

Exhibit A

Below are proposed revisions to the terms and conditions identified on pages 166 through 169 in D-1641 applicable to Merced's water rights relative to spring pulse flows. These terms and conditions to Merced's License 2685 shall expire on December 31, 2013 or at such time as the USBR-MID Agreement is terminated, whichever occurs first:

1. In addition to all other places of use authorized by this license, the reach of river between Licensee's point of diversion and Vernalis on the San Joaquin River is added as a place of use.
2. In addition to all other purposes of use authorized by this license, the purposes of use shall include Fish and Wildlife Enhancement.
3. ~~The flows provided by Licensee pursuant to the SJRA will satisfy any responsibility of Licensee to meet the objectives in Tables 1, 2, and 3, attached. When the SJRA expires or is terminated, the Board will give notice and will commence a proceeding to determine the responsibility of Licensee to meet the objectives.~~
- 4.3. Except as provided under the USBR-MID Agreement and below, while the SJRA USBR-MID Agreement is in effect, Licensee shall assist USBR in meeting the following target flows for the protection of fish and wildlife beneficial uses on the San Joaquin River at Airport Way Bridge, Vernalis during a the 31-day pulse flow period in April and May⁹⁰ of each year, while the SJRA is in effect. The target flow shall be based on the base existing flow, as defined below. Nothing herein is intended to, nor does it alter the relative responsibilities of the parties or others, if any, to meet flow obligations on the San Joaquin River, or to set or modify those responsibilities, except to the extent that the transfer assists the USBR in meeting those responsibilities. References to elements of the prior SJRA are included only to define the relative obligations of the parties under their transfer agreement with respect to the quantity of water transferred and the timing thereof.

⁹⁰ ~~The timing of the 31-day pulse flow is to be as agreed upon by Merced and Reclamation in coordination with U.S. Fish and Wildlife Service (USF&WS), the California Department of Fish and Game (DFG), and the National Marine Fisheries Service (NOAA Fisheries). determined by the San Joaquin River Technical Committee (SJRTC). The SJRTC is composed of technical experts appointed by the parties to the SJRA to implement the VAMP experiment and other technical activities that its members deem appropriate to meet the goals of the SJRA.~~

Merced Irrigation District License 2685 (Application 1224)
 Attachment to Petitions for Long Term Transfer/Instream Flow Dedication

<u>Existing Flow</u> <u>Base Flow in lower SJR at</u> <u>Vernalis⁹¹ (cfs)</u>	<u>Target Flow</u> <u>Vernalis Spring Flow Target,</u> <u>minimum average flow rate over</u> <u>31-day Pulse Flow Period (cfs)</u>
0-1,999	2,000
2,000-3,199	3,200
3,200-4,449	4,450
4,450-5,699	5,700
5,700-6,999	7,000
7,000 or greater	<u>Existing Base Flow</u>

The total amount of water provided under Licenses ~~990, 2684, 2685, 6047, 11395, 11396, 7856, 7860, 5417, and 11058, together,~~ to meet the target flows is not required to exceed ~~11~~ 90,000 acre-feet annually. Water provided by the Licensee shall be measured at the Licensee's gage at Schaffer Bridge or at the Department of Water Resources' Cressey gage, as indicated in the USBR-MID Agreement. ~~last point of control.~~

~~During years when the sum of the current year's 60-20-20⁹² indicator and the previous year's 60-20-20 indicator is seven (7) or greater, target flows shall be one step higher than those required by the above table. The Licensee is not required to meet the target flow during years when the sum of the current year's 60-20-20 indicator and the previous two years' 60-20-20 indicator is four (4) or less, using the following table.~~

⁹¹ ~~"Existing Base flows"~~ will be determined by ~~the SJRTC Reclamation in consultation with Merced.~~ Existing Base flow is defined as the estimated flow absent the pulse flow, excluding the incremental releases from New Melones Reservoir to satisfy Reasonable and Prudent Alternatives under the Biological Opinion in effect at the signing of the Reclamation USBR-MID Agreement.

