

A black and white photograph of an olive grove with a long, straight path leading into the distance, flanked by rows of trees. The path is dappled with shadows from the trees.

Madera County GSAs – Rate Studies

Board of Supervisors Meeting

March 9, 2022



Outline

- 1. Overview**
- 2. Projects and Costs**
 - Recharge
 - Sites Reservoir
 - Domestic Well Mitigation
 - Land Repurposing
- 3. Rates**

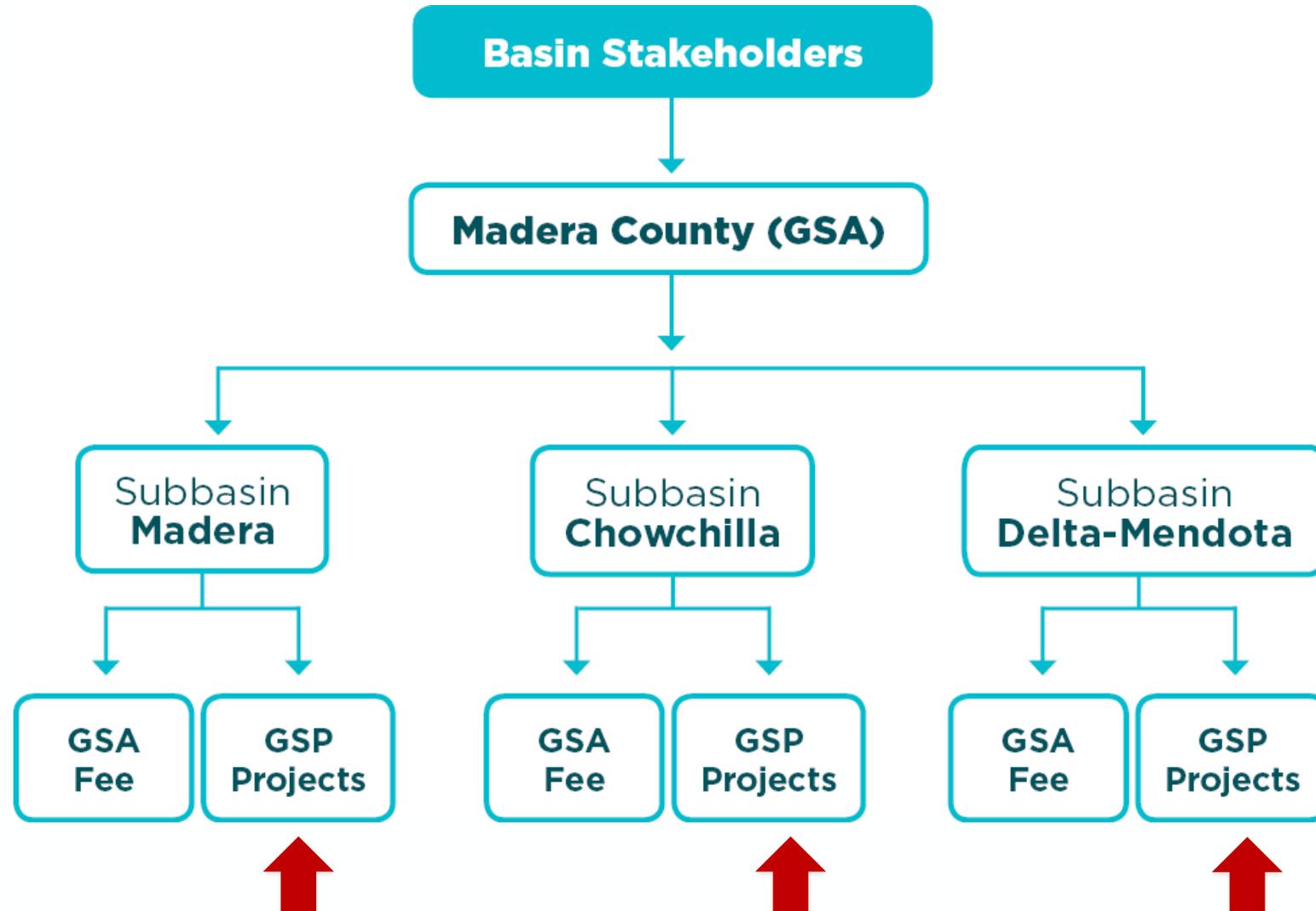
What We Have Done

- Developed three groundwater sustainability plans (GSPs) with projects and management actions in 2018 and 2019
- GSPs are adopted by the board
- Extensive public outreach to develop an allocation and key project details to develop costs
- Developed flexibility with farm unit concept to manage water as a larger economic unit rather than by the acre
- Been aggressive about water supply augmentation before demand reduction

What We Heard

- Board understands the necessity of the fixed rate for years one and two
- Board prefers project-based hybrid rate in years three, four, and five
- Board would like more project information
- Board would like to talk through what happens when acres come out of irrigated production

GSA's Organizational Structure



FAQs on Rates & Allocations in the County GSA

- What is being measured as the basis of the rate?
 - › Enrolled acreage in the farm unit is subject to the fixed rate (similar to irrigation districts); and ETAW of the farm unit is measured as the basis for a volumetric component
- Is the penalty part of the rate?
 - › No, this is a separate but parallel process
- When would the appeals process start?
 - › Appealing a potential penalty could start at the end of the calendar year (2022 ETAW)
- Is the money shared between subbasins?
 - › No
- Is the allocation optional?
 - › No

