

# Joint Reservoir Committee Authority Board Meeting

Agenda Item 3-1, Review and Comment on  
Updates to the Sites Water Storage Policy

February 19, 2021



# Storage Policy, Why is it so Important?

- Foundational to our Strategic Plan Affordability Goal
  - Forms the basis of use of the Project assets and what your agency is purchasing
- Sets framework for the following in-progress efforts:
  - Water Storage and Supply Service Contracts
  - Plan of Finance
  - Operations Plan
- Work Group established small group to focus on updates
  - Small group met 4 times to discuss Policy and changes

# “Goals” for Changes

- Lasting
  - Broad enough that changes would be infrequent
- Foundational Understanding of Asset
  - Specific enough to form the foundation of successor agreements and documents
  - Specific enough that you understand what your agency is purchasing and, broadly, how you can use it
- Guiding principles and framework for successor agreements and documents
  - Leave the very specific details to the successor agreements and documents

# Key Changes

- Storage Partners – Revision
  - State and Reclamation combined into the definition of Storage Partners
  - State and Reclamation operations are treated the same as all other Storage Partners
- Priority of Operation – New section
  - Identifies a priority of operations for the reservoir
  - Sites Reservoir will be operated for water supply and water supply related environmental benefits. Flood control is inherent to the design. Recreation and power generation are incidental.
- Priority Among Storage Partners – New Section
  - All Storage Partners, including State and Reclamation, are treated equally in the operations of their portion of storage
- Water Storage and Service Contracts – Revision
  - Specifies as the contractual arrangement between the Authority and the Storage Partners and that these would be based on a Storage Allocation (storage space in the reservoir)

# Key Changes (cont)

- Point of Delivery – New Section
  - Identifies primary and secondary points of delivery and that Storage Partners are responsible for losses after the primary point of delivery
  - Identifies Authority would undertake all reasonable measures to manage, control and protect Sites water to prevent unlawful diversion or interference
- Some Details Removed – Revision
  - Removed some of the details related to technical characteristics of operations, annual schedules, costs and payments, etc
  - These will be contained in successor agreements and documents
- Governance – Revision
  - Removed detailed descriptions of the role of the Reservoir Committee versus Authority Board. Used the term Authority to refer to both
  - Governance should be further explored as it relates to financing, asset ownership and risk management
- Water Sharing Among Storage Partners – Not Added
  - Partners would, under voluntary terms and if desired, share their assets first with other Storage Partners
  - Will be addressed through other mechanisms

# Next Steps

- Previously “conditionally approved” pending Storage Partner’s legal review
  - Now is the time to complete your legal review
- Send any comments or changes to Ali by March 1
  - Back through small group, Ad Hoc Operations & Engineering Workgroup, Reservoir Committee, and Authority Board for action in March

# Questions?