~~forecasted flows in the San Joaquin River at Vernalis during the pulse flow period that would exist absent the SJRA or water acquisitions, including but not limited to the following:~~

- ~~1. Tributary minimum instream flows pursuant to Davis Grunsky, Federal Energy Regulatory Commission, or other regulatory agency orders existing on the date of this agreement;~~
- ~~2. Water quality or scheduled fishery releases from New Melones Reservoir;~~
- ~~3. Flood control releases from any non-federal storage facility required to be made during the pulse flow period pursuant to its operating protocol with the U.S. Army Corps of Engineers in effect when the SJRA is executed;~~
- ~~4. Uncontrolled spills not otherwise recaptured pursuant to water right accretions (less natural depletions) to the system; and/or~~
- ~~5. Local runoff.~~

⁹² ~~The computation method for the 60-20-20 indicator is provided in Figure 2, attached.~~

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SJR Basin 60-20-20 Classification	60-20-20 Indicator
Wet	5
Above Normal	4
Below Normal	3
Dry	2
Critical	1

~~3. Licensees shall determine the 60-20-20 indicator for each year while the SJRA is in effect, using the table below. The most current DWR forecast of the San Joaquin Valley water hydrologic classification will be used.~~

~~6.4. Licensees shall coordinate water release planning for the April-May pulse flow period with the DWR, the USBR, the U.S. Fish and Wildlife Service, the National Marine Fisheries Service, and the California Department of Fish and Game.~~

~~7.5. Annually, Licensees shall submit an operations report to the Executive Director of the SWRCB by January 30 of the year following each year of operation under the SJRA USBR-MID Agreement. The report shall identify (a) the source and quantity of water released from storage, or storage and direct diversions foregone to meet the April-May pulse flow objective in the San Joaquin River at Airport Way Bridge in Vernalis; (b) the time period when this water was released from storage, or not diverted; (c) a monthly accounting of reservoir operations to refill reservoir storage; (d) the source and quantity of water transferred to the USBR pursuant to the terms of the SJRA; (de) the quantity, timing, and location of groundwater extractions made to maintain water supply deliveries due to the SJRA USBR-MID Agreement; (f) the time period in which water sold to the USBR was released from storage or not diverted; and (eg) an analysis showing that all storage releases, storage and direct diversions foregone, and replenishment operations listed above were performed within the limits, terms and conditions of these licenses.~~

~~8.6. Licensees shall notify the State Water Board immediately if the USBR-MID Agreement is not executed, or upon termination of the USBR-MID Agreement SJRA if such occurs in advance of December 31, 2013.~~

Below are proposed revisions to the terms and conditions identified on page 169 in D-1641 applicable to Merced's water rights relative to spring pulse flows. These terms and conditions to Merced's License 2685 shall expire on December 31, 2013 or at such time as the USBR-MID Agreement is terminated, whichever occurs first:

2. If groundwater substitution is used in response to meeting flow obligations of Licensee under the USBR-MID Agreement SJRA, and the result is exacerbation of groundwater overdraft in the Merced Groundwater Basin, Licensee shall take measures to recharge the incremental increase in the amount of groundwater pumped as a result of the authorized

change. Prior to pumping groundwater as a result of the authorized change, Licensee shall provide to the Executive Director of the State Water Board ~~SWRCB~~ a recharge plan specifying the amount of groundwater to be pumped, the location of the pumping, and the location and method of recharge that will be undertaken to balance the groundwater pumping. The plan shall contain an analysis of how the recharge program will prevent overdraft or a decrease in flow in the Merced River due to the groundwater pumping. Upon approval of the plan by the Executive Director of the State Water Board ~~SWRCB~~, Licensee shall implement the plan.

3. ~~At times when the USBR is releasing water from New Melones Reservoir for the purpose of meeting the Vernalis salinity objective, or when Standard Permit Term 93 is in effect, or when salinity objectives at Vernalis are not being met, Licensee shall not replenish (1) stored water or foregone diversions provided for the April-May pulse flow or the October target flow at Vernalis, or (2) water transferred to the USBR pursuant to the SJRA.~~

Licensee agrees that the replenishment of stored water in Lake McClure released for the Vernalis Spring Flow Target may impact USBR. USBR is impacted during periods when USBR's releases from New Melones Reservoir, in addition to its releases absent the USBR-MID Agreement, are made to meet the State Water Board's Vernalis salinity objective, or when Standard Permit Term 93 is in effect. Licensee will compensate for the impact by releasing water from Lake McClure at times when releases from New Melones are being made to meet the State Water Board's Vernalis salinity objective, or when Standard Permit Term 93 is in effect, on a schedule coordinated with USBR. The impact will be set to zero if USBR makes a flood release from New Melones prior to or during releases by Licensee to compensate for an impact. The Executive Deputy Director of the State Water Board ~~SWRCB~~ is delegated authority to ensure that this condition is not used by the USBR to increase the obligation of Licensee.