2021/2022 Workshops & Outreach

Groundwater Recharge

- Workshop – February 4, 2021
- Workshop – May 3, 2021
- Madera County GSAs Hybrid Workshop – June 16, 2021
- Public Workshop on February 25, 2022

Sites Reservoir

- Presentation at GSA Update at Board of Supervisors – November 2, 2021
- Public Workshop on February 25, 2022

Domestic Well Mitigation

- Madera County GSAs Workshop – June 16, 2021
- Regional Water Management Group – June 28 and September 27, 2021
- Public Workshop on February 25, 2022

Sustainable Agriculture Land Conservation

- Public Workshop – January 14, 2021
- Public Workshop – March 23, 2021
- Public Workshop – June 16, 2021
- Public Workshop on February 25, 2022

Rate Study

- Board of Supervisors Update – August 17, 2021
- Public Workshop – November 30, 2021
- Board of Supervisors Update – December 9, 2021
- Board of Supervisors Update – February 8, 2022
- Public Workshop – February 25, 2022
- Board of Supervisors Update – March 1, 2021

Projects and Costs

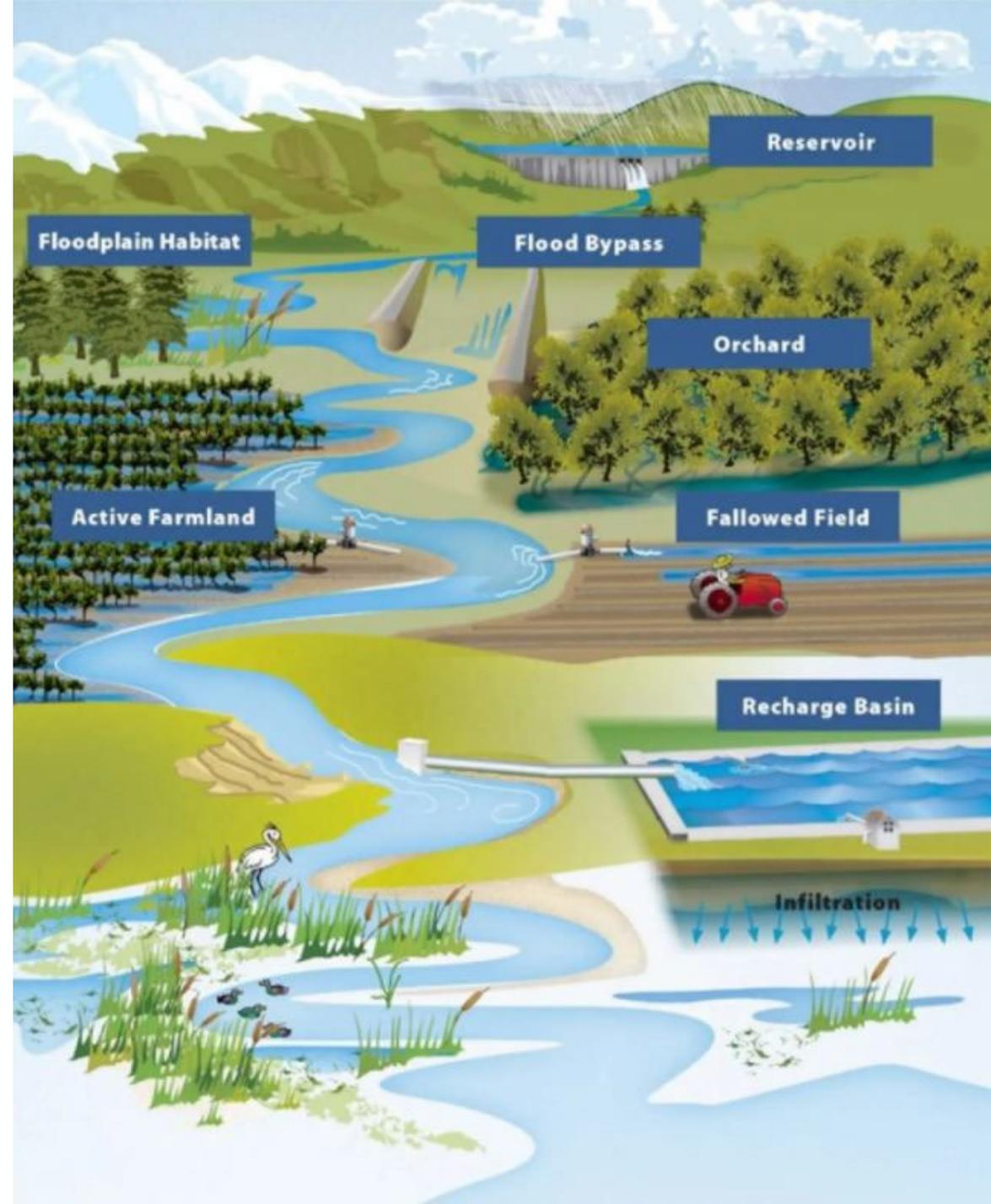


Recharge

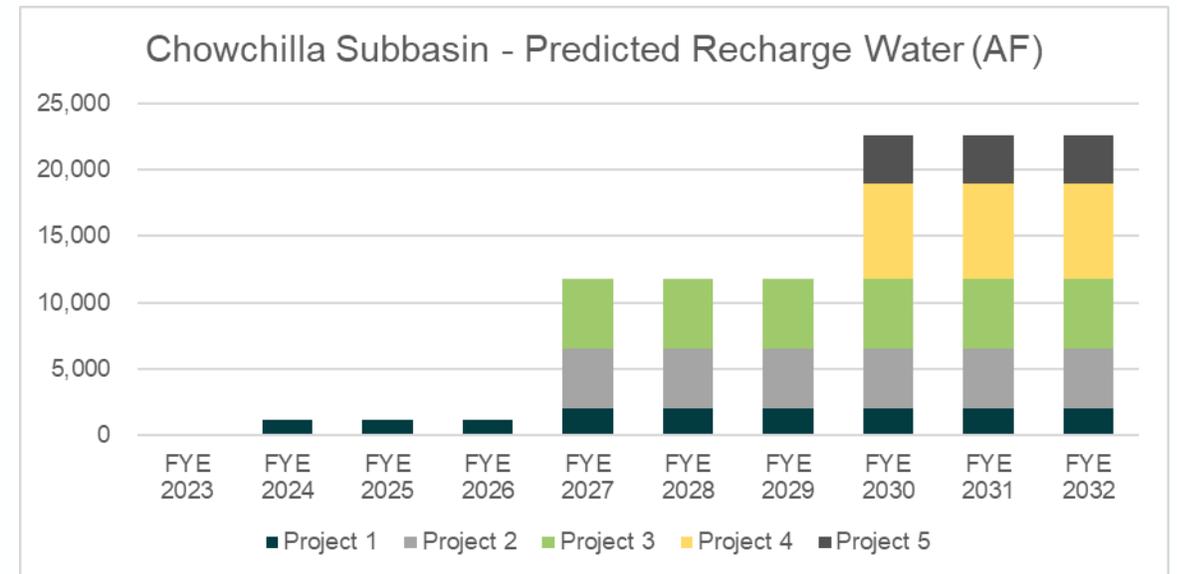
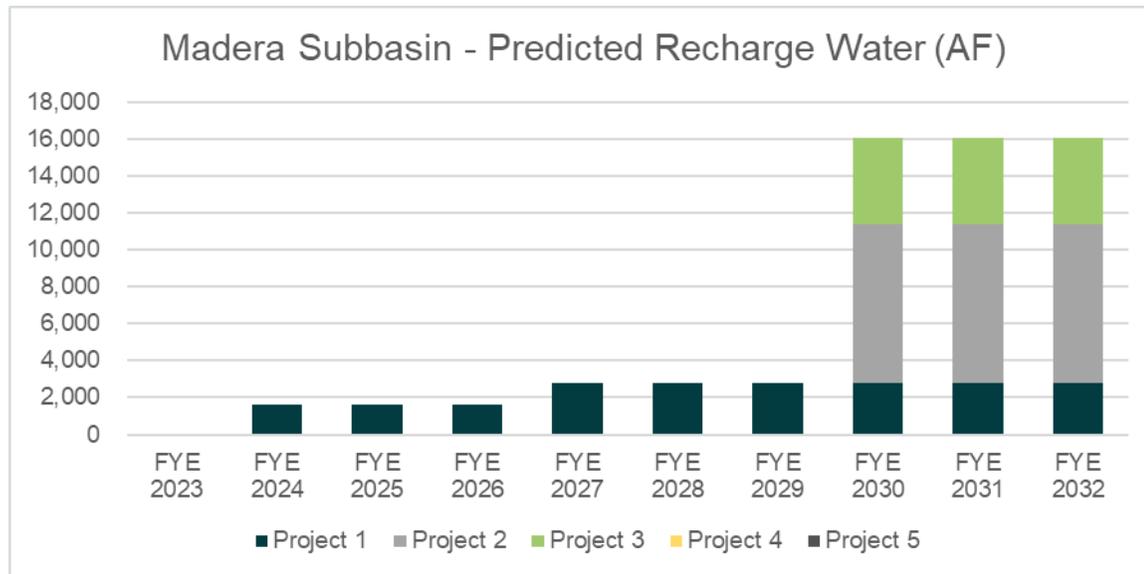


Recharge Facilities

- Recharge could be conducted on-farm or in dedicated basins
- Flood flows for recharge estimated at approx. three years on average (35% annual chance)
