

SMP Workshop No. 3 – Comments and Responses

Wednesday, November 6, 2019

Slide	Question/Comment	Commenter	Response
6	Is it accurate that the Peace Agreement Supplemental stored water Safe Harbor provision expired in 2010?	Van J	Yes; the Second amendment to the Peace Agreement extended the Safe Harbor provision until 2010. While this provision has expired, pursuant to its discretion under Peace Agreement section 5.2, Watermaster has entered into storage agreements for Supplemental Water in excess of the 100,000 AF Safe Harbor quantity.
23	What analysis will be done in SMP implementation to confirm or not the projections of net recharge, Safe Yield and managed storage? Is there a process in the plan to do that?	Tracy E	The SMP includes a periodic update process (Section 2.6). S&R programs are also subject to periodic review and update if they perform different than projected. The process is described in Section 2.6. Details will be developed in the near future.
23	Clarify that in this part of the presentation, we are talking about the results of the SFI work? For put and takes, why do you put in less (e.g. 75 kafy) than you take out (100kafy)?	Tom H	Yes. The S&R programs in the 2018 SFI assume a ten-year operating cycle consisting sequentially of four put years, three hold years and three take years. For a 300 kaf S&R program, this would consist of four 75 kafy puts totaling 300 kaf, holding 300 kaf in storage for three years and taking 100 kafy for the subsequent three years. Total volume of puts equals total volume of takes.

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25	This chart is based on scenarios where the cycles are very prescribed in the ten-year operating cycles. What happens if there are different patterns, or takes before puts? Seems like we should look at other patterns and know what happens.	Chris B	That's true. And we used the same operating cycle concept for increasing amounts of storage space used. Other operating cycles could be used in future S&R programs.
26	<p>Chart shows net recharge; how is it different from the Safe Yield calculation?</p> <p>You had a table earlier that showed the annual safe yield. Where did that Safe Yield come from?</p>	Tom H	<p>Net recharge is an annual estimate of the recharge into the Basin. Watermaster has a Court-approved Safe Yield calculation methodology. Safe Yield is based on projected ten-year average net recharge. The next estimate of Safe Yield will be based on the average net recharge for the period 2021 through 2030.</p> <p>The Safe Yield estimates in the table are based on model projections of net recharge under 2018 SFI Scenario 1A. Note that the Safe Yield is constant for the periods 2021 through 2030, 2031 through 2040 and 2041 through 2050.</p>
27	For reduction in net recharge row - is that percentage applied to all the water in storage or just the water in that band?	Katie G with follow up by Teri L	<p>Its 2.41 % of the water in storage band between 700 and 800 kaf. If the balance is over 800 kaf, it's 1.5% of water stored between 700 kaf and 1 maf. The reductions in net recharge shown in this table do not apply to the water stored by the Parties.</p> <p>The indicated reductions in net recharge due to storage in excess of 700 kaf are dependent upon S&R operating cycles and facilities assumptions. Reductions in net recharge due to S&R programs can be minimized through thoughtful design.</p>

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27	When you approach the de minimis standard for hydraulic control - can you clarify? How did you define it - is it an assumption?	Tracy E	Pursuant to a permit issued to the IEUA/Watermaster, Hydraulic Control has been achieved under the de minimis standard if the groundwater discharge from the Chino North GMZ to the Santa Ana River is less than 1,000 afy. Currently the groundwater discharge from the Chino North GMZ to the Santa Ana River is less than 1,000 afy and we are in compliance with our permit. Increasing storage has the effect of increasing the discharge from the Chino North GMZ to the Santa Ana River. The results of the 2018 SFI indicated that Hydraulic Control would be maintained but that groundwater discharge from the Chino North GMZ to the Santa Ana River increased with increased use of storage.
36	Clarify that you are going to analyze for MPI as though the 800kaf is in storage, even if it's not? How are you going to do that?	Tom H	Yes. The precise methodology will be developed in the near future.
37	If a Party that does not have Operating Safe Yield pumps groundwater and has a replenishment obligation, and Watermaster has priority in replenishing, they are getting priority over another Party who wants to store water, even if the latter Party has Operating Safe Yield This seems unfair.	Teri L	Watermaster has the obligation to replenish the Basin for overproduction. Historically there has never been a conflict in the use of the spreading basins for non-storm water recharge.

