

TR/GFW

State of California

DEPARTMENT OF WATER RESOURCES

The Resources Agency

FAX COVER SHEET

To <i>Greg Wilson</i>	From <i>Nancy Cuan</i>
Organization <i>SWRCB</i>	Organization <i>SWPAO</i>
Location (Building/ Room Number)	Location (Building/ Room Number)
FAX Number <i>916-341-5400</i>	FAX Number
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COMMENTS:

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DWR 4210 (Rev. 01/00)

DEPARTMENT OF WATER RESOURCES

1416 NINTH STREET, P.O. BOX 942836
SACRAMENTO, CA 942360001
(916) 653-5791



February 17, 2009

Ms. Victoria Whitney, Chief
Division of Water Rights
State Water Resources Control Board
Post Office Box 2000
Sacramento, California 95812-2000

Dear Ms. Whitney:

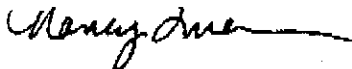
The Department of Water Resources' (DWR) staff has received the Notice of South Feather Water and Power Agency's (SFWPA) Petition for Temporary Transfer of Water under permits 1267 (AO1651) and 2494 (AO2778). The proposal and supporting documentation describe the release of an additional 10,000 acre-feet of water during 2009 for storage in Lake Oroville and conveyance by DWR to San Diego County Water Authority (SDCWA) that would otherwise remain in storage in Little Grass Valley and Sly Creek Reservoirs.

DWR protests the proposed transfer based on potential injury to our water rights. The proposed transfer has the potential to impact the State Water Project (SWP) if the water released and conveyed to SDCWA is refilled in Little Grass Valley and Sly Creek Reservoirs during 2009 or subsequent years at times when it will diminish the water otherwise available to the SWP. DWR, SFWPA, and participating SWP contractors executed an agreement in 2008 for a similar transfer of up to 10,000 acre-feet of water which included provisions for accounting for the transfer water and reservoir refill following completion of the transfer. DWR has verified the transfer of 10,000 acre-feet of water and is accounting for the reservoir refill during 2009 under the terms of the 2008 agreement. DWR's protest may be withdrawn if any order approving the 2009 transfer, as described in the above referenced petition, includes a provision containing similar transfer and refill requirements pursuant to the 2008 agreement among DWR, participating SWP contractors and SFWPA (copy attached) and the 2008 Order WR-2008-0030-DWR considering the potential impacts of the 2008 and 2009 transfers. DWR will provide to the State Water Resources Control Board the specific refill criteria and any other conditions necessary to protect the 2009 and 2010 SWP water supply to be included in any order approving the transfer.

Ms. Victoria Whitney, Chief
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If you have any questions or need additional information, please contact me at (916) 653-0190 or Bob Aldridge of my staff at (916) 653-6176.

Sincerely,



Nancy Quan, Chief
Program Development and Water Supply and Transfers Branch
State Water Project Analysis Office

cc: Mr. Terry Erlewine
General Manager
State Water Contractors
1121 L Street, Suite 1050
Sacramento, California 95814-3944

Ms. Maureen A. Stapleton
General Manager
San Diego County Water Authority
4677 Overland Avenue
San Diego, California 92123-1233

Mr. Steve Arakawa, Group Manager
Water Resources Management Group
The Metropolitan Water District
of Southern California
Attn: David Reukema
700 North Alameda Street
Box 54153, Terminal Annex
Los Angeles, California 90054-0153

Mr. Michael Glaze
General Manager
South Feather Water & Power Agency
2310 Oro-Quincy Highway
Oroville, California 95966

State of California
The Resources Agency
DEPARTMENT OF WATER RESOURCES

AGREEMENT AMONG
THE DEPARTMENT OF WATER RESOURCES, STATE OF CALIFORNIA,
ANTELOPE VALLEY-EAST KERN WATER AGENCY
AND
SOUTH FEATHER WATER & POWER AGENCY
FOR
STORAGE AND CONVEYANCE OF 2008 TRANSFER WATER

SWPAO #08-039

THIS AGREEMENT is made and entered into as of the 31st day of July, 2008 pursuant to the provisions of the California Water Resources Development Bond Act and other applicable laws of the State of California, among the State of California, acting by and through its Department of Water Resources (DWR), ANTELOPE VALLEY-EAST KERN WATER AGENCY (AVEK), and SOUTH FEATHER WATER & POWER AGENCY (SFWPA), a public agency, duly organized, existing and acting pursuant to the laws of the State of California. This Agreement may refer to DWR, AVEK, or SFWPA individually by name, as "Party" or collectively as "Parties".

