



United States Department of the Interior



BUREAU OF RECLAMATION
Mid-Pacific Regional Office
2800 Cottage Way
Sacramento, California 95825-1898

IN REPLY
REFER TO:
MP-440
WTR-4.00

FEB 25 1993

To: All Interested Persons, Organizations, and Agencies
ACTING FOR

From: Regional Director

Subject: Bureau of Reclamation's Interim Guidelines for Implementation of
Water Transfers Under Title XXXIV of Public Law 102-575 (Water
Transfer)

Enclosed are Reclamation's Interim Guidelines for the implementation of the water transfer provisions of Reclamation Projects Authorization and Adjustment Act of 1992 (Public Law 102-575, 106 Stat. 4600). These Interim Guidelines have been prepared pursuant to the provisions of Section 3405(a) authorizing the transfer of water developed, diverted, stored, or delivered by the Secretary of the Interior in accordance with the statutes authorizing the Central Valley Project.

If you have any questions, please contact the Bureau of Reclamation, MP-440, 2800 Cottage Way, Sacramento CA 95825-1898.

Enclosure

Draft
December 17, 1992
Rev. January 14, 1993
Rev. February 19, 1993

**INTERIM GUIDELINES FOR IMPLEMENTATION OF THE WATER TRANSFER
PROVISIONS OF THE CENTRAL VALLEY PROJECT IMPROVEMENT ACT
(TITLE XXXIV OF PUBLIC LAW 102-575)**

I. OBJECTIVE

Reclamation's objectives in developing Interim Guidelines for the implementation of Section 3405(a) of Public Law 102-575 (PL 102-575) are to address all water transfers equitably, to provide for a more efficient and effective use of the water supply developed by the Central Valley Project (Project), and to provide greater flexibility to water users in transferring water developed by the Project. These Interim Guidelines will establish the conditions for transfer of Project water authorized by Section 3405(a).

II. AUTHORITY

Section 3405(a) authorizes all individuals or districts who receive Project water under water service or repayment contracts, water rights settlement contracts or exchange contracts to transfer, subject to certain conditions, all or a portion of the water subject to such contracts to any California water user or agency, State or Federal agency, Indian Tribe or private non-profit organization for Project purposes or any purpose recognized as beneficial under State law.

The authority provided in Section 3405(a) for transfers of Project water is supplemental and in addition to Reclamation's existing authority to allow annual transfers between Project water users, which have historically been allowed and which are encouraged under existing contracts for efficient and effective Project water management.

III. APPLICABILITY

These Interim Guidelines will be effective immediately in order to implement PL 102-575 and will remain in effect until the final rules and regulations for PL 102-575 are promulgated. However, as the water transfer process under PL 102-575 evolves, these guidelines may be revised, as necessary by Reclamation. Any long-term water transfers approved under these Interim Guidelines will be subject to all terms, conditions, and criteria contained in the final rules and regulations promulgated for water transfers pursuant to PL 102-575.

All transfers implemented in accordance with Section 3405(a) will be deemed to be a beneficial use of water for purposes of Section 8 of the Reclamation Act of 1902 (32 Stat. 390; 43 U.S.C. Section 372).

All transfers implemented in accordance with Section 3405(a) will be consistent with State law. Long-term transfers will also be subject to all subsequent State laws enacted during the period of the transfer.

The applicability of these Interim Guidelines will not impede or restrict annual short-term transfers of Project water between Project contractors as currently provided for under existing contract provisions.

These Interim Guidelines will not apply to transfers of base supply as defined in and recognized under the Sacramento River water rights settlement contracts. Transfers of base supply under those contracts will be accomplished pursuant to the water transfer provisions of California State Law.

IV. IMPLEMENTATION

The application of these Interim Guidelines depends on the type of water transfer involved. There are two separate categories of water transfers.

