Temperance Flat Reservoir Authority Operating Principles

BACKGROUND

The TFRA Joint Exercise of Powers Agreement recognizes the need for the members of the Authority to establish a framework for the operation of any storage project in the form of initial operating principles. The principles should be simple and will be used to guide the development of contracts for storage space and water from the project, as well as the development of an operations plan. The expectation is that these principles would not be changed without unanimous consent from the water agencies that approved of the initial listed principles.

Members of TFRA and other interested water agencies convened a workshop in July to develop a draft list of principles for consideration. The list of principles below includes the outcomes of that workshop. Participants in the workshop included: Friant Water Authority, San Joaquin River Exchange Contractors Authority, City of Fresno, and Westlands Water District. Principles include suggestions that had been previously offered by participants, as well as requested principles offered by the San Joaquin Valley Water Infrastructure Authority.

These draft principles are being shared for consideration by current and potential future members of TFRA. The expectation is that input on these principles will be considered at upcoming TFRA Board meetings in August and September, with the intention to finalize them no later than the October board meeting.

DRAFT PRINCIPLES

- The operation of the Temperance Flat Reservoir must allow all Friant Division Contractors, without further investment, to retain current access to all types of Millerton Lake inflows, including unstorable flows, per their contracts with the Bureau of Reclamation as if the Temperance Flat Reservoir Project were not constructed.
- 2. The Temperance Flat Reservoir must not alter the United States' ability to comply with the requirements of the:
 - a. San Joaquin River Settlement and the authorizing legislation (the San Joaquin River Restoration Settlement Act Public Law 111-11),
 - b. Contract for Exchange of Waters No. Ilr-1144, as amended; the Purchase Contract No. Ilr-1145, and Holding Contracts with the United States.
- Temperance Flat Reservoir must facilitate groundwater sustainability for the groundwater basins in the San Joaquin Valley by allowing water supplies on tributaries throughout the San Joaquin Valley to be exchanged, stored, and managed until such water can be put to beneficial use.

- 4. Temperance Flat Reservoir must allow for increases in water supply for participants by providing the opportunity to store available water in the Temperance Flat Reservoir, including supplies made available through exchanges and transfers.
- 5. The storage space secured by and an investor and the water supplies generated by the invested storage in Temperance Flat Reservoir will be entirely assigned to investors that have financed the project and will be subject only to regulatory and contractual requirements that are specific to the Temperance Flat Reservoir project. The water supplies stored in Temperance Flat Reservoir will not be available, unless mutually agreed upon by an investor and the Bureau of Reclamation or the California Department of Water Resources for pre-existing contractual requirements at or downstream of Millerton Lake, such as, but not limited to the United States' ability to comply with the requirements of the San Joaquin River Settlement or the rights of the San Joaquin River Exchange Contractors, Holding Contracts with the United States, or downstream or in-Delta water quality standards that are separate from the Temperance Flat Reservoir Project.
- 6. Priority will be given to investors in Temperance Flat Reservoir that can utilize the water supply in the San Joaquin Valley.