Agreement for Storage and Conveyance of 2008 Transfer Water
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Recitals

- A. DWR operates and maintains the State Water Resources Development System pursuant to the laws of the State of California, involving the development and conveyance of water supplies to public agencies throughout the State of California.
- B. SFWPA owns and operates the South Feather Project, including two major reservoirs (Little Grass Valley and Sly Creek Reservoirs), several smaller diversion facilities and regulatory reservoirs, and Kelly Ridge Powerhouse.
- C. Due to the dry hydrologic conditions in 2007, critically dry hydrologic conditions in 2008, and court ordered restrictions on pumping from the Delta, AVEK desires to supplement its water supply in 2008.
- D. SFWPA wishes to transfer to AVEK water made available through release of Transfer Water from reservoir storage.
- E. On July 3, 2008, the California State Water Resource Control Board issued Order WR 2008-0030-DWR approving SFWPA's two petitions, under Permits 1267 and 2492 (Applications 1651 and 2778), for a temporary change in the place of use, purpose of use and points of rediversion.
- F. SFWPA and AVEK entered into a Purchase Agreement for Water Transfer effective on June 1, 2008 and ending December 31, 2008.
- G. AVEK has a long-term water supply contract with DWR that permits them to receive storage and conveyance services from State Water Project (SWP) facilities subject to approval of DWR.
- H. DWR has the capability to store the water in Lake Oroville, release and re-divert the water in the Delta, possibly store the water in San Luis Reservoir, and convey the water to AVEK's service area.
- I. AVEK has requested DWR's services in storing and conveying this Transfer Water.
- J. DWR desires to facilitate the transfer of water between SFWPA and AVEK.

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Agreement

DWR, AVEK, and SFWPA agree as follows:

1. Definitions

When used in this Agreement, the following terms have the meanings as set forth below. If not otherwise specified, the definitions in the Water Supply Contract shall apply to this Agreement.

- a. "Banks" means the SWP Harvey O. Banks Pumping Plant.
- b. "Buyer" means ANTELOPE VALLEY-EAST KERN WATER AGENCY (AVEK).
- c. "Flood Control Operation" means, for purposes of determining spill of Transfer Water and South Feather Project Reservoir Refill Impacts, any of the following conditions:
 - (1) Actual storage in Lake Oroville encroaches into flood control reservation as defined by the Corps of Engineers Flood Control Diagram dated September 1971; or
 - (2) Total releases to the Feather River below Thermalito Afterbay outlet are greater than or equal to 10,000 cubic feet per second and the Delta is not in Balanced Conditions; or
 - (3) Storage in Lake Oroville exceeds normal maximum storage of 3,500,000 acre-feet.
- d. "Impact Account Balance" is defined in the attached Exhibit A, Column 12.
- e. "Proportionate Share" means the ratio of Buyer's Transfer Water purchase to the sum of all purchases pursuant to this Agreement by the Transfer Water Purchasers, expressed as a percentage.
- f. "Purchase Agreement" means the agreement signed by the Seller and a group of eight SWP contractors, including the Buyer, for the purchase of the Transfer Water effective June 1, 2008 through December 31, 2008.
- g. "Refill Period" means the time immediately following DWR verification of combined storage of 50,000 acre-feet in Little Grass Valley and Sly Creek Reservoirs and continues until the Transfer Account and Impact Account Balances are zero, as determined by DWR pursuant to Exhibit A of this Agreement.
- h. "Seller" means SOUTH FEATHER WATER & POWER AGENCY (SFWPA).