(A) Historic Water Transfers. All Project water users who have existing water transfer provisions in their current contracts, as provided under prior Reclamation authorities, will be allowed to continue annual short-term transfers in accordance with the provisions of those contracts. These transfers are typically intra-service area transfers for periods of one year or less, and are made for water management/efficiency purposes. ~~The criteria specified in Section V of these Interim Guidelines do not apply to this category of water transfers.~~ *This was addressed in the Department of Interior's April 16, 1998, CVPIA Administrative Proposal.*

(B) All Other Water Transfers. All water transfers specifically authorized by Section 3405(a) of PL 102-575. These transfers will include both short-term and long-term transfers. Short-term transfers will be Project transfers for periods of 1 year or less. Long-term transfers will be those transfers for a period or periods of more than 1 year with the maximum period being limited by the term of the Project contract under which the transfer is being made.

V. CRITERIA FOR TRANSFERS AUTHORIZED UNDER SECTION 3405(a)

A Transferor can be a contracting district or agency, an individual water user within a contracting district or agency, or an individual contractor under a water service or repayment contract, water rights settlement or exchange contract.

(A) All transfers of Project water must be between willing buyers and willing sellers.

(B) Transfer proposals shall be completed in accordance with these criteria and shall be submitted in writing to Reclamation for review. Appendix No. 1 attached hereto and made a part of these Interim Guidelines, contains the criteria checklist that shall be used in developing written transfer proposals.

(C) Individual Project water users within any contracting district or agency who propose to transfer Project water shall submit the proposal to Reclamation with a duplicate copy of the complete written proposal to the contracting district or agency. These individuals must be able to document to the satisfaction of Reclamation that they are authorized to transfer the Project water.

~~(D) All transfer proposals by individual Project water users within a contracting district or agency shall be reviewed by the contracting district or agency to ensure the transfer will have no unreasonable impact on the water supply, operations, or financial conditions of the transferor's contracting district or agency or its water users. The contracting district or agency will have 45 days upon receipt of the transfer proposal to evaluate and advise Reclamation of the impacts on the water supply, operations, or financial conditions on the contracting district or agency. Condition Sunset September 30, 1999, by §3405(a)(3).~~

(E) Transfer proposals involving more than 20 percent of Project water subject to long-term contract within a contracting district or agency shall be evaluated by the contracting district or agency and shall be subject to review in a public participation process similar to the provisions contained in Public Law 97-293. This 20 percent figure is cumulative.

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(S) Power to convey Project water beyond the contractual point of delivery through Project facilities must be supplied by the parties requesting the transportation. No Project-use power will be used to convey Project water beyond the contractual point of delivery. First priority at Project facilities shall be given for pumping Project district's or agency's contract allocation of Project water.

(T) The Secretary or his designated representative shall have final approval of all transfers of Project water.

VI. TRANSFEROR'S RESPONSIBILITY

It shall be the Transferor's responsibility to:

(A) Comply with all criteria for the transfer of Project water and ensure all proposals are complete written proposals. A water transfer proposal will not be deemed complete until all items listed in Appendix 1 of these Interim Guidelines have been satisfied. The 90 day review period specified in Section VII(a) of these Interim Guidelines will start upon receipt of the complete written transfer proposal.

(B) Ensure a complete written transfer proposal is submitted to Reclamation for review and approval. Individual Transferors within a contracting district or agency shall also provide a copy of the complete written transfer proposal to its respective district or agency.

~~(C) Provide Reclamation with a written statement from the contracting district or agency documenting that the transfer will have no unreasonable impact on the water supply, operations, or financial conditions of the Transferor's contracting district or agency or its water users. Condition Sunset September 30, 1999, by §3405(a)(3).~~

(D) Pay Reclamation all additional water rates and charges associated with water transfers. Individual Transferors within a contracting district or agency shall submit all additional water rates and charges to the contracting district or agency. The contracting district or agency will remit to Reclamation this additional revenue. Reclamation will provide water rates and charges associated with water transfers upon request.

(E) Reimburse the Department of Interior for all costs associated with reviewing and processing transfer proposals. The Transferor is also responsible for all costs associated with developing and completing a

complete written transfer proposal. If the Transferor is an individual within a contracting district or agency, the individual is responsible for all costs associated with developing a complete written transfer proposal.

