



Meeting: **Reservoir Committee & Authority Board**
Agenda Item 3.2

December 20, 2024

Subject: **Operations Plan 2.1 Development**

Requested Action:

Receive an update on the progress being made in the development of the Reservoir Operations Plan, Version 2.1.

Detailed Description/Background:

Staff are preparing Version 2.1 of the Operations Plan. This effort expands on draft Version 2.0 to coordinate the Operations Plan with the August 2024 draft Benefits and Obligations (B&O) contract along with incorporating additional detail related to Storage Partner coordination activities.

Staff presented an overview and provided draft Operations Plan Version 2.1 to the Engineering and Operations (E&O) Workgroup on August 9, 2024, and suggested that the review focus on the new content. Participants received the draft in September, and further discussion occurred at a Special E&O Workgroup on November 22, 2024. The following is a summary of key comments received and how staff currently propose to address each.

- **Flood Operations** – This pertains to operations at times when Sites Reservoir is full and there is significant forecasted inflow from the creeks/local watershed. Although this is likely an uncommon scenario, it is something that may occur and should be considered. In this situation, the Authority may need to release stored water to “make room” for high local inflows to continue to provide the Project’s flood benefits. Staff are coordinating to further evaluate spillway design, consider downstream conditions, and determine equitable ways to manage reservoir storage under this uncommon scenario. Staff will develop an approach and return to the E&O Workgroup in Quarter 1, 2025 to receive feedback on an approach.
- **Water Right Development Period** – This pertains to how the Authority will maximize diversions to storage and beneficial use of Sites Water during the 20-year water right development period. Staff discussed Section 4.3.4 of Draft B&O which states that Participants will make efforts to optimize diversion and beneficial use of Sites Water during the Sites Water Right Development Period and not interfere with the Sites Authority’s efforts to do the same, and Section 3.6.2 of Draft Operations Plan which furthers explains that Authority staff will coordinate with Participants towards this optimization. Staff will incorporate language into the Operations Plan for clarity.

- **Exchanges** – This pertains to how exchanges will be implemented. Exchanges are expected to primarily occur with Shasta Lake and Lake Oroville, and may also take place in real-time with other Storage Partners. Exchanges will only be conducted when they would be neutral or net beneficial to CVP and SWP operations. Details regarding exchange operations are still being worked out; however, a Participant’s involvement in any exchange will be voluntary. It is anticipated that real-time exchanges and exchanges with Lake Oroville will be initiated by Participants to increase delivery flexibility and minimize capacity constraints. Alternatively, it is anticipated that Reclamation will initiate exchanges with Shasta Lake, and the Authority will coordinate with willing Participants. Staff will incorporate language to the Operations Plan to describe the voluntary nature and potential purposes of exchanges.
- **Downstream Facilities Capacity Interest** – This pertains to how limitations relative to downstream capacity will be addressed. This topic was previously discussed with Workgroup in January and May of this year and continues to be an important item. Staff have proposed that Downstream Facilities Capacity Interest (DFCI) will be proportionate to Base Facilities Capacity Interest for those Storage Partners that choose to use and invest in the Dunnigan Pipeline to receive their Sites Water. Storage Partners with DFCI will have first priority to downstream capacity, and those without DFCI will have second priority. This does not preclude a Storage Partner leasing DFCI to ensure movement of water through the Dunnigan Pipeline and other downstream facilities. Further, a Downstream Capacity Ad Hoc Workgroup is proposed to make recommendations on things like wheeling rates and other considerations for use of Downstream Facilities. Staff are evaluating B&O Contract language and governance discussions relative to this topic to ensure DCFI can be managed by Storage Partners consistent with beneficiary pays and where all are in agreement with a single approach. As B&O Contract language is refined, staff will incorporate language into the Operations Plan for consistency and clarity.

As noted, staff are updating the draft Operations Plan to address various issues, including those not summarized above. Concurrently, other contracts, documents, and permits are being developed (or in the case of the Operations Incidental Take Permit, have recently been issued). The Operations Plan will remain in draft form and proceed with revisions in coordination with contract document updates and receipt of permits and approvals. There will likely be a focused review of these ongoing revisions as we approach the B&O Contract escrow period, and ultimately Operations Plan Version 2.1 will be adopted prior to the escrow period.

Prior Action:

August 2024: Received an update on the progress being made in the development of the Project Operations Plan, Version 2.1.

Fiscal Impact/Funding Source:

The preparation of the Operations Plan, Version 2.0 can be completed within the Amendment 3 Work Plan total budget.

Staff Contact:

Ali Forsythe / Angela Bezzone

Primary Service Provider:

MBK

Attachments:

None