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36	Does MPI include the loss of Safe Yield? Is loss of Safe Yield considered MPI? Could storage over 1MAF be done?	Tom H	There is a Safe Yield consequence of storage and it needs to be mitigated. Loss of Safe yield is treated as a negative consequence (not MPI) and it needs to be mitigated. Any MPI also needs to be mitigated. Since CEQA will only cover up to 1 maf of storage, going over 1 maf will also require additional CEQA.
38	Have there been transfers in the past in the manner prohibited by the provision?	Teri L	There may have been transfers “from Parties that are situated such that they pump groundwater outside of MZ1 to Parties that pump in MZ1 for the purpose of replenishment” prior to the Peace Agreement. There may have been one or two transfers immediately after the Peace Agreement came into effect and none thereafter.
39	Clarify that Watermaster considers the loss of net inflow to the Basin to have been mitigated? There is a dance between storage and safe yield. AP provided a projection, but if they knew what they were projecting to do was going to reduce safe yield, maybe they would act differently. This is important to the safe yield process.	Tom H	This is only as to the Parties. The change in Safe Yield due to water in storage is incorporated in the Safe Yield recalculation using the prospective methodology; what it doesn’t address is equity between the parties - who stored more or less relative to rights. Physically it has been taken into account. The equity issue should be addressed by the parties in the implementation agreement.

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39	What if the parties’ actions differ drastically from the projections - higher or lower, such that looking back the Safe Yield for that ten-year period was too high or too low? Is there a process to deal with that?	Katie G	<p>The Safe Yield Tech Memo provides for revisiting the Safe Yield if there is a 2.5% deviation. If it does materially change the Safe Yield, we have the ability to go back.</p> <p>The SMP includes a periodic update process (Section 2.6). S&R programs are also subject to periodic review and they may be required to change how they operate if they perform different than projected.</p>
42	In the last sentence the text states a reduction in Safe Yield is an MPI?	Tom H.	This is a typo and it will be corrected in the next draft
43	We need to be explicit as to how we will calculate the losses.	Tom H.	The precise methodology will be developed in the near future.
45	Should the language in this section be updated as to “MPI” and “adverse impacts”?	Marty Z	Yes, this is a typo and it will be corrected in the next draft.
48-50	–A concern is that parties were carving out storage space with the evergreen agreements	Teri L	With the 2020 SMP, Watermaster will track/report local storage by the Parties and the aggregate of all local storage. Individual Parties will not obtain a reservation of storage space. The evergreen agreements will be adjusted to reflect changes in quantities in storage – both increasing and decreasing – to ensure this.
48-50	<p>Is the idea that the evergreen agreements will improve administrative efficiency?</p> <p>Is there a distinction for CEQA purposes - are you putting this provision out there now for CEQA?</p>	Tracy E	<p>Yes.</p> <p>No, it’s not tied to CEQA. Updating the SMP provides an opportunity to implement the evergreen storage agreements and improve administrative efficiency.</p>

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48-50	Do you intend to consider revisions to Form 1?	Brian G	Yes, we could look at these kinds of updates.
52	Are you saying that the 340 kaf is based on land subsidence? When we talk about managed storage by the parties, is S&R included?	Katie G	To be clear it is based on initiating “new” land subsidence. No. This is a good clarification to add to the SMP.
52	Is the 340 kaf trigger to update the SMP, based on the aggregate amount of water in storage, or just in one MZ?	Teri L	It is the aggregate of all managed storage by the Parties.