



United States Department of the Interior

BUREAU OF RECLAMATION

Northern California Area Office
16349 Shasta Dam Boulevard
Shasta Lake, California 96019-8400

APR 21 2015

IN REPLY REFER TO:

NC-100
WTR-4.03

Sacramento River Settlement Contractors

Subject: Update to 2015 Notification of Critical Year for Sacramento River Settlement (SRS) Contractors, Central Valley Project (CVP), California

Dear Sacramento River Settlement Contractor:

This letter updates the 2015 Critical Year Notification letter dated February 17, 2015. Reclamation has been diligently working with the SRS Contractors, the State Water Resources Control Board, the California Department of Fish and Wildlife, National Oceanic Atmospheric Administration Fisheries, and U.S. Fish and Wildlife Service to coordinate 2015 Project operations and develop, with more certainty, an assessment of water conditions and available supplies.

The continued drought and unique hydrology have required Reclamation and the SRS Contractors to explore creative solutions. In this regard, Reclamation's latest modeling, based on more recent run-off forecasts, supports provision of a 75% Contract Total contingent on the SRS Contractors voluntarily agreeing, for this Water Year only, to the following measures:

- Scheduling Settlement Contract diversions in coordination with fishery releases from Keswick Reservoir to provide more precise and reliable temperature management for spawning winter-run Chinook salmon upstream of Clear Creek. This involves the SRS Contractors deferring a significant portion of diversions of base supply in April and May 2015 to the period of June through October. The objective is to work with Reclamation to assure more operational flexibility in Lake Shasta and Keswick Reservoirs during the late summer and fall, which will allow the optimal operation of the temperature control device and available storage at Shasta.
- Making available appropriate resources and expertise to coordinate with Reclamation and the fishery agencies, including real time monitoring and evaluation of the redds and emerging fry to assist in refining operations decisions, not just from a temperature control point, but based on the actual spawning and emergence which are the key indicators for the proper temperature regime.
- Pursuing water transfers to neighboring water districts with no surface supplies this year, as well as water suppliers in other parts of the state with important needs for water. There are

scheduling benefits associated with transfers that can help with temperature management during April and May, while also helping with water demands later in the summer.

- Using groundwater wells during the April-May period to supplement diversions from the Sacramento River.
- Reclamation and Glenn-Colusa Irrigation District will work closely with refuge managers at the three National Wildlife Refuges (Colusa, Delevan, and Sacramento) to re-time deliveries from April-May into the summer. The refuges serve in concert with the ricelands and managed wetlands within the SRS Contractors' service areas as the habitat and feeding grounds for the Pacific Flyway.

If you agree to take these actions, Reclamation will, for this Water Year and this Water Year only, administer your contract as follows: (1) allow rescheduling of that amount of Base Supply not diverted in April, May and June 2015 later in the schedule, month by month, as needed to accommodate the demand shift pattern; (2) implement an accounting methodology for diversion schedules for each month that accounts for diversions in the following order: regular monthly Base Supply, then unused Base Supply from any previous month, and then Project Water; (3) waive any charges for rescheduling of Base Supply from April, May, and June, 2015 into the critical months; and (4) waive the requirements of Article 8(a)(1) of the SRS Contracts, and SRS Contractors will only be charged for the quantity of Project Water actually diverted this Water Year.

In support of this agreement, please submit an updated diversion schedule to the Willow's Water and Lands Division that is consistent with the SRS Contract and the terms of this letter. Please be aware that any rescheduling must be consistent with Reclamation's modeling and forecasts that support the rescheduled diversions. We will review your schedule and advise you of any need to adjust it. Absent this rescheduling of your Base Supply, due to the continued drought and hydrologic conditions this Water Year, Reclamation cannot guarantee that conditions will allow for the diversion of 75% of Contract Total.

Please continue to implement all required contingency plans and water conservation measures and we look forward to working with you over the next few weeks to finalize modified scheduling and water accounting methodology for the 2015 Water Year.

Please work with Mr. Rich Robertson, Chief, Water and Lands Division, Northern California Area Office, at 530-934-1383 or rrobertson@usbr.gov.

Sincerely,



Federico Barajas
Area Manager