NOTICE TO
STATE WATER PROJECT CONTRACTORS

NUMBER: 97-07

DATE: December 30, 1997

SUBJECT: Interruptible Water Program for 1998

FROM: [Signature] Director, Department of Water Resources

The Department of Water Resources has established the 1998 Interruptible Water Program which allows contractors to take delivery of water on an interruptible basis for 1998. The Program is available to all State Water Project contractors who have signed the Monterey Amendment and is subject to the attached Criteria, and Scheduling and Charges.

The Department anticipates filling the State's portion of San Luis Reservoir in early January 1998 and, as a result, will make interruptible water available to interested contractors beginning January 1, 1998. To participate in the Program and to be on the notification list, a contractor must sign and date the attachment to this notice and return the attachment to Donald R. Long, Chief, State Water Project Analysis Office, Department of Water Resources, Post Office Box 942836, Sacramento, California 94236-0001.

If you have any questions about this Program, please contact Donald Long at (916) 653-4313 or Tom Hanson at (916) 653-0190, FAX (916) 653-9628.

Attachment
Interruptible Water Program for 1998

CRITERIA

1. Contractors can take delivery of Interruptible Water in addition to presently approved amounts of 1998 entitlement water. Deliveries under this Program may result in a contractor receiving water in 1998 above Table A amounts.

2. Interruptible Water will be delivered to a requesting contractor for the same reasonable and beneficial uses as entitlement water.

3. Delivery of Interruptible Water shall not impact allocation or delivery of entitlement water to contractors in 1998 except as provided in paragraph 6.

4. Water available under this Program shall be project water available as determined by the Department that is not needed for fulfilling contractors' annual entitlement deliveries, as set forth in their approved water delivery schedules furnished pursuant to Article 12, or for meeting project operational requirements, including reservoir storage goals for the current or following years.

5. Delivery may be limited by operational capacity in State Water Project facilities or as a result of changed operational conditions.

6. Interruptible Water shall not be delivered in any way that would adversely impact any SWP operations. If the Department determines there has been an adverse impact during the period when Interruptible Water is being delivered to a contractor, Interruptible Water may be reclassified as 1998 scheduled entitlement to keep the Project whole.

7. Interruptible Water shall not be stored by the Department.

8. This Program is not intended to allow a contractor to shift or defer delivery of allocated scheduled 1998 entitlement and substitute delivery of Interruptible Water for 1998 entitlement water in a way that would adversely impact delivery of entitlement water to other contractors in 1998 or in any subsequent year, or adversely affect project storage of water.
SCHEDULING AND CHARGES

9. Participating contractors shall request 1998 Interruptible Water by submitting a weekly schedule to the State Water Project Analysis Office by FAX at (916) 653-9628, attention: Teresa Geimer. Schedules shall be submitted by 10 a.m. Wednesday for the following Monday through Sunday with the exception that the initial period of availability will be Thursday, January 1, 1998, through Sunday, January 11, 1998 with schedules to be submitted by 10 a.m. Wednesday, December 31, 1997. The weekly schedule shall include a statement identifying the intended use of the Interruptible Water.

10. If necessary, the supply of Interruptible Water will be allocated among requesting contractors in proportion to the 1998 Table A entitlements of those contractors.

11. The Department may determine the availability of Interruptible Water on a daily basis and may discontinue delivery upon short notice.

12. A contractor taking delivery of Interruptible Water may stop or suspend participation in the Program by notifying Teresa Geimer at (916) 653-4635 or by FAX at (916) 653-9628.

13. Each day Interruptible Water is delivered a participating contractor must also take daily delivery of its approved 1998 entitlement water at the following rate per month:

For Agricultural Interruptible Water use:
January 1%    February - August 2%    September - December 0%

For M&I Interruptible Water use:
January 2%    February - August 4%    September - December 0%

The Department will exempt Interruptible Water delivered to groundwater recharge and local storage programs from the requirement to take a minimum daily percentage of 1998 entitlement water, if (1) the contractor assures the Department that entitlement deliveries are not being shifted into later delivery months, and (2) the contractor submits monthly reports showing entitlement deliveries and showing the rates, times and quantities of exempt Interruptible Water being delivered to specific groundwater storage programs. Minimum percentage shall remain in effect for all other Interruptible Water being delivered. The Department will organize all data received from participating contractors to allow peer review of the 1998 Interruptible Program by all SWP contractors.
14. Conveyance charges for Interruptible Water delivered under this Program shall be the same as for entitlement water and shall include Transportation variable operation, maintenance, power and replacement component charges, Off-Aqueduct Power Facility charges, and any incremental OMP&R costs, as determined by the Department.

15. All contractors participating in the Program are responsible for coordinating delivery points and rates through their normal contacts at the various Department field divisions.

16. Participating contractors shall identify a contact person for the Department to notify concerning all matters under this Program.

17. The 1998 Interruptible Water Program shall not be a precedent for future programs.

In order to obtain a supply of Interruptible Water, please sign below in the space provided and return a copy to the State Water Project Analysis Office. A contractor's signature indicates acceptance of the criteria, procedures, and charges established for this Program.

ACCEPTED:

Agency:________________________________________

Date:________________________________________

Authorized Representative