- Individual recharge projects schedule dependent on water rights acquisition and design timeline
- Financing assumptions for planning purposes from County's Municipal Advisors:
 - › 5% interest rate, 30-year term, level payments, minimum coverage requirement of 1.50



Recharge Facilities – Predicted Annual Water Yields



Recharge Facilities

Capital Costs and Annual Cash Needs

Recharge Project Costs	Design and Construction	Grants	Landowner Contribution	Net Cost
Madera Subbasin				
Project 1	\$6,570,000	(\$4,197,600)	(\$1,665,600)	\$706,800
Project 2	\$26,550,000	(\$4,000,000)	(\$2,139,789)	\$20,410,211
Project 3	\$26,580,000	(\$4,000,000)	(\$2,139,789)	\$20,440,211
Project 4	\$25,620,000	(\$4,000,000)	(\$2,139,789)	\$19,480,211
Project 5	\$24,910,000	(\$4,000,000)	(\$2,057,490)	\$18,852,510
Total	\$110,230,000	(\$20,197,600)	(\$10,142,457)	\$79,889,943
Chowchilla Subbasin				
Project 1	\$6,900,000	(\$4,197,600)	(\$1,912,581)	\$789,819
Project 2	\$17,300,000	(\$4,000,000)	(\$720,000)	\$12,580,000
Project 3	\$14,090,000	(\$4,000,000)	(\$360,000)	\$9,730,000
Project 4	\$22,930,000	(\$4,000,000)	(\$360,000)	\$18,570,000
Project 5	\$14,260,000	(\$4,000,000)	(\$600,000)	\$9,660,000
Total	\$75,480,000	(\$20,197,600)	(\$3,952,581)	\$51,329,819

