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# II. COACHELLA VALLEY WATER DISTRICT

The Coachella Valley Water District (CVWD) was founded in 1918. It provides a variety of water related services throughout a 1,000 square mile service area extending from the Palm Springs area down to and along both sides of the Salton Sea. Services include the delivery of Colorado River water for the irrigation of about 70,000 acres of farmland; delivery of domestic water to about 83,000 homes and businesses in the cities and communities of Cathedral City, Rancho Mirage, Palm Desert, Indian Wells, La Quinta, Thermal, Mecca, Oasis, Desert Shores, Salton City, North Shore, Bombay Beach, and surrounding areas; wastewater collected by the CVWD from about 72,000 sanitation connections is treated at six regional wastewater reclamation plants where most of it is converted to high quality recycled water that is used for the irrigation of golf courses and greenbelt areas. CVWD also operates groundwater recharge facilities for much of the Coachella Valley.

# III. CVWD'S WATER SUPPLY

CVWD's domestic water supply is pumped from a large groundwater basin that underlies the upper Coachella Valley. This basin is in a state of overdraft, a condition that is currently being addressed by CVWD. CVWD is a State Water Project (SWP) Contractor but lacks the facilities to take delivery of its entitlement. This situation led to an "Exchange Agreement" with the Metropolitan Water District of Southern California (MWD) to trade CVWD's SWP water for a like amount of MWD's Colorado River water that they deliver to us from a turnout in the Colorado River Aqueduct (CRA) as it crosses the Whitewater River channel. The water flows down the channel to recharge ponds and thereby recharges the basin. This program adds as much as 61,200 acre-feet per year to the groundwater basin.

In addition, we have an "Advanced Delivery Agreement" with MWD whereby MWD predelivers certain quantities of Colorado River water called for under the Exchange Agreement in wet periods when surplus Colorado River supplies are available. In effect, this agreement allows MWD to store the surplus water in CVWD's groundwater basin for later use.

Lastly, as part of the negotiations that resulted in the Quantification Settlement Agreement (QSA), CVWD reached an agreement in principle with MWD that will provide CVWD with an average of an additional 50,000 acre-feet per year that will be used for additional recharge of the

basin.

CVWD has developed a very sophisticated groundwater model of the basins underlying the upper and lower Coachella Valley. An environmental impact report analyzing various alternatives in connection with a proposed groundwater management plan based on this model has been released for review and comment. We anticipate that when finally adopted, this management plan will enable CVWD to better manage and maintain the Valley's groundwater resources.

CVWD's irrigation water supply comes from the Colorado River. The water is diverted at Imperial Dam, flows through the All-American Canal a short distance to a turnout into the Coachella Branch Canal through which it travels 123 miles to the Coachella Valley. CVWD's entitlement to Colorado River water is based on the CVWD's contract with the Secretary of the Interior for the delivery of such water. CVWD has the most junior entitlement of the California agricultural agencies having similar entitlements to Colorado River water.

### IV. California's Seven Party Priority Agreement and the Need for Quantification

California's Colorado River supply is limited to 4.4 million acre-feet per year. In 1931, the California agencies using Colorado River water entered into the Seven Party Priority Agreement in which they allocated California's 4.4 million acre-feet among the right holders and prioritized each user's shares. Each right was expressed not in quantified terms, but rather in terms of the amount of water required to irrigate a particular quantity of acreage. For example, first priority goes to the Palo Verde Irrigation for water needed to irrigate 104,500 acres; second priority goes to the Yuma Project to irrigate up to 25,000 acres; and third priority goes to the Imperial Irrigation District (IID) to irrigate lands in the Imperial and Coachella Valleys. These agricultural entitlements total 3.85 million acre-feet of the 4.4 million acre-feet California share. There is no further written division of the first three priorities' right to the use of the 3.85 million acre-feet per year. This lack of further quantification makes it difficult to develop and implement cooperative water supply programs and can cast uncertainty as to water supply reliability, thereby limiting the ability of all users to plan, finance and implement the necessary programs to meet future water supply and management needs.