VII. RECLAMATION RESPONSIBILITY

It shall be Reclamation's responsibility to:

(A) Approve or disapprove water transfer proposals within 90 days from receipt of a complete written proposal. If the transfer proposal is disapproved, Reclamation shall inform the Transferor and Transferee in writing why the transfer does not comply with the terms, conditions and criteria of these Interim Guidelines and what alternatives, if any, could be included so that the transfer would reasonably comply with the terms, conditions and criteria of these Interim Guidelines.

(B) Ensure that no transfer will be approved if Reclamation, in consultation with the U.S. Fish and Wildlife Service (Service), determines that such transfer would result in significant reduction in quantity or decrease in the quality of water supplies currently used for fish and wildlife purposes, unless Reclamation, in consultation with the Service, determines pursuant to findings setting forth the basis for such determination that such adverse effects would be more than offset by the benefits of the proposed transfer. In the event of such determination, Reclamation, in consultation with the Service, shall develop and implement alternative measures and mitigation activities as integral and concurrent elements of any such transfer to provide fish and wildlife benefits substantially equivalent to those lost as a consequence of such transfer.

**CRITERIA CHECKLIST
FOR A COMPLETE
WRITTEN TRANSFER PROPOSALS**

1. Name and Location of Transferor: (If within a district or contracting entity, identify):
2. Name and Location of Transferee: (If within a district or contracting entity, identify):
3. Provide a detailed location map of the area(s) proposed to receive the transferred water.
4. If Transferor is individual within a contracting district or agency, provide documentation supporting claim of right to the quantity of Project water being transferred under the contracting district or agency's Project contract.
5. Complete written description of transfer proposal, including the proposed time period and/or term of transfer.
6. Identify Central Valley Project facility/facilities required to facilitate transfer for conveyance, pumping and/or storage.
7. State quantity of water involved with transfer and identify purpose of use for the transferred water.
8. Provide detailed consumptive use analysis to document how the quantity of water available for the proposed water transfers was calculated.
9. Is quantity to be transferred more than 20 percent of the Transferor's contracting district or agency's Project water supply? Explain and provide applicable supporting documentation.
10. Will this transfer along with other transfers to date cumulatively total more than 20 percent of the Transferor's contracting district or agency's Project water supply? Explain and provide applicable supporting documentation.
11. Provide data identifying percentage of total contract supply transferred to date from the Transferor's contracting district or agency under whose contract the Project water is being transferred.

12. Identify method by which water is being made available for transfer:

(A) Following:

- (1) All transfer proposals involving fallowing shall be submitted no later than March 1 of each irrigation season or 30 days after the effective date of these Interim Guidelines;
- (2) Acres fallowed as part of normal rotation or crop set aside program will not be considered as making water available for transfer.
- (3) Identify and document crop and total number of acres being fallowed, explaining any differences from historical cropping pattern/historical mix.
- (4) Identify and document consumptive use of crop being fallowed.
- (5) Historical cropping data for lands being fallowed (minimum of last 5 years or from 1987 to present).

(B) Requirements for substituting ground-water use for surface supply:

- (1) Comprehensive ground-water basin study or evaluation of ground-water supplies demonstrating transfer will have no significant long-term adverse impacts on ground-water conditions, inter-related surface streams, or other ground-water supplies in Project service area; OR

Comprehensive evaluation of the potential impact on ground-water supplies accompanied by an adopted ground-water management plan.
- (3) Location map of ground-water well(s) to be utilized.
- (4) Drillers log for ground-water well(s) to be utilized.
- (5) Provide location of other ground-water wells in Project service area.
- (6) Identify and document area(s) normally irrigation by wells.

(C) Conservation:

- (1) Identify method of conservation
- (2) Transfer proposals involving water made available by conservation measures will be reviewed on a case by case basis.