Recharge Costs	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030	FYE 2031	FYE 2032
Madera Subbasin	\$730,140	\$1,388,365	\$1,158,147	\$1,002,067	\$1,034,566	\$3,413,902	\$3,761,116	\$7,298,056	\$7,779,376	\$7,853,778
Chowchilla Subbasin	\$844,672	\$662,126	\$1,979,184	\$2,382,472	\$2,417,006	\$4,162,669	\$4,222,598	\$5,195,208	\$5,159,573	\$5,214,504
Delta Mendota Subbasin	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$1,574,812	\$2,050,491	\$3,137,331	\$3,384,539	\$3,451,572	\$7,576,570	\$7,983,714	\$12,493,264	\$12,938,949	\$13,068,282

Recharge Facilities – What is the goal?

- The County of Madera Groundwater Sustainability Agency (GSA) is implementing a phased flood water recharge program to divert and recharge flood flows available as Section 215 water from the Bureau of Reclamation Friant Division and flood flows from the Chowchilla Bypass to provide an estimated 190,000 acre-feet (AF) of groundwater recharge in years when flood water and Section 215 water are available.
- Key goals of the recharge program are to mitigate and prevent undesirable results associated with:
 - › Chronic lowering of groundwater levels
 - › Depletion in groundwater storage
 - › Land subsidence

Recharge Facilities FAQ's

- Are designs completed for all projects?
 - › No, designs for the first two projects are underway now and future designs will be initiated once funding is available
- Are water rights in place?
 - › The County is currently working with the State Water Board and the Bureau of Reclamation to secure water rights
- What kind of facilities are being contemplated?
 - › FloodMAR
 - › Dedicated recharge basins
 - › Other?
- Are any of these projects under way now?
 - › Yes, the County has received two Prop 68 grants (\$4.6M) and is proceeding with the first project in both the Madera and Chowchilla Subbasin

Recharge Facilities FAQ's (Continued)

- How can I participate?
 - › Submit a Recharge Interest Form
 - › Talk to the County
- Is participation voluntary?
 - › Yes, participation is voluntary.
- How many projects are contemplated?
 - › Currently, there are 10 Madera County recharge projects contemplated – 5 in the Madera Subbasin and 5 Chowchilla Subbasin.

Sites Reservoir



Water Supplies (Sites Reservoir) Assumptions

- Participation and Annual Water Yield at 10,000-acre feet per year (AFY)
- Construction from 2024-2030 with first deliveries estimated in 2032-33
- Cash needs include buy-in to participation, annual future debt service, and annual future operations costs
- County GSAs cost share based on annual average yield participation: 6% of total costs
 - › Costs then allocated between Madera and Chowchilla subbasins



Sites Reservoir

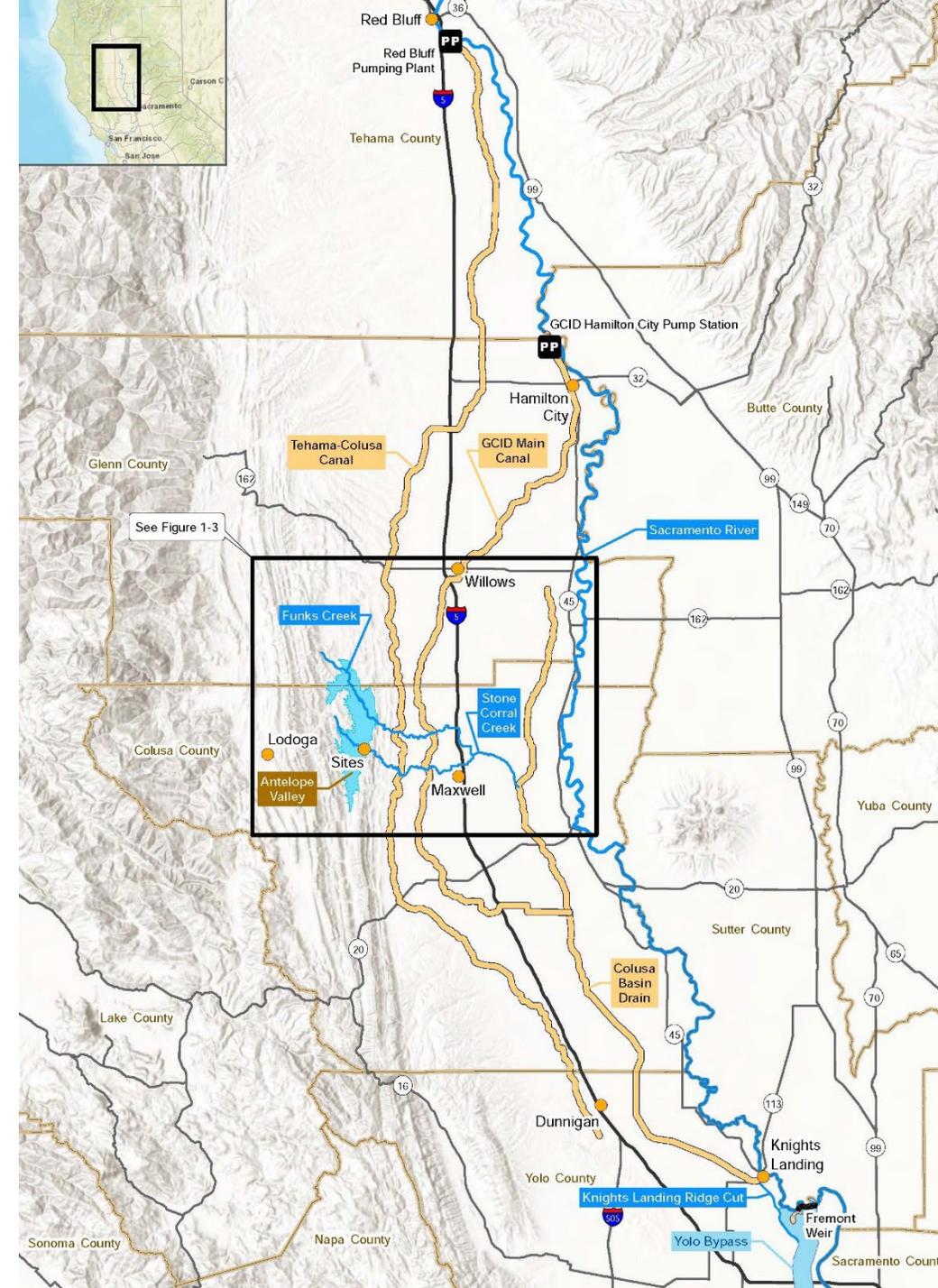
Financing Scenarios for Identifying Cash Needs