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- i. "South Feather Project" means Little Grass Valley, Sly Creek, and Ponderosa Reservoirs and Kelly Ridge Powerhouse located on the Feather River downstream of Oroville Dam.
- j. "Storage" means the temporary storage of Transfer Water at Lake Oroville and/or San Luis Reservoir.
- k. "SWP" means the California State Water Project.
- l. "SWRCB" means the State of California Water Resources Control Board.
- m. "Transfer Account Balance" is defined in the attached Exhibit A, Column 13.
- n. "Transfer Period" means the date of execution of this Agreement until Seller completes releasing Transfer Water pursuant to this Agreement.
- o. "Transfer Water" means Seller release of water, pursuant to this Agreement, above any required release up to 10,000 acre-feet through Ponderosa Dam Spillway into Lake Oroville which otherwise would have remained in storage during the Transfer Period. Where the term "Transfer Water" is not capitalized, the term refers to transfers generally, pursuant to any agreement.
- p. "Transfer Water Purchasers" means a group of eight SWP contractors, including Buyer, who are concurrently purchasing Transfer Water from Seller.
- q. "Water Supply Contract" means the long-term water supply contract between DWR and Buyer, as amended, of the type contained in DWR Bulletin 141.

2. Purpose of the Agreement

The purpose of this Agreement is to set forth provisions governing the storage and conveyance of Transfer Water within SWP facilities from the Seller's service area and the reservoir operational changes that the Seller will make in coordination with DWR to make Transfer Water available to the Buyer's service area and to address impacts to the SWP.

3. Compliance with Applicable Laws

- a. Buyer and Seller shall be responsible for complying with all applicable laws and regulations including the Federal Endangered Species Act and the California Endangered Species Act and for securing any required consents, permits, reports, and orders to allow DWR to complete the transfer.

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b. SWRCB Order WR 2008-0030-DWR determined that the proposed temporary change would not injure any legal user of the water and that the proposed temporary change would not unreasonably affect fish, wildlife, or other in-stream beneficial uses. The SWRCB Order approves the proposed changes to facilitate the transfer of up to 10,000 acre-feet of water. Water Code Section 1729 provides that temporary changes pursuant to Water Code Section 1725 et seq. are exempt from the requirements of Division 13 (commencing with Section 21000) of the California Environmental Quality Act (CEQA).

c. Concurrently with the execution of this Agreement, DWR shall make the findings required pursuant to the requirements of Water Code sections 1810(d) and 1813.

4. Storage and Conveyance of Transfer Water

DWR agrees to convey and store the Transfer Water through SWP facilities for Buyer as allowed by Articles 55 and 56 of the Water Supply Contract, subject to the terms and conditions in this Agreement.

5. Water Available for Transfer

Seller shall operate the South Feather Project to deliver up to 10,000 acre-feet of Transfer Water into Lake Oroville on a schedule that is mutually acceptable to Seller and DWR. DWR will manage the Transfer Water for conveyance to the Buyer. DWR and Seller may mutually agree to proposed schedule changes. Buyer and Seller acknowledge that DWR will determine the total amount of Transfer Water made available for delivery to Buyer's service area. DWR will provide Buyer and Seller a written determination of this total amount by February 1, 2009, subject to verification in Article 6 (Accounting of Transfer Water and South Feather Project Refill) and the losses described in Articles 10 (Storage) and 11 (Conveyance).

a. Verification of Transfer Water

To receive full credit for 10,000 acre-feet of Transfer Water, Seller will draw down Little Grass Valley and Sly Creek Reservoirs to a combined storage of 50,000 acre-feet or less subject to the terms of this Agreement.

b. Spill of Transfer Water

(1) If DWR initiates a Flood Control Operation of Lake Oroville prior to conveyance of Transfer Water to Buyer, then DWR will consider Transfer Water remaining in storage in Lake Oroville as spilled.

(2) Transfer Water remaining in storage in Lake Oroville under the terms of this Agreement shall spill prior to any SWP water stored in Lake Oroville if a spill occurs prior to conveyance of Transfer Water to Buyer.

c. Seller shall release a minimum of 15,500 acre-feet of water through Kelly Ridge Powerhouse during the Transfer Period. Any changes in such releases brought about in order for DWR to meet its operational requirements at Lake Oroville shall not reduce Seller's obligations to release Transfer Water, and Seller and

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DWR will cooperate and maintain such flexibility in their respective water release and pumping operations as may be necessary to complete the proposed transfer.

- d. If the actual inflow and Slate Creek diversion during the Transfer Period is less than the estimate in the South Feather Project operations plan as substantiated by Seller and verified by DWR, the difference between the estimated inflow and the actual inflow will be reduced from the minimum required release at Kelly Ridge Powerhouse during the Transfer Period.

