

Final Rescheduling Guidelines for the Federal Share of Storage in San Luis Reservoir Mid-Pacific Region

General

The following Guidelines will apply to the rescheduling of Central Valley Project (Project) water in the San Luis Reservoir from the 2014 contract Year into the 2015 contract Year.

It is the intent of Reclamation that these Guidelines will remain substantially the same from year to year; however, dates, water rates, and other policy considerations will be addressed as necessary. The Bureau of Reclamation reserves the right to terminate, rescind, or amend these Guidelines if necessary.

Consistent with these Guidelines, rescheduled water shall be the first water scheduled and delivered to the contractor in the 2015 contract Year.

A. Storage Priority in San Luis Reservoir

For purposes of these Guidelines, the 2015 contract Year Project Water allocation supply including 2015 contract Year water allocated/acquired by the United States pursuant to Section 3406(d)(1) of the Central Valley Project Improvement Act (CVPIA) of October 30, 1992, for refuge and wildlife habitat restoration (hereinafter referred to as Level II Refuge Water) shall have first priority of storage in the Federal share of San Luis Reservoir over rescheduled Project Irrigation and Municipal and Industrial (M&I) Water as solely determined by Reclamation. The complete schedule of priorities is as follows:

1. 2015 contract Year Project Water including Level II Refuge Water
2. 2015 Level IV Refuge Water
3. 2014 Rescheduled Water and 2013 Rescheduled Water¹
 - a. Irrigation Water
 - b. M&I Water and Level II Refuge Water
4. 2014transferred Project Water
5. Cross Valley Canal Contractor Water

¹ Reclamation has previously advised South of the Delta water service contractors that unused water originally rescheduled from 2013 into 2014 may be rescheduled into 2015 upon payment of required rescheduling fees.

6. 2013 Level IV Refuge Water
7. Non-Project Water Supplies Acquired By Existing South-of-Delta CVP Contractors²
8. San Joaquin River Restoration Settlement Interim Flow Water in San Luis Reservoir
9. All other Non-Project Water

B. Approval and Scheduling

1. **Request.** On or about December 20, 2014, Contractors that expect to have a supply of Rescheduled Water and Acquired Non-Project Water shall provide to Reclamation a preliminary estimate of the quantity of such water requested to be accommodated as of February 28, 2015. Not later than February 21, 2015, the Contractor shall submit a final written request to the South Central California Area Office (SCCAO) and to the San Luis & Delta Mendota Water Authority (SLDMWA), identifying the estimated total quantity of Project Water and Acquired Non-Project Water the Contractor desires to reschedule/store, accompanied by an acknowledgement that the Contractor agrees to abide by these Guidelines for Rescheduling³. A final quantity of Rescheduled Project Water and Acquired Non-Project Water request shall be submitted for approval no later than March 12, 2015. Should adjustments need to be made on the basis of the then current hydrologic conditions, Project operations, and rescheduling/storage requests received, Reclamation may require revised requests from the Contractors prior to the rescheduling any 2014 or 2013 Project Water.

Reclamation reserves the right to reject any request for rescheduling or request for storage of Acquired Non-Project Water due to factors beyond Reclamation's control or due to circumstances not contemplated or foreseen when these Guidelines were prepared.

The Contractor shall agree to abide by these Guidelines as they may be amended in order to participate in rescheduling/storage of water supplies from one contract Year to the immediately following contract Year.

2. **Quantity of Water That Can Be Rescheduled.** If the Federal share of San Luis Reservoir does not fill before the end of the current contract Year (2014 Contract Year), a Contractor may reschedule into the immediately following Contract Year (2015 Contract Year) any unused Project Water. If the Federal share of San Luis Reservoir fills before the end of the 2014 Contract Year, Reclamation will maintain a record of the difference between the volume of Project Water that it would have been permitted and able to pump from the Delta had the reservoir not been full and the volume of water actually pumped ("Foregone Pumping"). The total volume of Project Water that may be rescheduled by a Contractor into the 2015 Contract Year shall not exceed the remaining unused Project Water, less that Contractor's proportionate share based on contract quantity of Foregone Pumping. The application of Foregone Pumping would also apply to Project supplies after all lower priority water pursuant to Section A has been sequentially exhausted. The total volume of Rescheduled Water may not exceed the actual quantity of Project Water

² For purposes of these guidelines, an Existing CVP contractor is defined as those entities located in and south of the CVP delta export facilities which held interim or long-term water service contracts for Project water at the time of enactment of P.L. 111-11.

³ Water delivery schedules submitted pursuant to a water service contract identifying requested amounts to be rescheduled are acceptable.

in storage in the Federal share of the San Luis/O'Neill facilities at or near the end of the 2014 Contract Year.