- Sites Reservoir internally modeled five financing scenarios for funding design and construction from best case to worst case
- Raftelis' cash flow models the second most conservative scenario, consistent with recharge facilities financing assumptions
- Estimated annual cash requirement when operations begin: \$9.6M

Sites Costs	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030	FYE 2031	FYE 2032
Madera Subbasin	\$2,131,911	\$967,480	\$1,105,691	\$112,654	\$1,480,654	\$3,499,787	\$5,321,762	\$5,502,993	\$6,150,591	\$6,649,374
Chowchilla Subbasin	\$953,089	\$432,520	\$494,309	\$50,363	\$661,940	\$1,564,611	\$2,379,141	\$2,460,161	\$2,749,676	\$2,972,661
Delta Mendota Subbasin	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$3,085,000	\$1,400,000	\$1,600,000	\$163,017	\$2,142,594	\$5,064,398	\$7,700,902	\$7,963,154	\$8,900,267	\$9,622,035

Sites Reservoir

- Proposed off-stream reservoir west of Maxwell, CA (North of the Delta)
- Divert “excess” water from the Sacramento River in higher flow conditions
- Store water in the new Sites Reservoir for later use by farms, cities, and the environment
- Locally led – includes public water agencies, State, Federal governments
- A tool to help the state restore flexibility, reliability, and resilience to our statewide water supply



Frequently Asked Questions

- **What does the County get for its buy-in to the project?**
 - › As a Sites participant, the County would receive i) a proportionate share of any water diverted to storage ii) a proportionate share of the storage space. The County would have the ability manage its account to use, save, or lease/sell its share of the water or space to other participants in the project or others outside of the project.
- **How can member agencies be assured that there will be water in Sites Reservoir if they are paying for storage?**
 - › Sites Reservoir is a beneficiary pays project, which means that the benefits of the project go to those paying. Each participant (including environmental uses) has control over their portion of the storage space and a proportionate share of the water diverted into Sites Reservoir. There is flexibility in the timing and uses of the water, including for the environment. The assurance of water being in the reservoir is largely the result of the individual participant decisions in their operations of their portion of the facility. This way, each member is assured to receive what they pay for in a way that works within and complements that member's water supply portfolio.
- **How would water get from Sites to Madera County?**
 - › As a north of Delta facility, Sites water would be exported as transfer water through the State or Federal pumps. Once south of delta, the County would purchase rights to use existing conveyance capacity to wheel Sites water to the County's place of use for direct use or recharge of the groundwater basin.
- **Is Sites Reservoir compliant with Proposition 1?**
 - › Even with the Project changes that have occurred since the original award in 2018, the Sites Reservoir Project continues to provide the public benefits the California Water Commission conditionally approved for the Project in State Proposition 1 funding in 2018. The Project meets the Proposition 1 conditions and continues to meet all the feasibility requirements for investment by the State. In December 2021, the California Water Commission deemed the Project feasible.

