

Attachment 3

Large-Scale Delta Conveyance Power Initiative Framework

Central Valley Project (CVP) Preference Power customers and Western Area Power Administration (WAPA) have raised concerns of the potential impacts related to the timing, quantity, and availability of power generated from the CVP as a result of the proposed construction and operation of the water infrastructure project formerly known as the California WaterFix (CWF). Recent State direction to rescind the previously obtained permits leaves significant uncertainty as to how a large-scale delta conveyance facility may proceed in the future. Considering this uncertainty and the potential development of a new project, the Bureau of Reclamation (Reclamation), Preference Power customers, and WAPA have developed this Framework to establish coordination on developing a new project description and operational considerations for a new large-scale delta conveyance project.

CVP Preference Power customers and WAPA are concerned about changes to the timing and delivery of CVP energy and capacity, ancillary services, and other CVP hydropower products resulting from the construction and operation of a potential new large-scale delta conveyance facility that could ultimately change the coordinated operation of the SWP and CVP.

- CVP Preference Power Customers and WAPA have shared concerns that previous efforts to develop the CWF project description and associated permits and agreements did not provide adequate opportunity for CVP Preference Power Customers to participate.
- For Reclamation to better understand the potential effects to power customers and to CVP hydropower from the operation of a new large-scale delta conveyance facility, Reclamation has worked with Preference Power customers and WAPA to identify potential operational considerations when developing and/or evaluating a project description for a new large-scale delta conveyance facility. The operational considerations and corresponding Reclamation commitments are detailed in this framework document.
- Reclamation will work with the Preference Power customers to receive input and feedback on the development of a project description for a new large-scale delta conveyance facility. In developing the project description, Reclamation will work in good faith to influence the project description in a manner that minimizes impacts to Preference Power customers while still meeting Congress's intent in authorizing the CVP.
- If Reclamation and/or the Preference Power customers identify unforeseen impacts on the timing and delivery of CVP energy, capacity, or other hydropower products resulting from actual operations of a new large-scale delta conveyance facility, Reclamation commits to consulting with Preference Power customers to identify the potential for operational flexibility within Reclamation's statutory and contractual responsibilities to reduce or minimize impacts to power generation resulting from the operation of a new large-scale delta conveyance facility.

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- As additional information on the new large-scale delta conveyance facility becomes better defined and certain, Reclamation, Preference Power customers, and WAPA may revisit this Framework to evaluate its applicability and identify if changes are necessary.
- Reclamation will continue to provide updates to Preference Power customers and WAPA as information becomes publicly available. As information becomes available, Reclamation will work to inform all stakeholders, including CVP Preference Power customer on how the proposed project is expected to operate with the CVP.
- Reclamation will continue to ensure that all CVP water deliveries are properly assessed charges for the CVP Restoration Fund.
- Reclamation, WAPA and Preference Power customers may revisit this Framework from time to time to evaluate its applicability and identify if changes are necessary if requested by Reclamation, WAPA or Preference Power Customers.
- This document does not provide any express or implied rights to power customers beyond those already defined by existing law or contract.
- Power Customers agree to participate, to the extent feasible and appropriate, in public forums and comment periods established by NEPA, CEQA, and other venues as established by law.

Preference Power Considerations: Preference Power Customers, WAPA, and Reclamation have identified the following areas of concern for Reclamation to take into consideration when working with the State of California in the development of a project description for a new large-scale delta conveyance facility. The parameters to be considered include, but are not necessarily limited to:

1. reductions to CVP preference power due to increased CVP pumping requirements;
2. changes in quantity and/or timing of the CVP power resource whether hourly, daily, or seasonally that may require preference power customers to purchase or dispatch replacement supplies taking into consideration the cost of carbon emissions credits;
3. reductions to CVP preference power due to increased CVP power by-pass requirements; and
4. lost collections from CVP Water Users to the CVP Restoration Fund, resulting from potential reduced water deliveries that can be shown because of the operation of a new large-scale delta conveyance facility.