

From: Dan Kelly dkelly@somachlaw.com
Subject: Re: BBID / DWR
Date: May 20, 2015 at 11:02 PM
To: Jerry Johns jjohnswater@gmail.com
Cc: Rick Gilmore r.gilmore@bbid.org, Seth Harris s.harris@bbid.org, Kelley Geyer k.geyer@bbid.org



Jerry -

Thanks. Interesting on the possibility of curtailments that soon. We talked with DeeDee after the meeting - and she didn't expect Delta curtailments that soon.

That said - we'll caucus internally and see what we come up with. Perhaps we can plan for a more than one scenario - at least initially. One considering early curtailments and one later (late June through mid-July). If early curtailments - we'd be interested in seeing if there's a way to get us past 50% with some level of compensation to DWR or the SWC - either financially or through an exchange next year - where we fallow and repay DWR/SWC with pre-1914 supply next year.

Anyway - lets keep thinking outside the box and see if we can get a creative solution that provides some benefit to both of us in the long run.

We're meeting with Kathy tomorrow morning and hope to follow up with you tomorrow afternoon.

Thanks again -
Dan

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On May 20, 2015, at 10:52 PM, Jerry Johns <johnswater@gmail.com> wrote:

Dan,

I talked to Kathy Mrowka after the Workshop to get a better idea of when staff might recommend Pre-1914 curtailments for the Sacramento River and the Delta. She thinks it will be sooner than later. I asked Mid- June and they are thinking earlier. So if the SWRCB actually goes through with this think, perhaps early June might be a better estimate. Bummer.

Also, I think it would be helpful if you-all thought about how a 50% allocation might work. Like I mentioned, DWR just cut their Feather River Settlement Contractors by 50% and the SWP contractors are getting I think a 25% supply. You-all at 75% might be a bit optimistic. This is just an observation that I think you need to consider as this moves forward.

In terms of Mountain House and the SWRCB, I think the SWRCB are likely to end up at Health and Safety numbers which is 55 Gals per day times 13,000 people. I get about 66 AF/Month. Over 4 months that is 264 AF. This would be a pretty healthy hair cut for Mountain House.

I will try to talk to Laura and Bill tomorrow and see what they think.

I will keep in touch.

On Wed, May 20, 2015 at 9:41 PM, Dan Kelly <dkelly@somachlaw.com> wrote:

Jerry - so here's what we're thinking. 2012 is the highest year use - and probably the most accurate of BBID's use over time. We can talk about that a bit - but here's how everything would pan out if we used 2012.

If we broke it down to the proposed 75/25 split:

May - 4933af (3700 BBID / 1233 DWR)
June - 5287af (3965 BBID / 1322 DWR)
July - 5204af (3903 BBID / 1301 DWR)
Aug - 4884af (3663 BBID / 1221 DWR)
Sept - 3697af (2773 BBID / 924 DWR)

BBID would cut back to 75% as soon as we have principles of agreement executed. DWR would start picking up the other 25% and move it into San Luis (or deliver it). DWR would continue to take the 25% so long as BBID's pre-1914 rights are not curtailed.

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If DWR is able to divert the 25% into mid-July - DWR would actually come out ahead on water - and BBID is fine taking that risk in order to provide certainty for its growers for the remainder of this season. From what we heard the the SWRCB meeting today - I don't expect pre-1914 curtailments of in-Delta pre-1914 rights until at least late June - but you might have a different read.

This gets us over the Mountain House hump too. The SWRCB would let us divert some water for them even with curtailments - so this deal would allow us to cover them as well.

Please let us know ASAP if DWR is interested in getting this going. It might be a first step in better long-term coordination between BBID and DWR. I hope we can make it happen.

Regards
Dan

Sent from my iPad

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