3. **Limitation on M&I Water.** Consistent with Section A of these Guidelines, rescheduled Irrigation Water shall have a priority over rescheduled M&I Water. M&I Water will only be accepted for rescheduling if there remains sufficient capacity in San Luis Reservoir to accommodate it after all 2015 contract year water is accounted for, and all 2014 Rescheduled Project Irrigation Water requests have been accommodated.
4. **Schedule.** The SCCAO will review and consult with others as necessary in order to provide the Contractor with written approval or denial of the Contractor's written request for all Rescheduled Project Water and Acquired Non-Project Water. Upon receiving notification that the Contractor's rescheduling/storage request(s) have been approved, the Contractor will also submit to SCCAO a delivery schedule for such water, which will be approved by Reclamation. Any revisions to an approved schedule must be submitted along with the required monthly water delivery schedule in a timely manner, but no later than 24 hours prior to the proposed change.
5. **First Water Evacuated.** All Rescheduled Project Water and Acquired Non-Project Water is subject to available conveyance and storage capacity. If there is insufficient storage space in San Luis Reservoir to store these supplies, such water must be evacuated as soon as possible upon notice from Reclamation. Consistent with Section A above, if additional categories of water are stored in San Luis Reservoir, these other supplies will be evacuated consistent with the storage priority in Section A.
6. **Transfers/Exchanges and/or Banking of Rescheduled Water.** Rescheduled Project Water will be eligible for transfers, exchanges and/or banking during the 2015 contract Year, subject to approval by Reclamation.
7. **Additional Loss Criteria after March 1, 2015.** Rescheduled Project Water shall not interfere with the 2015 contract Year Project operations. Reclamation has the discretion to limit the amount of Rescheduled Project Water in San Luis Reservoir if it impacts the 2015 contract Year Project operations.

In the event the Federal share of San Luis Reservoir does not fill prior to a sustained drawdown, the Rescheduled Project Water and Acquired Non-Project Water will be considered to "float" on top of the 2015 contract Year Project Water storage and will be deemed as having no impact on the 2015 contract Year Project supplies. Rescheduled Project Water must be scheduled and delivered prior to the use of each Contractor's 2015 allocated Project Water.

In addition to the provision in paragraph B.2 above, and in the event the Federal share of San Luis Reservoir is deemed full on March 1, 2015 or fills prior to a sustained drawdown, Reclamation will maintain a record of Foregone Pumping from the time the Federal share of San Luis is filled until the conclusion of the sustained drawdown. The loss of Rescheduled Water, if any, will be calculated by Reclamation in 2 week intervals as follows:

- (1) The application of Foregone Pumping would be applied to Rescheduled Project Water after all lower priority water pursuant to Section A has been sequentially exhausted;

- (2) If applicable Foregone Pumping exceeds the total volume of Rescheduled Project Water remaining at the end of any 2 week period, as identified above, all remaining Rescheduled Project Water at the end of that 2 week period shall be lost;
- (3) If applicable Foregone Pumping is less than the total volume of all Rescheduled Project Water remaining at the end of a given 2 week period, then the volume of such water available for use shall be reduced by the quantity of Foregone Pumping and any remaining Rescheduled Project Water above this calculated volume shall be deemed lost. Losses of such Rescheduled Project Water shall be imposed sequentially and proportionately based on contract quantity among Contractors pursuant to priorities described in Section A.

In advance of any reductions in Rescheduled Project Water and Acquired Non-Project Water quantities attributable to Foregone Pumping, Reclamation will make all reasonable effort to notify Contractors of Section 215 water availability during the time that such Foregone Pumping occurs. Any such use of Section 215 water will be subject to the provisions of paragraph B.8 below. Reclamation will make reasonable efforts to keep Contractors apprised of anticipated Project operations to assist in the prudent management of Rescheduled and Acquired Non-Project Water. To the extent necessary, Reclamation shall inform the SLDMWA of the total quantity of Rescheduled and Acquired Non-Project Water that may be lost due to Foregone Pumping.

8. **Section 215 Water.** Contractors who have rescheduled Project Irrigation or M&I Water and have not taken full delivery of such water may be allowed to enter into temporary contracts with the United States for non-storable or unmanageable flood flows of short duration (Section 215 water). Except to the extent Contractors can demonstrate that Section 215 water will satisfy additional demand, Contractors will be required to forfeit an equal quantity of any Rescheduled Project Water and Acquired Non-Project Water they may have remaining in San Luis Reservoir at the time they commence delivery of Section 215 water.

Reclamation will make all reasonable effort to offer Section 215 water during any period of time, and to the extent that Foregone Pumping occurs.

C. Rescheduled Water Payment

The Mid-Pacific Region has established Business Practice Guideline (BPG) No. 8 dated December 21, 2012 that provides guidance for developing rates, identifying contractor obligations and payment requirements, and applying revenue for rescheduled Project water. This BPG will be issued with these Rescheduling Guidelines and will be updated as appropriate to reflect applicable rates and charges. Please refer to this document to determine the rates, charges and fees applicable to rescheduled project water.