Frequently Asked Questions (Continued)

- **How does the cost of water from Sites compare to other sources during dry years?**
 - › The Sites Reservoir compares favorably to other dry year water supply alternatives due to economy of scale. With water being one of California’s most scarce and valuable resources, it is essential to develop a diverse portfolio of sustainable water supply solutions. But it is equally important for decision-makers and stakeholders to evaluate the most cost-effective options available to maximize the value of these investments. The Project has been designed to put the state’s limited water resources to the best use in an affordable, flexible, and sustainable way.
- **Why has it taken so much time to get Sites to the finish line?**
 - › Sites has been around for decades with efforts originally being led by the California Department of Water Resources and the Bureau of Reclamation. The Project had starts and stops, as is typically seen in large projects led by the state or federal government. The Sites Project Authority was formed in 2010 to move the Project more expeditiously. The Authority has made great strides over the last two years to “right-size” the Project for affordability and permitability, two critical success factors. This represents a huge milestone for Project advancement and sets a turning point that makes the Project more feasible and more likely to be built than ever before.
- **How much would have been diverted in 2021 had Sites been in place?**
 - › Zero diversions into the reservoir in 2021 would have occurred if Sites Reservoir would have been in place. This is in accordance with the highly protective operating conditions that are currently being proposed for the Project. However, the one million acre-feet estimate that would have already been stored as result of the wetter years in 2017 and 2019 is the water that would be available. And if 2022 is another dry year it is estimated there could be approximately 400,000 acre-feet of that left in Sites.

Domestic Well Mitigation



Domestic Well Mitigation

- Joint GSP in Madera Subbasin and GSP in Chowchilla Subbasins funding would pay for deeper replacement wells for homeowners
- Estimated dry wells based on hydrologic modeling
- Local cost estimates of well replacement: \$30k per well
- Equal number of wells each year
- Assumes Domestic Well Mitigation programs are cash funded from rates, not debt financed

Domestic Well Mitigation Total Cash Needs

Domestic Wells Costs	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030	FYE 2031	FYE 2032
Dry Wells (MC GSA)										
Madera Subbasin	104	104	104	149	149	149	149	149	20	20
Chowchilla Subbasin	17	17	17	7	7	7	7	7	0	0
Delta Mendota Subbasin	0	0	0	0	0	0	0	0	0	0
Total	121	121	121	156	156	156	156	156	20	20
Cost to Replace a Well	\$30,960	\$31,951	\$32,973	\$34,028	\$35,117	\$36,241	\$37,401	\$38,597	\$39,833	\$41,107
Replacement Costs										
Madera Subbasin	\$3,229,074	\$3,332,405	\$3,439,042	\$5,071,792	\$5,234,089	\$5,401,580	\$5,574,431	\$5,752,813	\$782,247	\$807,279
Chowchilla Subbasin	\$532,507	\$549,547	\$567,132	\$250,834	\$258,861	\$267,145	\$275,693	\$284,516	\$4,195	\$4,329
Delta Mendota Subbasin	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$3,761,581	\$3,881,951	\$4,006,174	\$5,322,627	\$5,492,951	\$5,668,725	\$5,850,124	\$6,037,328	\$786,441	\$811,607
Program Management Costs										
Madera Subbasin	\$322,907	\$333,240	\$343,904	\$507,179	\$523,409	\$540,158	\$557,443	\$575,281	\$78,225	\$80,728
Chowchilla Subbasin	\$53,251	\$54,955	\$56,713	\$25,083	\$25,886	\$26,714	\$27,569	\$28,452	\$419	\$433
Delta Mendota Subbasin	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$376,158	\$388,195	\$400,617	\$532,263	\$549,295	\$566,873	\$585,012	\$603,733	\$78,644	\$81,161

Domestic Well Mitigation Program – What is it?

- The GSPs recognized the likely significant and unreasonable impacts to domestic well beneficial users during the implementation period.
- To avoid significant and unreasonable impacts on domestic well users, the GSPs included plans to develop a Domestic Well Mitigation Program.
- The proposed program will assist domestic well users with obtaining a water supply when wells go dry during the implementation period.
- Based on initial consultations with DWR, it will be necessary to either avoid adverse domestic well impacts or implement a program to mitigate for these impacts.

Domestic Well Mitigation Program FAQs

- How were the numbers of dry wells estimated?
 - › The estimated numbers, locations, and depths of domestic wells (based on Prop 68 Well Inventory Study) were compared to projected future groundwater level conditions from hydrologic modeling.
- Why are we paying/mitigating for dry domestic wells?
 - › This program balances the economic benefits/consequences (across all groundwater beneficial users) of continued (but gradually declining) groundwater overdraft prior to achieving sustainability by 2040.
- Where can I find out more about the well inventory?
 - › Technical Memoranda are being prepared (for Chowchilla and Madera Subbasins) and will be made available.

Domestic Well Mitigation Program FAQs (Continued)

- How is the program being funded?
 - › The County GSA is funding a portion of the program through this rate study; funding from other GSAs is being discussed.
- How can I participate or be eligible for assistance under this program?
 - › Details of the program are still being developed and will be forthcoming.
- What kind of assistance is included?
 - › While the program is still under development, it is anticipated assistance would focus on well replacement (or alternative solutions) for wells that go dry as a result of lowered groundwater levels during the implementation period. Wells that stop producing due to pump or well structure failure (unrelated to lowering groundwater levels) will not be included.

