Underground Storage Streamlined Permitting Process Proposed Fees

State Water Board staff are in the process of developing a proposed approach for the streamlined processing of “standard” applications to appropriate high flows for diversions to underground storage. No changes to the temporary permit fees are proposed. The proposed approach under development will not change any existing laws or regulations and will be focused primarily on the water availability analysis aspect of application processing. The types of projects intended to be covered would focus on an applicant who is a Groundwater Sustainability Agency or local agency as defined by Sustainable Groundwater Management Act (SGMA), for a project consisting of diversions during periods of high flows, as defined in the guidance, between December 1 and March 31 to underground storage basin identified in Bulletin 118.

Staff are proposing fee structure options associated with the application fee for new applications filed and the permit and license annual fee for water rights issued pursuant to the proposed approach (see Attachment 7). Staff are considering the following options:

“Standard” Application Filing Fee

Option 1 retains for eligible projects, the current standard application filing fee for these types of applications. The current fee is $1,000 plus $15 per each acre-foot greater than 10 acre-feet or the maximum cap currently $534,155, whichever is less.

Option 2 reduces the current standard application fee by 25 percent for eligible projects. Though these projects will go through all the same processing milestones as other applications, there is expected to be savings in staff time due to the applicant’s election to use streamlined water availability analysis and to accept related conditioning.

Annual Water Right Fee for Permittee/Licensee based in part on Actual Diversions

Option 1 would continue to apply for eligible projects, the “standard” permit and license annual fee* for these types of projects. See Permits, License, and Applications above for options.

Option 2 reduces the annual fee for eligible projects based in part on actual diversions. The permit or license annual fee (based on amount of water diverted) or 75 percent of the “standard” annual fee (based on face value), whichever is greater. This reduction would recognize that these projects target diversions only during periods of high flows during a limited season.
## Attachment 7
**Groundwater Storage Streamlined Water Rights Permitting Process Fees Proposal**

<table>
<thead>
<tr>
<th>Minimum Fee</th>
<th>Fee Structure</th>
<th>Example Fee for: 1,000 af 10,000 af 100,000 af</th>
<th>Maximum Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Application Fee</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Option (1) Retain Standard Application Fee for all</td>
<td>$1,000</td>
<td>Standard Application Fee ($1,000 plus $15 per each acre-foot greater than 10 acre-feet or $534,155, whichever is less)*</td>
<td>$534,155*</td>
</tr>
<tr>
<td>Option (2) 75% of Application Fee (25% reduction) for eligible projects *[1]</td>
<td>$1,000</td>
<td>75% of the fee calculated under the standard Application Fee (25% reduction)</td>
<td>$400,617*</td>
</tr>
</tbody>
</table>

* Based on current fee. The maximum cap amount is routinely increased as part of annual fee modifications. No changes are proposed to base fee or acre-feet charge.

*Applications meeting the following requirements may be eligible for the proposed application fee:
  a. The application proposes to divert water to underground storage in a groundwater basin identified in Bulletin 118.
  b. The application is submitted by a Groundwater Sustainability Agency or local agency as defined by Sustainable Groundwater Management Act (SGMA).
  c. The primary method of diversion proposed in the application is diversion to underground storage. Any other methods of diversion must be incidental to the primary method.
  d. The application proposes to divert water only during periods of high flows between December 1 and March 31, as articulated in streamlined permitting process guidance published by the State Water Board and as documented in written concurrence from State Water Board staff as part of the application submittal package.
<table>
<thead>
<tr>
<th>Fee Structure</th>
<th>100% of authorized diversion amount achieved</th>
<th>90% of authorized diversion amount achieved [2]</th>
<th>&lt;=75% of authorized diversion amount achieved [1]</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Option (1) Retain Standard Annual Fee</strong></td>
<td>Permit and License Annual Fee* (based on face value)</td>
<td>All diversion: 10,000 af $955 100,000 af $7,525*</td>
<td>10,000 af $716* (Fee based on 75% of Standard fee)</td>
</tr>
<tr>
<td><strong>Option (2) Annual Fee based on amount diverted [3] [4]</strong></td>
<td>Annual Fee based on amount diverted or 75% of “standard” Annual Fee*, whichever is greater</td>
<td>10,000 af $955* (Fee based on amount diverted) 100,000 af $7,525* (Fee based on amount diverted)</td>
<td>10,000 af $716* (Fee based on 75% of Standard fee)</td>
</tr>
</tbody>
</table>

* These examples are based on the current annual fee: $225 plus $0.073 per each acre-foot greater than 10 acre-feet. These numbers will be adjusted if the permit and license fees are raised.

[1] Benefit in year party diverts between zero to 75% of face value: 25% reduction in what they would have paid based on current face value based fee.

[2] A party that diverts 90% of a 10,000 af face value, will only pay for 9,000 af. The closer a party diverts to full face value, the less the discount.

[3] Permits and Licenses meeting the following requirements may be eligible for the proposed annual fee:
   a. The water right is conditioned to divert water to underground storage in a groundwater basin identified in Bulletin 118.
   b. The right holder is a Groundwater Sustainability Agency or local agency as defined by Sustainable Groundwater Management Act (SGMA).
   c. The water right is conditioned to be subject to this annual fee. This includes but not limited to 1) The water right is conditioned to limit diversions to periods of high flows between December 1 and March 31; and 2) The right holder has installed and is maintaining a stream gage with telemetry capabilities to provide publicly available real-time streamflow conditions via the California Data Exchange Center website and, when available, a future website developed by the State Water Board.

[4] The annual fee will be assessed based on activity in the preceding permit or license reporting year. In the initial year of issuance, the fee will be charged based on the face value, and a onetime credit will be provided to the subsequent year if necessary, based on amount diverted.