MEMORANDUM

To: Water Advisory Committee March 31, 2021

From: Drew McIntyre, TAC Chair

Subj: SCWA Water Shortage Allocation Methodology Update

t:\gm\scwa\wac agenda and minutes\2021\scwa water shortage allocation methodology update 040521.docx

RECOMMENDED ACTION: Information Only.

The allocation of water during shortage conditions is described in the 2006 Restructured Agreement for Water Supply (RA) executed between SCWA and the eight Water Contractors. In particular, Section 3.5 of the Restructured Agreement describes a specific approach to allocate water during water shortage conditions. An annual shortage allocation model was initially developed in 2006 using the methodology described in the Restructured Agreement.

In 2007, SCWA was required to reduce Russian River diversions by 15% from July through October and the 2006 Allocation Model was used by the Agency to determine what each contractor's allocation would be from July through October under the 15% diversion reduction. Section 3.5 of the RA also allows the Water Contractors, by unanimous vote, to determine an alternate allocation methodology. As such, the WAC formally approved an alternate method of allocation among the Water Contractors at the August 6, 2007 meeting.

In June 2009, SCWA declared a Water Transmission System Temporary Impairment and used a modified version of the 2006 Allocation Model to develop an allocation allotment to each water contractor from June 15 through October 2. As in 2007, the Water Contractors had the option to submit an alternate allocation. In August, 2009 the Water Contractors decided to not move forward with submitting an alternate allocation.

In February 2010, SCWA passed a resolution encompassing various tasks including having Agency staff work with the Water Contractors to develop a new annual water shortage allocation methodology. The Water Contractors also requested that SCWA develop a methodology to apportion water during peak demand periods when water demands by the water contractors exceed the amount of water that the Agency can divert from the Russian River

In March 2014, the WAC approved a new SCWA Water Shortage Allocation Methodology. The 2014 Update was developed with Agency staff and Water Contractors over multiple years of negotiation. The 2014 model was divided into two components, (1) for annual shortage and (2) for a peak or monthly shortage. In an effort to obtain unanimous approval by the WAC, the 2014 Allocation Methodology Update had a termination date of July 1, 2016.

In 2021, Agency staff and the Water Contractors are meeting once again to build upon all the successful work that lead to adoption of the 2014 SCWA Water Shortage Allocation Methodology Update with the goal to once again have an approved allocation methodology in place, tentatively scheduled for WAC consideration in May