Land Repurposing (SALC)



Land Repurposing (SALC) Program and Assumptions

- SALC would achieve approximately 50% of the total demand management target, over time
- Voluntary program to:
 - › Reduce demand from participating irrigated lands
 - Initial incentive payment of \$600 - \$760 per acre
- Annual term for enrollment and participation
- Program is cash funded from rates, not debt financed
- Staff costs split between % share of enrolled acreage within each subbasin



Land Repurposing (SALC)

Total Cost Detail (Program continues to at least 2040)

SALC Costs	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030	FYE 2031	FYE 2032
Operating Costs										
Madera Subbasin	\$393,257	\$413,479	\$437,475	\$459,463	\$477,226	\$476,608	\$488,022	\$508,865	\$535,323	\$562,880
Chowchilla Subbasin	\$100,424	\$102,691	\$104,154	\$107,789	\$118,133	\$143,768	\$164,723	\$176,661	\$186,376	\$195,203
Delta Mendota Subbasin	\$9,519	\$12,190	\$13,149	\$15,265	\$16,284	\$21,849	\$21,592	\$22,527	\$21,756	\$22,545
Total	\$503,200	\$528,360	\$554,778	\$582,517	\$611,643	\$642,225	\$674,336	\$708,053	\$743,456	\$780,628
Irrigated Lands Costs										
Madera Subbasin	\$4,411,586	\$5,175,588	\$6,004,443	\$6,858,845	\$7,729,479	\$7,039,022	\$7,293,523	\$8,092,584	\$8,984,382	\$9,943,605
Chowchilla Subbasin	\$1,126,567	\$1,285,402	\$1,429,532	\$1,609,069	\$1,913,355	\$2,123,305	\$2,461,793	\$2,809,470	\$3,127,965	\$3,448,380
Delta Mendota Subbasin	\$106,785	\$152,585	\$180,475	\$227,871	\$263,746	\$322,690	\$322,690	\$358,251	\$365,141	\$398,276
Total	\$5,644,938	\$6,613,575	\$7,614,450	\$8,695,785	\$9,906,580	\$9,485,017	\$10,078,006	\$11,260,305	\$12,477,488	\$13,790,261
Estimated Participating Acreage										
Madera Subbasin	6,724	8,079	9,444	10,863	12,595	14,482	15,625	16,837	18,180	19,615
Chowchilla Subbasin	1,869	2,176	2,492	2,794	3,235	3,723	4,210	4,784	5,398	6,128
Delta Mendota Subbasin	154	217	251	318	363	446	464	521	544	610
Total	8,746	10,472	12,187	13,976	16,193	18,651	20,299	22,142	24,122	26,354

Land Repurposing– What is the goal?

- The County of Madera GSA is implementing a phased land repurposing program to achieve approximately 50 percent of the planned demand management (groundwater pumping reduction) specified in its GSP for each subbasin.
 - › The land repurposing program offer growers incentive payments to participate, forgo irrigation, and repurpose lands to other uses.
 - › Initial program development was funded under a Sustainable Agricultural Lands Conservation (SALC) program grant; the short-hand name for the program is SALC.
- The land repurposing program would:
 - › Be a voluntary program
 - › Initially offer annual enrollment, with potential longer-term enrollment options
 - › Achieve demand management equal to Sustainable Yield (SY) + Transitional Water (TW) for lands entered into the program

Land Repurposing FAQ's

- What are the incentive payments for the SALC program?
 - › SALC program incentive payments are initially between \$600 and \$760 per acre.
 - SALC program incentive payments vary due to crop returns, the scale of the program, and the annual allocation of groundwater (SY and TW).
 - SALC program incentive payments are funded by GSA landowner assessments.
- Why are initial incentive payments less than my current net returns?
 - › Incentive payments account for groundwater allocation (SY + TW), not the full irrigation demand of the existing crop.
 - › To keep program costs low, the program would initially focus on the lower-profit farming activities in the GSA.
- Will lands entered in SALC be required to pay other GSA fees?
 - › Yes. As a matter of fairness, all Enrolled Acres must pay GSA fees.

Land Repurposing FAQ's (Continued)

- What is the anticipated scale of the SALC program?
 - › It will be phased in to achieve approximately 45,000 AFY, 13,500 AFY, and 1,000 AFY in the Madera, Chowchilla, and Delta Mendota subbasins portions of the GSA
- Is participation voluntary?
 - › Yes, participation is voluntary.
- How can I participate?
 - › Program details will be developed as funds are secured, but the GSA initially expects to offer enrollment based on a fixed annual incentive payment that will be adjusted over time as conditions change.

GSA Administration and Legal Costs

- Madera Subbasin – 7% Admin and Legal 10% for a five-year average
- Chowchilla Subbasin – 14% Admin and Legal 4% for five-year average
- Delta-Mendota Subbasin – 3% Admin and Legal 0% for five-year average

Options for Farmers in County GSA

- The GSP implementation plan maximizes flexibility for growers:
 - › The Farm Unit management area allows growers to allocate their water to parcels/acres within the Farm Unit as they see fit
 - › Including a volumetric rate component to link fees to water use
 - › Voluntary incentive payments to growers for land repurposing (SALC)
- Growers receive a water allocation for Enrolled Acres in the Farm Unit
 - › Rates must be charged per Enrolled Acre because the water allocation received is based on the number of Enrolled Acres
 - › Growers may decide to have fewer irrigated acres within a Farm Unit by allocating their water allocation to specific parcels/acres in the Farm Unit

What happens as land comes out of production?

