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November 21, 2019

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BY EMAIL

Peter Kavounas, General Manager
Chino Basin Watermaster
9641 San Bernardino Road
Rancho Cucamonga, CA 91730
Email: pkavounas@cbwm.org

Re: Comments on the 2020 Draft Storage Management Plan Version 2

Dear Peter:

Chino Basin Watermaster (Watermaster) has solicited comments on its draft 2020 Storage Management Plan Version 2. The City of Ontario ("Ontario") appreciates the opportunity to participate in workshops and comment on the proposed plan, which will materially affect its interests as an Appropriative Pool party, a Non-Agricultural Pool party, and a member of the Chino Basin Water Bank JPA. Ontario's comments and questions on the draft plan are listed below. Responses to comments on Version 1 of the draft 2020 Storage Management Plan were included as an appendix to the current version. We respectfully request the same courtesy be given to comments on this version of the document and look forward to reviewing your written responses.

1. Storage Bands

- a. Section 1.2 describes end conditions for the volume of water in the DYYP account in 2028 and the subsequent extraction. This paragraph (the second paragraph on page 1-5) does not accurately characterize the agreement between Metropolitan Water District and the parties to the DYYP. Parties are not obligated to perform (i.e. remove water from the DYYP storage account) after 2028.
- b. Section 2.1 states that "the managed storage space between 800,000 and 1,000,000 af is reserved for Storage and Recovery Programs" (emphasis added).
 - i. If, due to changing conditions or water resource management, Parties desire to store more than 800,000 af, will Watermaster authorize storage agreements for Parties to do so?

- ii. Does this statement indicate that Watermaster intends to reserve space above 800,000 af for Storage and Recovery Programs which may never come to fruition?
- c. Section 2.1 states that “renewal or extension of the DYYP agreement will require the DYYP to use storage space above 800,000 af.” It is unclear why this is required.
- d. In the last paragraph of Section 2.1, it is noted that “the use of managed storage greater than 1,000,000 af may be possible provided the storing entity...demonstrates that the program has broad mutual benefit.”
 - i. What is the basis for this requirement? The Peace Agreement does not require all Storage and Recovery Programs provide broad mutual benefit. Broad mutual benefit is only necessary if Watermaster acts to condition, curtail or prohibit Local Storage to provide priority to Storage and Recovery Program(s).
 - ii. How is broad mutual benefit demonstrated and/or determined?

2. Use of Spreading Basins

- a. In Appendix B, Watermaster’s response to Inland Empire Utilities Agency’s (IEUA) Comment No. 1 states that “there is an existing hierarchal scheme for the use of spreading basins.” The listed “hierarchal scheme” includes first flood control, second stormwater recharge, third Watermaster replenishment and recharge, and fourth IEUA recycled water recharge. Who developed the hierarchal scheme for the use of spreading basins and where is this scheme documented? To which basins does it apply? Basins may be owned by San Bernardino County Flood Control District, Chino Basin Water Conservation District, or IEUA.
- b. Additionally, basins and basin improvements in some cases were funded 50% by IEUA to increase recycled water recharge. How does the stated hierarchal scheme recognize the priority of the parties that have invested financially in the basins?

3. Mitigation

- a. What is the benchmark for mitigation impacts to net recharge and Safe Yield? In other words, is the demonstrated reduction compared against 140,000 afy, 135,000 afy, or another value, such as a theoretical Safe Yield absent stored water?
- b. The Storage Framework Investigation concluded that the reduction in Safe Yield (as a percentage of average annual storage space used) ranged from 1.50% to 2.41% for bands 2, 3 and 4. The Storage Management Plan states this value as 2.0 percent. Please clarify if the 2.0 percent is an average across the three bands or if Watermaster is using a different methodology to set the 2.0 percent impact.
- c. Section 2.4.1 suggests prioritizing puts and takes in MZ2 and MZ3, in part due to impacts on “solvent plumes.” Solvent plumes are also present in MZ2 and could be impacted by puts and takes in that zone, as could pumping depressions. Each Storage and Recovery Program should be individually analyzed to determine acceptable put and take locations.
- d. For the process described in the second paragraph of Section 2.4.2, please describe if Watermaster will estimate lifetime reduction in net recharge at the onset of a Storage and Recovery Program, to be deducted annually similar to Local Storage losses, or if another method is envisioned.

4. Scope and Timing of Environmental Review

The Appropriative Pool formally requested that Watermaster proceed with the environmental review of storage management, including working with the Appropriative Pool's technical consultant. Watermaster has indicated that it intends to incorporate the Storage Management Plan into the current Optimum Basin Management Plan (OBMP) update effort, and then pursue environmental review on the package. However, the OBMP update effort is not subject to the same demonstrated time sensitivities as the Storage Management Plan, and negotiations have not yet begun on the activities to be included in an implementation plan. Ontario requests that Watermaster, responsive to the Pool's request, perform environmental review of the Storage Management Plan independent of and ahead of any environmental review that may be needed for the OBMP update.

5. Frequency of Updates

What is the basis for setting the minimum frequency at every five years? Performing the update every ten years concurrently with Safe Yield recalculations will provide a timelier and more comprehensive picture of storage projections. The five-year requirement is excessive and presents an unnecessary cost to the paying stakeholders. If conditions change or if the need arises, additional updates can be performed. Ontario recommends a minimum frequency of every *ten years* for updates.

6. Characterization of Material Physical Injury

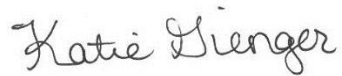
- a. In Footnote 7 defining Material Physical Injury, storage and recovery is incorrectly listed as "Storage, and Recovery." In the definition in Peace I, the term "storage and recovery" is not capitalized (in other words, is not a defined term) and is not separated into two actions by the placement of the comma.
- b. Section 1.2 states that "for the planned use of managed storage by the Parties up to 700,000 af...there would be no MPI with the exception of a reduction of net recharge and Safe Yield..." A reduction of net recharge and Safe Yield is not included in the definition of Material Physical Injury.
- c. Section 2.4.2 includes "reduction in Safe Yield" in the list of "MPIs to be addressed" in the first paragraph. A reduction in Safe Yield is not included in the definition of Material Physical Injury.

7. Types of Storage Accounts Storage Agreements

- a. Section 1.1 lists "four types of storage accounts" under "three types of storage agreements." It is unclear what the three types of storage agreements are, and the four types of storage accounts include "Local Storage" separate from "Local Supplemental" and "Excess Carryover." By definition, Local Storage includes Excess Carryover and Local Supplemental. Please clarify this statement.
- b. Please include a citation for the quotation at the top of page 1-3.

Ontario looks forward to continued dialogue in the finalization of a storage management plan and associated environmental review that meets the needs of the Parties. If you have questions on this letter, please feel free to contact me. Detailed responses to the above questions and comments may be provided to kgienger@ontarioca.gov.

Sincerely,

A handwritten signature in cursive script that reads "Katie Gienger".

Katie Gienger, P.E.
Water Resources Manager

cc: Appropriative Pool Chair
 Non-Agricultural Pool Chair
 Agricultural Pool Chair
 Scott Burton, Utilities General Manager, City of Ontario