

This is a permanent action whereby a CVP contractor relinquishes contractual right to Project water.

Water Exchanges

This is a “water for water” transaction that involves the two-way movement of water. The most common exchange agreement provides a bucket-for-bucket exchange, but certain transactions may provide for an unbalanced exchange. Exchanges may involve an agreement to provide water to a contractor who has an immediate need, with a commitment to return water at a later date, i.e., a loan of sorts. Water exchanges are also used to facilitate the movement of water in order to overcome physical obstacles, such as the lack of conveyance facilities; to avoid conveyance losses due inherent in moving water long distances; as part of water banking transactions; or for other reasons.

Water Banking

This type of transaction involves storing of surplus CVP water in underground water banks subject to recovery at a later date. The operations of many water banks are dependent upon exchanges where in water banked underground is returned to the banking party at a later date from surface water supplies due to the banker. Water banks typically factor in losses due to percolation or conveyance, and some water banks require a quantity of water to be left behind as part of a recharge program. The Mid-Pacific Region is currently drafting water banking guidelines.



Forbearance

This is a form of water transfer whereby a contractor agrees to “forbear” or not to exercise their right to water which can then be picked up by Reclamation as the next senior water right holder and delivered to CVP contractors.

Base Supply Transfers

These types of transfers involve settlement-type contractors who have a “base supply” of water which represents a quantity provided in recognition of a pre-Project water right or claimed water right. These types of transfers are subject to the water provisions of state law, and require approval of the State Water Resources Control Board.

