

Central Coast Water Authority

Policies and Procedures Regarding Water Delivery Requests REVISED-January 14, 2014

Background and Intent: The following policies and procedures are intended to implement Section 4 of the Water Supply Agreements between CCWA and its project participants. Their purpose is to assist project participants in completing advance plans to meet their water needs and to ensure that those plans are fulfilled to the extent feasible.

All references to Table A allocation percentages in this document mean the base Table A amounts without drought buffers.

October 1st DWR Delivery Requests (Water Supply Agreement, Section 4 (d)(1))

By September 1, project participants should submit a monthly delivery schedule for the upcoming calendar year and the subsequent five years. CCWA will assist project participants in preparing this schedule and will consolidate all individual schedules into a CCWA delivery schedule which will be submitted to DWR by October 1st.

A project participant's delivery schedule should include all sources of water that may be delivered through the state system, including Table A, carryover water, banked water, dry year program purchases, and similar sources.

CCWA will calculate the total capacity available for deliveries to each project participant and notify each project participant if CCWA expects to be able to meet the requested deliveries based on the physical capabilities of the system. If necessary, CCWA will propose modifications to a project participant's delivery schedule based on the system's physical capabilities and may propose adjustments to the schedule deliveries to match the physical capabilities.

In the event CCWA determines it is unable to fully deliver all requested deliveries due to physical or other constraints, except to the extent the affected project participants may otherwise agree in writing, CCWA will reduce the delivery requests in proportion to each project participant's Table A amounts.

The delivery schedules submitted by each project participant (as may be modified by the procedure described below) will be used by CCWA to determine deliveries during the year. A midyear request from a project participant to revise its delivery schedule will be accommodated ONLY if CCWA has determined it has the ability to physically deliver the water without causing any adverse impact to another project participant or to the system.

December 15th Revised Delivery Requests

DWR usually releases its initial delivery allocation percentage for the ensuing calendar year around December 1st. After receipt of the DWR initial allocation, CCWA will work with each project participant to revise its delivery schedule by making adjustments to the Table A

deliveries (based on the DWR allocation percentage) and changes to the other types of water, if available, to meet the estimated total demand for each project participant.

This December 15th revised delivery schedule will be used to prepare the budget for the next fiscal year.

If the revised December 15th delivery requests for the first half of the ensuing calendar year are higher than the delivery requests used to prepare the fiscal year budget, CCWA will attempt to utilize existing credits to offset the CCWA and DWR variable costs associated with the increased delivery requests. If a project participant does not have sufficient credits to pay the increased variable costs, CCWA will revise the current fiscal year fourth quarter variable O&M invoice (due on January 1st) to collect the CCWA and DWR variable costs for the last six months of the current fiscal year.

Allocation Procedures When CCWA Delivery Capacity is Constrained

If after receipt of delivery requests from the CCWA project participants, CCWA determines it is unable to meet the requested deliveries due to constrained pumping capabilities, CCWA will utilize the following procedures to allocate water deliveries on a monthly basis.

1. Each month in which CCWA has determined pumping capacity constraints exist, each project participant's requested deliveries will be reduced in to its proportional share of pipeline capacity which is proportional to the Table A for those delivery facilities.
2. Pumping capacity not fully utilized in a particular month by certain project participants will be reallocated to the other project participants who had requested deliveries in excess of their proportional amount, in proportion to Table A.
3. Remaining delivery requests not allocated in number 2 above will be moved to other months in which pumping capacity exists if possible with direction provided by the project participant.

Changes to Delivery Requests During the Year

After CCWA has finalized the delivery request schedule for the calendar year, CCWA will make its best effort to accommodate changes from project participants. However, if CCWA is unable meet the delivery request change because of constrained pumping capabilities, the delivery schedule will be used for determining delivery capabilities.

If a project participant desires to utilize unused pumping capacity in any month above amounts already scheduled, CCWA will make its best efforts to accommodate the request. If more than one project participant requests usage of unused pumping capacity, such capacity will be shared among the requesting project participants in proportion to their Table A amounts.

Requests to utilize unused pumping capacity in any month must be received by CCWA no later than the last day of the month preceding the month in which the delivery requests are desired. Delivery requests received by CCWA after the first of the month for use of unused pumping capacity will be subordinate to those project participants who had requested use of the unused capacity by the last day of the prior month.