6. Accounting of Transfer Water and South Feather Project Refill

- a. DWR will account for Seller Transfer Water and Seller refill of Little Grass Valley and Sly Creek Reservoirs in accordance with Exhibit A of this Agreement.
- b. Seller will submit to DWR an operations plan for the South Feather Project, extending at least through the Transfer Period, indicating planned operations both with and without the transfer. By the 15th day of each month, after the effective date of this Agreement, Seller will submit to DWR the actual South Feather Project operational data for the previous month and an updated South Feather Project operation plan. DWR shall notify Seller of any remaining Transfer Account or Impact Account Balances until both balances are zero.

7. South Feather Project Refilling

Following completion of the transfer (DWR verification that combined storage in Little Grass Valley and Sly Creek Reservoirs is equal to or less than 50,000 acre-feet) and subject to Lake Oroville Flood Operations, Seller may adjust its releases from the South Feather Project to recover the storage space previously vacated to provide the Transfer Water. If the minimum combined storage in Little Grass Valley and Sly Creek Reservoirs between November 15 and December 31, 2008 is not reduced to 50,000 acre-feet, the amount of Transfer Water shall be reduced by an amount equal to such excess water held in storage. Buyer and Seller acknowledge that DWR will determine whether the SWP is impacted from refilling Little Grass Valley and Sly Creek Reservoirs. Seller will repay Reservoir refill impacts prior to making any future sales unless DWR and Seller agree otherwise.

8. Payback of Refill Impacts

Seller shall, unless otherwise agreed to by DWR, release a quantity of water from Little Grass Valley and/or Sly Creek Reservoirs equal to the refill impact to the SWP, as determined by DWR, within 12 months after the date of DWR notification of the refill impact amount. Such payback releases will be in addition to amounts otherwise scheduled for release from Little Grass Valley and/or Sly Creek Reservoirs on a schedule mutually agreed to by the Seller and DWR. When there is a change in Project operating conditions and the Seller is releasing water for payback of refill impacts under this Agreement, DWR shall notify the Seller of the changed conditions by telephone followed by written notice, electronic mail, or facsimile. The Seller shall cease releasing water for payback under this Agreement within 24 hours of DWR's telephone notification and the Seller shall resume releases

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of payback water for this Agreement within 24 hours of DWR's telephone notification that payback may resume.

9. No Impacts to SWP

The Parties agree that DWR will have sole determination of whether storage and conveyance of the Transfer Water adversely affects SWP operations. Affected operations may include but are not limited to those operations that affect allocations of SWP water, SWP approved allocations, water storage and deliveries, compliance with environmental regulations and water rights permits, flood control, or other SWP purposes. Buyer and Seller shall be responsible, as determined by DWR, for any adverse impacts that may result from the storage, transfer, and conveyance of Transfer Water.

10. Storage

Subject to the limitations in this Agreement, including Article 9 (No Impacts to SWP):

- a. DWR will manage this Transfer Water as water stored for SWP Contractors, as described in Article 56 of the Water Supply Contract.
- b. For purposes of storage and exposure to possible spill, DWR will manage transfer water as three blocks which will spill in the following order:
 - (1) First, transfer water stored for non-SWP contractors in proportion to the quantity stored for each non-contractor;
 - (2) Second, transfer water stored for SWP contractors in excess of their capacity pursuant to Article 56(c); and
 - (3) Third, transfer water stored for SWP contractors that was within the capacity allocated pursuant to Article 56(c).
- c. DWR will only approve holding Transfer Water in Lake Oroville when pumping capacity is constrained at Banks Pumping Plant and SWP operations will not be harmed from Transfer Water being stored subject to Article 9 (No Impacts to SWP) including approved deliveries to SWP contractors.
- d. Buyer and Seller acknowledge that Transfer Water stored in DWR's SWP conservation facilities is subject to DWR's determination of available storage capacity during the term of this Agreement. If DWR determines that the storage of the Transfer Water will interfere with SWP operations, it will notify Buyer of the risk of loss of the Transfer Water as soon as practicable.
- e. Buyer and Seller acknowledge that the Transfer Water stored in SWP conservation facilities is subject to spill, actual or theoretical; as determined by DWR at any time during the term of this Agreement to avoid any actual or potential conflicts with SWP operations. Transfer Water stored in Lake Oroville shall also be subject to evaporation losses as determined by DWR.

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- f. No power credits shall accrue to Buyer or Seller for Transfer Water stored in SWP facilities.

