

THE STATE WATER PROJECT:

Water Management Tools Contract Amendment A Necessary Water Management Solution for California

The State Water Project (SWP) is a complex water system that drives California's quality of life and economic vitality. For more than a decade, public water agencies that receive water allocations from the California Department of Water Resources (DWR) have acknowledged the need to amend the contracts that govern how the system is managed – recognizing there are opportunities to modernize and streamline operations to more efficiently use this important public trust resource, and to better support local water supply management such as groundwater banking.

The water management tools contract amendment will ensure greater supply reliability and flexibility among the SWP public water agencies to address climate realities threatening our essential SWP supply, and help SWP contractors better manage their SWP supplies in the context of their local water portfolios, particularly in times of drought.

About the Amendment

- Does not include construction of new facilities
- Relates only to how SWP supplies are managed with current infrastructure
- Does not change the contract amounts for contractors
- Will be implemented in compliance with environmental regulations



SWP Quick Facts

- Planned in the 1950s. Built in the 60's
- Operated by DWR
- Spans 700 miles
- Provides fresh, affordable water to 27 million people & 750,000 acres of farmland
- Fuels the economy & various industries statewide
- Last update to water management rules governing SWP operations was in 1994

Ensuring Greater Water Supply Reliability Amidst Climate Change and Changing Water Supply Portfolios

Climate change poses a serious threat to the reliability of California's water supplies. As California faces the increasing impacts of climate change – from heavy winter floods to periods of extreme drought – it is more important now than ever that public water agencies are able to collaborate amongst themselves and with DWR to stabilize and successfully manage our complex water system. With greater flexibility to move and store SWP supplies, public water agencies are better able to manage their water portfolios, including local supply investments.

The water management tools contract amendment:

Clarifies the process for water transfers, exchanges, and storage among State Water Project public water agencies



Enables public water agencies to more effectively and efficiently manage supplies through climate whiplash and in consideration of local investments

A TRANSPARENT PUBLIC PROCESS

DWR and public water agencies have engaged in a public process to amend the contracts governing how the SWP operates. Through public negotiation sessions, stakeholders have had the opportunity to provide input and assist in crafting a solution that ensures greater water supply reliability and flexibility amidst climate change.

February 2018

DWR and public water agencies held 15 negotiation meetings beginning in February 2018.

June 2018

Agreement in Principle (AIP) was reached between DWR and SWP contractors that included water management tools and California WaterFix cost allocation.

October 2018

DWR released draft EIR for public review and comment.

May 2019

DWR and public water agencies revised the AIP to remove the California WaterFix cost allocation component. No changes were made to the water management tools.

Current

DWR is expected to prepare and issue a final Environmental Impact Report (EIR) soon. Prior to issuing that document, it will keep the Legislature and public informed of its progress.



Connecting the Dots: How does this amendment relate to the SWP contract extension amendment?

The SWP contract extension amendment provides the ability for DWR to issue bonds beyond the existing contract termination date in 2035. This Water Management Tools amendment provides greater flexibility to manage the SWP water resources.