

# **ESPA PLAN: MANAGED RECHARGE APPROACH**

**DRAFT Concept for Review and Discussion Purposes Only**

**As of January 28, 2010**

## **OVERVIEW OF MANAGED RECHARGE APPROACH\*\*\***

- All participants pay the ESPA Plan fee
- All canals are eligible to participate in the managed recharge program
- Managed recharge wheeling fees for IWRB recharge water are the vehicle to recognize benefits of all recharge, including incidental recharge
- Canals that agree to provide managed recharge to implement the ESPA Plan, are provided a preferred status (preferred access to available IWRB recharge water)
- The ESPA Plan will attempt to provide geographic equity documented in the ESPA Plan above and below American Falls given canal system capacity and priority of the IWRB water right.
- Approach promotes predictability of recharge delivery and provides a means for Plan budgeting for recharge
- High-loss canals will derive benefit based on their higher capacity to lose water (canals having more capacity translates into more opportunity for them to earn managed recharge wheeling fees)

## **EXPLANATION OF APPROACH**

1. Establish either a 10 year, multi-year or annual agreement with an option for automatic renewal with any irrigation canal that agrees to participate in the ESPA Plan managed recharge program.
2. Each canal with an IWRB agreement will be allocated a proportionate share of anticipated recharge water between the other contracted entities, with first access to available recharge water, i.e. preferred status. The recharge water allocation may be based on the average of diversion capacities (cfs) and total annual diversions (acre-feet annually).
3. A standard rate wheeling fee for managed recharge will be provided to participants in the managed recharge program
  - a. Wheeling fee to be based on annual recommendations from the Recharge Working Group and Implementation Committee and will be determined by the IWRB

- b. Discussion indicates that some support and prefer a standard rate wheeling fee of \$3/acre foot, while others support and prefer a standard rate of \$5/acre foot
  4. Establish payment to participating canals based on estimates of available recharge water supply and canal recharge capacity and commitment. Both options outlined below are available to participating canals with a 10 year/multi-year contract while Option B is the only option to those holding annual agreements with automatic renewal. Canal companies will only be paid for water actually recharged.\*\*\*\*
    - a. *Option A:* Estimate the potential recharge water supply available over a multi-year period and pay canals seventy-five percent (75%) of the estimated annual amount. An accounting ‘true up’ every other year. The recharge accounting approach will determine the amount actually recharged by each individual canal company and adjustments made (additional fee paid to participants or credit carried over to the next two year period depending on recharge water supply).
    - b. *Option B:*
      - Initial payment
        - i. Each February the Board will estimate potential recharge water availability considering snow pack, reservoir carryover, canal capacity and CAMP recharge targets.
        - ii. Seventy-five percent (75%) of the estimated potential recharge payment will be provided to the participating canals in March.
      - Final Payment
        - iii. At the end of the recharge season the remaining balance due based on actual recharge amount will be paid to the participating canals.
        - iv. If no recharge occurs due to water supply or other reasons beyond participating canal control the Initial Payment will carry forward and will be the following year Initial Payment.
5. Participating canals will be required to work with Water District and Board staff to measure and monitor recharge and to document the actual amount recharged.
6. If recharge water is available and the participating canals do not recharge it will result in termination of the contract. A termination clause will be included in the agreement that defines any penalties for breach of contract. Agreements will also include language regarding the terms for when a canal company can be exempted from recharge, actions beyond their control or an “escape clause”, without losing status as a preferred provider of recharge.

**NOTE**

Canals that decide not to participate in agreements with the IWRB would be eligible to participate in the managed recharge program on a year-to-year basis if water is available, but are not given preferred status.

*\*\*\*Recharge activities are subject to the availability of ESPA Plan funds.*

*\*\*\*\* For Options A and B, some preferred a lower percentage to minimize potential accounting imbalances.*