11. Conveyance

- a. All water conveyance under this Agreement will be in accordance with Article 12(f) of the Water Supply Contract. This water will be considered non-project water for purposes of conveyance and delivery priority.
- b. Conveyance of Transfer Water shall occur only when the conditions described in Article 5 (Water Available for Transfer) comply with the conditions in Articles 9 (No Impacts to SWP), 10 (Storage), and 12 (Scheduling). DWR shall notify Buyer as soon as possible prior to the date when such conveyance opportunity arises.
- c. Carriage water losses as calculated by DWR from Lake Oroville to Banks, estimated to be 20 percent, will be deducted from the total amount of Transfer Water released from Lake Oroville. Evaporation losses and conveyance losses within the California Aqueduct, estimated to be three percent, shall also be assessed against the total amount of Transfer Water pumped at Banks.
- d. DWR will convey the Transfer Water to Buyer's service area in accordance with Article 55 of the Water Supply Contract. DWR shall not be responsible for the water after it passes through the turnouts into the Buyer's service area.

12. Scheduling

- a. Buyer will provide DWR with a written description of its Proportionate Share.
- b. Buyer shall be responsible for scheduling the delivery of Transfer Water with DWR.
- c. The conveyance of Transfer Water to Buyer shall be in accordance with a schedule approved by DWR. The amount, timing, and rate of conveyance shall be consistent with the terms of the Water Supply Contract and DWR's determination of available conveyance capacity including, but not limited to, any regulatory or water quality restrictions limiting SWP pumping or storage.
- d. DWR shall not be obligated to convey Transfer Water in amounts in excess of Buyer's Proportionate Use-of-Facilities factors, subject to Article 9 (No Impacts to SWP), unless DWR determines that such conveyance would not interfere with project operations or adversely affect deliveries to any other contractor.
- e. Buyer shall submit a delivery schedule for the Transfer Water in accordance with the Water Supply Contract Article 12(f). Buyer shall submit a weekly schedule to its appropriate DWR field division showing deliveries to Buyer, and this schedule shall be submitted by 10 a.m. Wednesday for the following week (Monday

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through Sunday) and shall be concurrently faxed to the following: State Water Project Operations Control Office, Robert Floyd, at (916) 574-2782 and Tracy Pettit at (916) 574-2785.

13. Reclassification of Transfer Water Deliveries

In the event DWR determines that Buyer or Seller have not met the conditions specified in Articles 3 (Compliance with Applicable Laws), 5 (Water Available for Transfer), 6 (Accounting of Transfer Water and South Feather Project Refill), 10 (Storage), and 11 (Conveyance), DWR shall not be obligated to store or deliver the Transfer Water. If DWR determines there is a conflict with any provision of this Agreement, after consulting with the Parties, DWR may reclassify the Transfer Water as Buyer's Table A water.

14. Charges

- a. Buyer shall pay to DWR all charges associated with the conveyance of Transfer Water from Banks Pumping Plant to the Buyer's turnouts within the SWP, in accordance with Article 55 of its Water Supply Contract, including but not limited to:
 - (1) The Variable Operation, Maintenance, Power, and Replacement components of the Transportation Charge in effect in the year that Transfer Water is delivered.
 - (2) DWR will not provide power credits to Buyer for Transfer Water in conjunction with storage in or release from Lake Oroville or San Luis Reservoir.
 - (3) All other transportation charges under Buyer's Water Supply Contract with DWR, including the Off-Aqueduct Facilities Charges related to this delivery.
- b. Buyer shall pay to DWR its Proportionate Share of any identified demonstrable increase in non-power costs that would otherwise be borne by the SWP contractors not signatory to this Agreement or by DWR as a result of activities pursuant to this Agreement.
- c. There shall be no additional charges to Buyer for storage in Lake Oroville pursuant to this Agreement.

15. Payments

Buyer agrees that all payments under this Agreement not covered by Buyer's Water Supply Contract with DWR shall be due within 30 days after the date of DWR billing, and they will be charged interest for all delinquent payments. Buyer shall pay DWR accrued interest on all overdue payments at the rate of one percent per month from the payment due date to the date of payment.

16. Liability

- a. DWR is not responsible for the use, effects, or disposal of Transfer Water beyond Buyer's turnouts in the SWP. Transfer Water delivered pursuant to this

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Agreement shall remain subject to Article 13 of Buyer's Water Supply Contract with responsibilities under the terms of that article shifting between DWR and Buyer when the water passes through to Buyer's turnouts.

