

**ADDENDUM TO
THE AGREEMENT BETWEEN
THE UNITED STATES OF AMERICA
AND
THE DEPARTMENT OF WATER RESOURCES
OF THE STATE OF CALIFORNIA
FOR COORDINATED OPERATION OF THE
CENTRAL VALLEY PROJECT AND THE STATE WATER PROJECT**

This addendum to the 1986 Agreement Between the United States of America and the State of California for Coordinated Operation of the Central Valley Project and State Water Project (“Agreement”) is entered into by the United States and the State of California, this 12 day of December, 2018, in light of the following:

EXPLANATORY RECITALS

After the execution of the Agreement in 1986, the United States added facilities to the Central Valley Project, including the Red Bluff Pumping Plant and Fish Screen and the Delta Mendota Canal California Aqueduct Intertie.

After the execution of the Agreement in 1986, the State added facilities to the State Water Project, including the Barker Slough Pumping Plant and the Harvey O. Banks Pumping Plant 4-pump expansion.

In 1995 and 2006 the California State Water Resources Control Board established New Delta Standards.

Implementation of New Delta Standards imposed restrictions on the operations of the Central Valley Project and the State Water Project, including new restrictions on Delta exports by the United States and the State and new Delta outflow for the protection of aquatic species in the Delta.

After execution of the Agreement in 1986, biological opinions for the coordinated operations of the Central Valley Project and State Water Project were issued pursuant to the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) that further restricted operations of the Projects and affected the ability of the United States and the State to achieve their respective water supply objectives.

The United States and the State have heretofore shared responsibility for meeting New Delta Standards and export capacity when exports were constrained by biological opinions for the coordinated operations of the Central Valley Project and the State Water Project through agreements reached between operators of the Central Valley Project and operators of the State Water Project.

The United States and the State have determined that periodic review pursuant to Article 14 of the Agreement would promote achieving their respective water supply objectives considering the New Delta Standards and the restrictions imposed under the Endangered Species Act.

NOW, THEREFORE, it is agreed:

1. Article 6(c) of the Agreement is amended to provide:

(c) Sharing of Responsibility for Meeting Sacramento Valley Inbasin use With Storage Withdrawals During Balanced Water Conditions: Each party's responsibility for making available storage withdrawals to meet Sacramento Valley inbasin use of storage withdrawals shall be determined by multiplying the total Sacramento Valley inbasin use of storage withdrawals by the following percentages:

| | <u>United States</u> | <u>State</u> |
|--------------------|----------------------|--------------|
| Wet Years | 80% | 20% |
| Above Normal Years | 80% | 20% |
| Below Normal Years | 75% | 25% |
| Dry Years | 65% | 35% |
| Critical Years | 60% | 40% |

The water year classifications described in this Article 6(c) shall be based on the Sacramento Valley 40-30-30 Index as most recently published through the Department of Water Resources' Bulletin 120.

In a Dry or Critical Year following two Dry or Critical Years, the United States and State will meet to discuss additional changes to the percentage sharing of responsibility to meet inbasin use.

2. A new Article 10(i) is added to the Agreement to provide:

(i) Sharing of Applicable Export Capacity When Exports are Constrained: During periods when exports are constrained by non-discretionary requirements imposed on the Central Valley Project and the State Water Project South Delta exports by any federal or state agency, applicable export capacity shall be shared by the following percentages:

| | <u>United States</u> | <u>State</u> |
|---------------------------|----------------------|--------------|
| Balanced Water Conditions | 65% | 35% |
| Excess Water Conditions | 60% | 40% |

3. Article 10(b) of the Agreement is amended to provide:

(b) The State will transport up to 195,000 acre-feet of Central Valley Project water through the California Aqueduct Reaches 1, 2A, and 2B no later than November 30 of each year by direct diversion or by rediversion of stored Central Valley Project water at times those diversions do not adversely affect the State Water Project purposes or do not conflict with State Water Project contract provisions. The State will provide available capacity at the Harvey O. Banks Pumping Plant (“Banks”) to the Central Valley Project to divert or redivert 195,000 acre-feet when the diversion capacity at the south Delta intake to Clifton Court Forebay is in excess of 7,180 cubic feet per second during the July 1 through September 30, except when the Delta is in Excess Water Conditions during July 1 through September 30, the diversion capacity at the south Delta intake to Clifton Court Forebay in excess of 7,180 cubic feet per second shall be shared equally by the State and the United States. This Article does not alter the Cross-Valley Canal contractors’ priority to pumping at the Harvey O. Banks Pumping Plant, as now stated in Revised Water Rights Decision 1641 (March 15, 2000).

4. Pursuant to Article 11, Exhibit A will be updated to conform with Delta standards established by the State Water Resources Control Board in the 1995 Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary.

5. Exhibit B shall be updated based on a joint operations study of the amendments as agreed to in this addendum.

6. Article 14(a) of the Agreement is amended to provide:

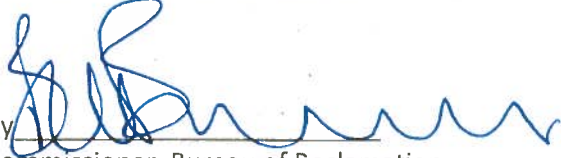
(a) Prior to December 31 of the fifth full year following execution of this agreement, and before December 31 of each fifth year thereafter, or within 365 days of the implementation of new or revised requirements imposed jointly on Central Valley Project and State Water Project operations by any federal or state agency, or prior to initiation of operation of a new or significantly modified facility of the United States or the State or more frequently if so requested by either party, the United States and the State jointly shall review the operations of both projects. The parties shall (1) compare the relative success which each party has had in meeting its objectives, (2) review operation studies supporting this agreement, including, but not limited to, the assumptions contained therein, and (3) assess the influence of the factors and procedures of Article 6 in meeting each party’s future objectives. The parties shall agree upon revisions, if any, of the factors and procedures in Article 6, Exhibits B and D, and the Operation Study used to develop Exhibit B.

7. A new Article 14(c) is added to the Agreement to provide:

(c) For any triggering event requiring review under Article 14 that occurs after December 15, 2018, either party may move directly to the Advisory Board process. The

Advisory Board, consisting of one member designated by each party and a third member chosen by both parties, shall report its unanimous recommendations to both parties at a date not to exceed 180 days from which the matter was referred to the Advisory Board and the parties shall amend this agreement and immediately begin to operate in accordance with the recommendation. If the Advisory Board fails to make unanimous recommendations with the 180 day period, either party may unilaterally terminate this agreement.

THE UNITED STATES OF AMERICA

By 
Commissioner, Bureau of Reclamation

THE DEPARTMENT OF WATER RESOURCES
OF THE STATE OF CALIFORNIA

By 
Director, Department of Water Resources