Thus, the need for quantification of the third priority's rights to the Colorado River and accommodation of unresolved differences among those users precipitated the development of the

QSA. The QSA is a consensual reallocation of Colorado River water based on a series of proposed agreements, which, among other things, quantifies third priority apportionments and includes water conservation / transfer and exchange projects among IID, CVWD, and MWD. Because implementation of the QSA would optimize the parties' collective use of Colorado River water and thereby result in a net reduction of Colorado River diversions to California, it provides the key mechanism for California to comply with California's Colorado River Water Use Plan (California Plan).

The proposed transfer from IID to SDCWA is a central component of the QSA. Additionally, the QSA sets forth several other transactions that will enable all four agencies (IID, MWD, CVWD, and SDCWA) to achieve an adequate and reliable water supply. CVWD's role in these transactions includes, among other things: (1) lining that portion of the Coachella Canal that remains unlined and allowing the 26,000 acre-feet per year saved as a result to go to MWD and to the San Luis Rey Indians, (2) releasing CVWD's claim to the water conserved by IID and made available for MWD under their 1988 Water Conservation Agreement; and (3) agreeing to assume a portion of MWD's obligation, as the lowest priority Colorado River water rights holder, to provide water to Indian tribes and present perfected rights holders in times of need.

In addition, CVWD's use will ramp up to its ultimate use over a period of perhaps 30 years. CVWD has agreed that water it does not use may be taken and used by MWD and/or SDCWA. This is another example of the compromise that has been achieved by all parties to the QSA that will help each party to reach its individual goal of an adequate and reliable water supply for the next 75 years, the period of the QSA, despite the fact that California's use of Colorado River water will decrease by about 800,000 acre-feet per year. As such, we believe the goals set forth in the California Plan are on the verge of becoming a reality.

# V. THE PROTEST DISMISSAL AGREEMENT

Initially, CVWD was a protestant to the pending petition. CVWD was concerned that the transfer of water from IID to SDCWA could put CVWD's own water supply at risk. However, because it is in CVWD's interest that the QSA and California Plan become realities, and in order for that to occur, the proposed transfer from IID to SDCWA must take place, CVWD has agreed to

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withdraw its protest to the petition as amended under terms and conditions that will protect CVWD. The Protest Dismissal Agreement achieves this result.

Extensive negotiations and collaboration by and between the petitioners, IID and SDCWA, and MWD and CVWD has resulted in an historic agreement that paves the way for implementation of the IID/SDCWA transfer and the QSA and California Plan, and all of their associated water supply programs. Together, these programs will enhance the water supply reliability of CVWD. Although the parties to the Protest Dismissal Agreement continue to disagree over certain issues relating to the role of the SWRCB and applicable or governing law, the parties have agreed to set aside those differences and to cooperate with each other to urge SWRCB approval of the petition and a number of findings of fact and conclusions of law set forth in the Protestant Dismissal Agreement.

All four agencies, MWD, IID, SDCWA, and CVWD have worked very hard to reach consensus on a myriad of complex and often divisive issues. This hard work has enabled these parties to come together before the SWRCB in support of the pending petition and thus the transfer of conserved water from IID to SDCWA. CVWD has been an active participant at all stages, from the lengthy and complex negotiations that led to the "Key Terms" Agreement that quantified IID's and CVWD's entitlements and which provides the framework for the QSA, to the effort to obtain state funding for the lining of the All-American and Coachella Canals, to the effort to obtain federal assistance in addressing the environmental impacts on, and restoration of, the Salton Sea.

#### VI. CONCLUSION

The programs provided for by the QSA and the California Plan, including the proposed transfer of water from IID to SDCWA, will provide a long-term reliable water supply for CVWD, as well as having very significant water supply benefits for all of California.

CVWD respectfully requests that the SWRCB approve the petition, as amended, on the terms and conditions set out in the Protest Dismissal Agreement. Additionally, CVWD requests that the SWRCB make the findings of fact and conclusions of law provided in the Protest Dismissal Agreement in its decision or order on the petition.

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