- b. Buyer and Seller agree to defend and hold DWR, its officers and employees, jointly or severally, harmless from any direct or indirect loss, liability, lawsuit, cause of action, judgment or claim, and shall indemnify DWR, its officers and employees, jointly or severally, for all lawsuits, costs, damages, judgments, attorneys fees, and liabilities that DWR, its officers and employees incur as result of DWR providing services under this Agreement, except to the extent resulting from the negligence or willful misconduct of DWR.
- c. If DWR is precluded in whole or in part from storing or delivering Transfer Water because of uncontrollable forces, then DWR is relieved from the obligation to deliver the water to the extent it is reasonably unable to complete the obligation due to the uncontrollable force. Uncontrollable forces shall include, but are not limited to earthquakes, fires, tornadoes, floods, and other natural or human caused disasters.
- d. Buyer shall not be entitled to recover any administrative costs, including but not limited to verification costs, or costs paid for storage or conveyance of Transfer Water if uncontrollable forces preclude DWR from delivering the water.
- e. Buyer acknowledges that the stored Transfer Water is subject to spill due to possible conflict with project operations. DWR shall have no liability to Buyer or Seller if forced to spill the Transfer Water due to conflict with project operations as described in this Article 5 (Water Available for Transfer).

17. Opinions and Determination

Where the terms of this Agreement provide for a Party's action based upon opinion, judgment, approval, review, or determination, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.

18. No Precedent

The Party's approval of this agreement is unique and it shall not be considered as a precedent for future agreements or DWR activities.

19. Signature Clause

The signatories represent that they have appropriate authorization to enter into this "Agreement for Storage and Conveyance of 2008 Transfer Water" on behalf of the Party for whom they sign. If signatories require special written authorization by a Party's rules, that Party shall deliver to DWR a copy of the Board of Directors resolution and/or other documentation authorizing the Party to enter into this Agreement before DWR will transfer, store, or convey water via SWP facilities under this Agreement.

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20. Term

This Agreement shall be effective from the date when the last Party signs this Agreement and shall remain in effect until whichever occurs last, December 31, 2009, or final payment to DWR by Buyer of all costs attributable to this Agreement, or the Transfer Account and Impact Account Balances are zero.

21. Notice

All communications or notices in connection with this Agreement shall be in writing and either hand-delivered or sent by U.S. first class mail, postage prepaid, facsimile, or electronic mail followed by written notice sent by U.S. mail, and addressed as follows:

Mr. Robert Cooke, Chief
STATE WATER PROJECT ANALYSIS OFFICE
Department of Water Resources
Post Office Box 942836
Sacramento, California 94236-0001
(916) 653-4313
(916) 653-9628 (fax)
cooke@water.ca.gov

Russell Fuller, General Manager
ANTELOPE VALLEY-EAST KERN WATER AGENCY
6500 West Avenue N
Palmdale, California 93551-2855
(661) 943-3201
(661) 943-3204 (fax)
avekwa@aql.com

Michael Glaze, General Manager
SOUTH FEATHER WATER & POWER AGENCY
Post Office Box 581
Oroville, CA 95965-0581
(530) 533-4624
(530) 533-3968 (fax)
glaze@southfeather.com

22. Execution

Parties may execute this Agreement in counterpart. The Parties agree to accept facsimile or PDF (Portable Document Format) signatures as original signatures. The Agreement shall take effect as soon as all Parties have signed:

Immediately after execution, Buyer and Seller shall transmit a copy of the executed Agreement by facsimile or email to Robert Cooke, Chief, State Water Project Analysis Office at (916) 653-9628 or cooke@water.ca.gov and to each of the other

Agreement for Storage and Conveyance of 2008 Transfer Water
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Party's designated contacts as listed in Article 21 (Notices).

If a Board of Directors' approval of this Agreement is necessary, that party shall send a facsimile of the board approval to the other parties.

IN WITNESS WHEREOF, the Parties hereto have entered into this Agreement for Storage and Conveyance of 2008 Transfer Water.

Approved as to legal form
and sufficiency

David A. Sanders
vs Chief Counsel
Department of Water Resources

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES

[Signature]
Director
Department of Water Resources

7/10/08
Date

7/30/08
Date

ANTELOPE VALLEY-EAST KERN WATER
AGENCY

Russell Fuller
General Manager

Date

SOUTH FEATHER WATER & POWER
AGENCY

Michael Glaze
General Manager

Date

Agreement for Storage and Conveyance of 2008 Transfer Water
SWPAO #08-030

Party's designated contacts as listed in Article 21 (Notices).

