



# Sites Reservoir Project: Letter to Request Opportunity to Increase Participation

Board Meeting, June 28, 2022

Attachment 3

# Project Participation Considerations

- Project is currently fully subscribed
    - 25 existing participants
    - Reclamation to increase participation from 7% up to potentially 25%
    - Valley Water: currently at 0.2% participation level
  - 7 new participant requests for 32,000 AF of yield
  - Potential dead pool reduction may make more storage space available
- Sites participation rebalancing efforts expected in Fall 2022

# Request Opportunity to Increase Participation

- Provide letter requesting to be on waiting list for future increase
  - Request ~6 TAF of annual yield and 37.4 TAF of storage space
  - Secures position on waiting list, but does not commit VW to increase

## Rationale

- Preserving options
- Future opportunities may be decreased if no action
- Evolving climate change analysis
- No additional financial investment at this time
- No impact to water rates

# Recommended Participation Request

- Recommended request is within FY 23 budget & would not require water rate increase

	Existing Participation Level	Moderate Increase (Recommended)	Larger Increase in Participation
Participation Request (AF)	500	6,000	8,000
Storage Allocation (AF)	3,117	37,400	49,900
Average Delivered Yield (AF)	380	4,590	6,110
Average Dry/Critical Year Delivered Yield (AF)	770	9,250	12,330
<b>Funding Commitment (Years 2022 through 2024)</b>	<b>\$0.2 Million</b>	<b>\$2.4 Million</b>	<b>\$3.2 Million</b>

# Recommended Participation Request

- Anticipated project costs IF project participation continues through construction

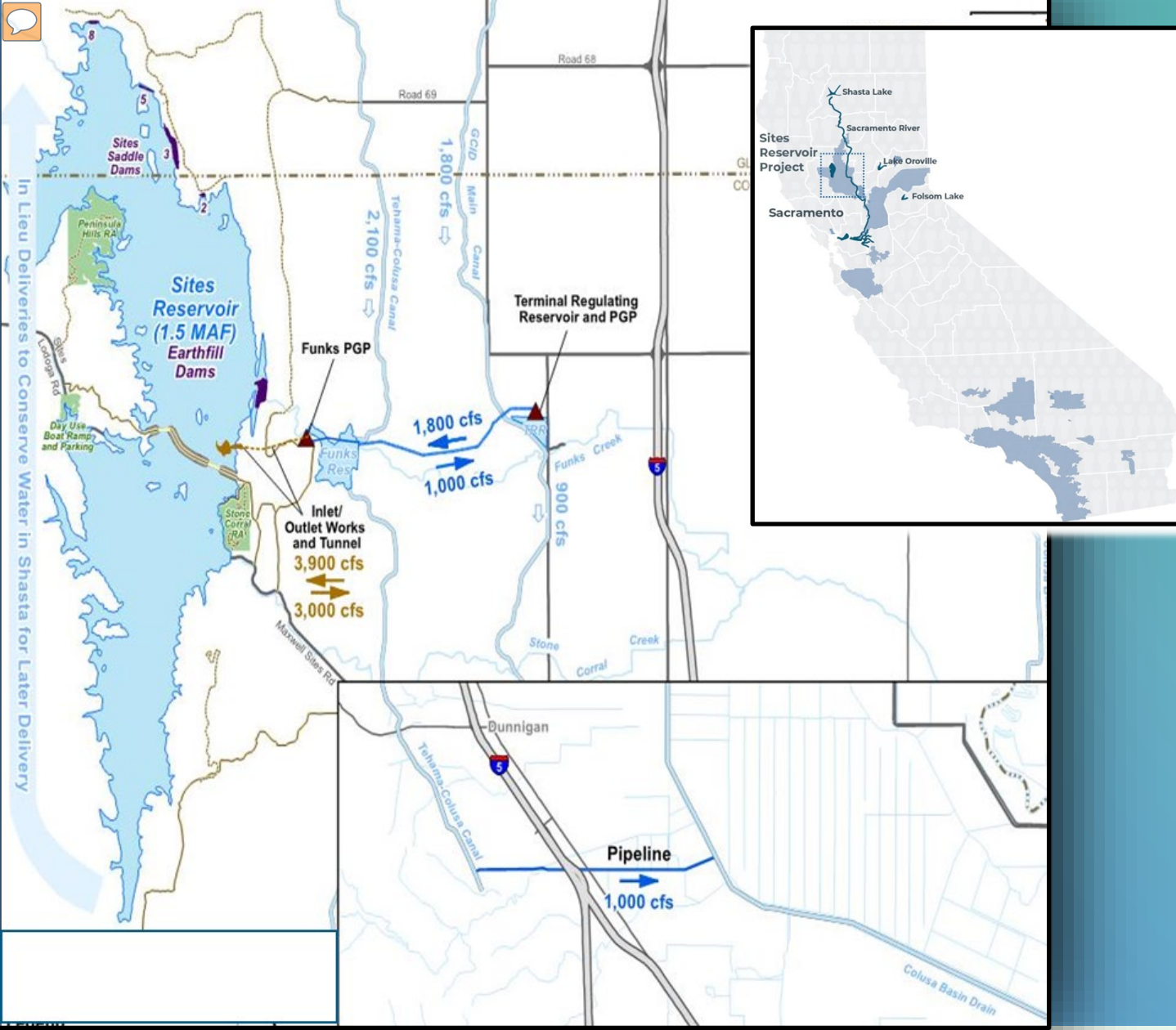
	Existing Participation Level	Moderate Increase (Recommended)	Larger Increase in Participation
Share of Total Capital Cost (2021 Dollars)	\$8 Million	\$105 Million	\$142 Million
Anticipated FY32 Rate Impact (\$/AF)	\$33	\$71	\$110
Anticipated FY32 Average Increase per Household (\$/month)	\$1.12	\$2.45	\$3.80



# Recommendations

- A. Receive and discuss updated information
- B. Consider the June 17, 2022 recommendation from the Water Storage Exploratory Committee regarding authorizing the Chief Executive Officer to send a letter expressing Valley Water's potential interest in increasing our participation level in the planning phase of the Sites Reservoir Project if space in the project becomes available and is supported by future analysis.





# Sites Reservoir Project

Location: Colusa and Glenn Counties

Size: 1.5 million acre-foot (AF)

Total Project Cost (2021 Dollars):  
\$3.9 Billion

Recent Milestones:

- Invited to apply for \$2.2 billion WIFIA loan in March 2022
- Submitted water rights application in May 2022

# QUESTIONS







# Valley Water

Clean Water • Healthy Environment • Flood Protection