13. Have requirements of the NEPA, ESA, and FWCA (if applicable) been completed? Explain and provide applicable documentation.
14. Have requirements of the CEQA and CESA been completed? Explain and provide applicable documentation.
15. If transfer is 20 percent or greater of the Transferor's contacting district or agency's Project water supply, has public participation necessary to complete the transfer been done? Explain and provide supporting documentation.
16. If electric power, other than Project-use power, is necessary to transfer Project water, then the Transferor must provide documentation that such electric power has been obtained. The Transferor must also provide documentation that Western Area Power Administration finds that the source of power is available for pumping at the Project facilities.
17. The Transferor must submit a deposit of \$3,000 to cover the administrative costs of reviewing each water transfer proposal. If the transfer proposal is denied, any deposit remaining will be refunded to the Transferor. If the transfer is approved, the transferor will be refunded any deposit remaining or billed for any additional administrative costs incurred in processing the transfer proposal.
- ~~18. Attach statement by the Project contractor holding the contract for the water being transferred that the transfer will have no unreasonable impact on water supply, operations, or financial conditions of Project contractor or its water users.~~
- ~~19. If the transfer will involve use of Project water outside Project service area, provide proof of public notification for right of first refusal. Condition Sunset September 30, 1999, by §3405(a)(3).~~

PUBLIC NOTICE REQUIREMENTS

1. Name and Address of Transferor (if within a contracting district or agency, identify).
2. Name and Address of Transferee (if within a district or contracting agency, identify).
3. Brief description of transfer proposal (identify terms of transfer, period of transfer, quantity of water involved, cost per acre-foot, and where transferred water will be used).
4. Identify a contact point for questions on the proposed transfer.
5. ~~Include statement: "If you are interested in exercising right of first refusal, please notify the contact point and write the Bureau of Reclamation, MP 440, 2800 Cottage Way, Sacramento, CA 95825."~~
Condition Sunset September 30, 1999, by §3405(a)(3).

**CENTRAL VALLEY PROJECT
WATER ASSOCIATIONS AND AUTHORITIES**

Central Valley Project Water Association
1521 I Street
Sacramento, California 95814

Friant Water Users Authority
854 North Harvard Avenue
Lindsay, California 93247

Mid-Valley Water Authority
4886 East Jensen Avenue
Fresno, California 93725

Sacramento River Water Contractors Association
910 K Street, Suite 310
Sacramento, California 95814

Tehama-Colusa Canal Water Users Association
PO Box 1054
Willows, California 95988

Delta-Mendota & San Luis Water Users Authority
PO Box 2157
Los Banos, California 93635

Central California Irrigation District
(Operating Entity of Delta Mendota Pool)
PO Box 1231
Los Banos, California 93635

Madera Irrigation District
(Operating Entity of Madera Canal)
12152 Road 28-1/4
Madera, California 93637

MAJOR NEWSPAPERS WITHIN
CENTRAL VALLEY PROJECT SERVICE AREA

Antioch Daily Ledger
650 Cavello Road
Antioch, CA 94509

Auburn Journal
1030 High Street
Auburn, CA 95603

Bakersfield Californian
PO Box 440
Bakersfield, CA 93302

Chico Enterprise-Record
400 East Park Drive
Chico, CA 95928-7127

Contra Costa Times
2640 Shadelands Dr
Walnut Creek, CA 94598-2513

Folsom Telegraph
49 Natoma Street, Suite D
Folsom, CA 95630-2673

Fresno Bee
1626 E Street
Fresno, CA 93786

Los Banos Enterprise
1253 W. I Street
Los Banos, CA 93635

Madera Tribune
PO Box 269
Madera, CA 93639

Merced Sun-Star
PO Box 5256
Merced, CA 95340

Modesto Bee
1325 H Street
Modesto, CA 95354-2427

Record Searchlight
1101 Twin View Boulevard
Redding, CA 96003-1531

Red Bluff Daily News
545 Diamond Avenue
Red Bluff, CA 96080-4302

Sacramento Bee
2100 Q Street
Sacramento, CA 95816-6816

San Francisco Chronicle
901 Mission Street
San Francisco, CA 94103-2905

San Jose Mercury News
750 Ridder Park Drive
San Jose, CA 95190

Stockton Record
PO Box 900
Stockton, CA 95201

Trinity Journal
PO Box 340
Weaverville, CA 96093