If a Board of Directors' approval of this Agreement is necessary, that party shall send a facsimile of the board approval to the other parties.

IN WITNESS WHEREOF, the Parties hereto have entered into this Agreement for Storage and Conveyance of 2008 Transfer Water.

Approved as to legal form and sufficiency

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES


Dan J. Anderson
Chief Counsel
Department of Water Resources



Department of Water Resources

7/10/09
Date

7/30/08
Date

ANTELOPE VALLEY-EAST KERN WATER AGENCY

SOUTH FEATHER WATER & POWER AGENCY


Russell Fuller
General Manager

Michael Glaze
General Manager

8-1-08
Date

Date

Agreement for Storage and Conveyance of 2008 Transfer Water
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EXHIBIT A

The following columnar descriptions set forth the format, criteria, and procedures to be used for the determination of combined impacts to the SWP and CVP:

Columnar Description¹

Column 1 - South Feather Project Mode – "0" indicates that a transfer is in progress, "1" indicates that the reservoirs are refilling.

Column 2 - Date

Column 3 - Little Grass Valley Reservoir Actual Storage – input from daily water report

Column 4 - Sly Creek Reservoir Actual Storage – input from daily water report

Column 5 Total Actual Storage – input from daily water report

Column 5_i = Column 4_i + Column 3_i

Column 6 Daily Change in Storage – tracks the movement of water in or out of the reservoirs during refill or transfer periods. A negative value will occur during transfer operations, while a positive value indicates refill operations.

Column 6_i = Column 5_i – Column 5_{i-1}

Column 7 - Daily Target Storage – is the forecast level of storage that would not normally be exceeded. When Daily Theoretical Storage exceeds this level, it is assumed that the storage would be reduced to the Target Storage amount. The Target Storage is defined as follows: Nov 1 – Dec 31 = 60,000 acre-feet; Jan 1 – May 31 ramped linearly to 149,145 acre-feet. However, if Theoretical Storage is greater than 124,301 acre-feet but less than Target Storage, refill will be deemed to occur.

Column 7_i = Daily Target Storage or 124,302 acre-feet, whichever is less.

Column 8 - Daily Theoretical Storage – indicates the operation of storage as it might have occurred in the absence of a transfer. It is the sum of Actual Storage and the Transfer Account Balance.

¹ Where the Current Day's computation is dependent upon the Previous Day's data, _i signifies the Current Day and _{i-1} signifies the Previous Day.

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Column 8_i = Column 5_i + Column 13_i

Column 9 - Daily Refill Volume – indicates the daily amount of water used to refill the reservoirs that would have been released to the SWP absent the water transfer.

If Column 8_i is greater than Column 7_i, Column 9_i = (Column 8_i - Column 7_i) otherwise Column 9_i is zero

Column 10 - Lake Oroville Flood Control Operations – are determined by DWR. A "1" (one) is listed if a Lake Oroville Flood Operation is declared, a "0" (zero) is listed when Lake Oroville is not in a Flood Operation.

Column 11 - Daily Refill Impact – is the daily impact volume when the Lake Oroville is not in a Flood Control Operation as indicated in Column 10.

If Column 10_i = 1, Column 11_i = Column 9_i, otherwise Column 11_i is zero

Column 12 - Impact Account Balance – is the accumulation of Daily Refill Impacts over the refill period. Upon completion of refill operations, this amount of water is owed to the SWP and must be released according to a schedule agreed to by the Parties.

Column 12_i = Column 12_{i-1} + Column 11_i

Column 13 – Transfer Account Balance – reflects any activity to either transfer water or to refill the reservoirs. During transfer operations, it equals the previous day's Transfer Account Balance plus the amount of water released from Ponderosa Reservoir. During refill operations, it equals the previous day's Transfer Account Balance minus the Daily Refill Volume.

If Column 1_i = "0", Column 13_i = Column 13_{i-1} + Column 14_i

If Column 1_i = "1", Column 13_i = Column 13_{i-1} – Column 9_i

Column 14 – Transfer Releases – tracks the amount of water released into Lake Oroville at Ponderosa Dam. This amount is input from the daily water report.