- If you had 100 acres, and stopped irrigating 20 acres, you would still have access to that allocation for 100 acres in the farm unit.
 - › In effect, you would increase your allocation on the 80 acres and that would enable you to stay within the allocation and avoid penalties.
 - › You would also avoid paying a volumetric component on the 20 acres and avoid the cost of farming those acres
- If you had 100 acres, and enrolled 20 acres in SALC, you would have a SALC payment to you and only access to an allocation for 80 acres.
 - › In effect, you have the same allocation on the remaining 80 acres.
 - › You would also avoid the volumetric charge on the 20 acres.
 - › You reduce your total bill because of the incentive payment on 20 acres and avoid the costs of farming those acres

Rates



Five Year Rate Schedule – Madera Subbasin

Fixed + Volumetric (Project-based)	FY 2022-23 (2022 Allocation)	FY 2023-24 (2023 Allocation)	FY 2024-25 (2024 Allocation)	FY 2025-26 (2025 Allocation)	FY 2026-27 (2026 Allocation)
Fixed (\$/enrolled acre)	\$179	\$196	\$132	\$156	\$175
Volumetric (\$/AF of transitional water)	N/A	N/A	\$97	\$116	\$157

Five Year Rate Schedule – Chowchilla Subbasin

Fixed + Volumetric (Project-based)	FY 2022-23 (2022 Allocation)	FY 2023-24 (2023 Allocation)	FY 2024-25 (2024 Allocation)	FY 2025-26 (2025 Allocation)	FY 2026-27 (2026 Allocation)
Fixed (\$/enrolled acre)	\$189	\$193	\$77	\$92	\$92
Volumetric (\$/AF of transitional water)	N/A	N/A	\$91	\$88	\$101

Five Year Rate Schedule – Delta-Mendota Subbasin

Fixed + Volumetric (Project-based)	FY 2022-23 (2022 Allocation)	FY 2023-24 (2023 Allocation)	FY 2024-25 (2024 Allocation)	FY 2025-26 (2025 Allocation)	FY 2026-27 (2026 Allocation)
Fixed (\$/enrolled acre)	\$92	\$104	\$129	\$162	\$202
Volumetric (\$/AF of transitional water)	N/A	N/A	\$0	\$0	\$0

Highly Simplified Irrigation District Comparison

Chowchilla Water District

- \$62/acre
- \$100/acre-foot

Madera Irrigation District

- \$50/acre
- \$110/acre-foot

Penalties (Exceeding Allocation)

- Charges for a Farm Unit exceeding the annual allocation are penalties, not rates
- The penalties are a separate policy decision of the GSAs Board
- Currently considering two distinct charges to be levied:
 - › Replacement Water Charge:
 - Current estimate of \$600-650 per acre foot
 - › Penalty per SGMA statute:
 - Maximum of \$500 per acre foot
- Total charge = Penalty + Replacement Water Rate

What does a No Vote Mean?

- No participation and new water from Sites Reservoir
- No recharge water
- No help for domestic wells
- No funds to repurpose land
- Grant funds?
- Potential state intervention / loss of local control if failing the GSP
- Potentially worse allocations in the future

Rate Study Questions



Backup Slides – Additional Rate Details



Rate Options – Madera Subbasin

Fixed Only	FY 2022-23 (2022 Allocation)	FY 2023-24 (2023 Allocation)	FY 2024-25 (2024 Allocation)	FY 2025-26 (2025 Allocation)	FY 2026-27 (2026 Allocation)
Fixed (\$/enrolled acre)	\$184	\$200	\$236	\$279	\$329
Volumetric (\$/AF)	N/A	N/A	N/A	N/A	N/A

Fixed + Volumetric (Project-based)	FY 2022-23 (2022 Allocation)	FY 2023-24 (2023 Allocation)	FY 2024-25 (2024 Allocation)	FY 2025-26 (2025 Allocation)	FY 2026-27 (2026 Allocation)
Fixed (\$/enrolled acre)	\$179	\$196	\$132	\$156	\$175
Volumetric (\$/AF)	N/A	N/A	\$97	\$116	\$157

Fixed + Volumetric (Policy-Based)	FY 2022-23 (2022 Allocation)	FY 2023-24 (2023 Allocation)	FY 2024-25 (2024 Allocation)	FY 2025-26 (2025 Allocation)	FY 2026-27 (2026 Allocation)
Fixed (\$/enrolled acre)	\$179	\$196	\$173	\$204	\$241
Volumetric (\$/AF)	N/A	N/A	\$56	\$68	\$86

Rate Options – Chowchilla Subbasin

Fixed Only	FY 2022-23 (2022 Allocation)	FY 2023-24 (2023 Allocation)	FY 2024-25 (2024 Allocation)	FY 2025-26 (2025 Allocation)	FY 2026-27 (2026 Allocation)
Fixed (\$/enrolled acre)	\$190	\$194	\$202	\$210	\$218
Volumetric (\$/AF)	N/A	N/A	N/A	N/A	N/A

Fixed + Volumetric (Project-based)	FY 2022-23 (2022 Allocation)	FY 2023-24 (2023 Allocation)	FY 2024-25 (2024 Allocation)	FY 2025-26 (2025 Allocation)	FY 2026-27 (2026 Allocation)
Fixed (\$/enrolled acre)	\$189	\$193	\$77	\$92	\$92
Volumetric (\$/AF)	N/A	N/A	\$91	\$88	\$101

Fixed + Volumetric (Policy-Based)	FY 2022-23 (2022 Allocation)	FY 2023-24 (2023 Allocation)	FY 2024-25 (2024 Allocation)	FY 2025-26 (2025 Allocation)	FY 2026-27 (2026 Allocation)
Fixed (\$/enrolled acre)	\$189	\$193	\$150	\$156	\$163
Volumetric (\$/AF)	N/A	N/A	\$37	\$40	\$44

Rate Options – Delta-Mendota Subbasin

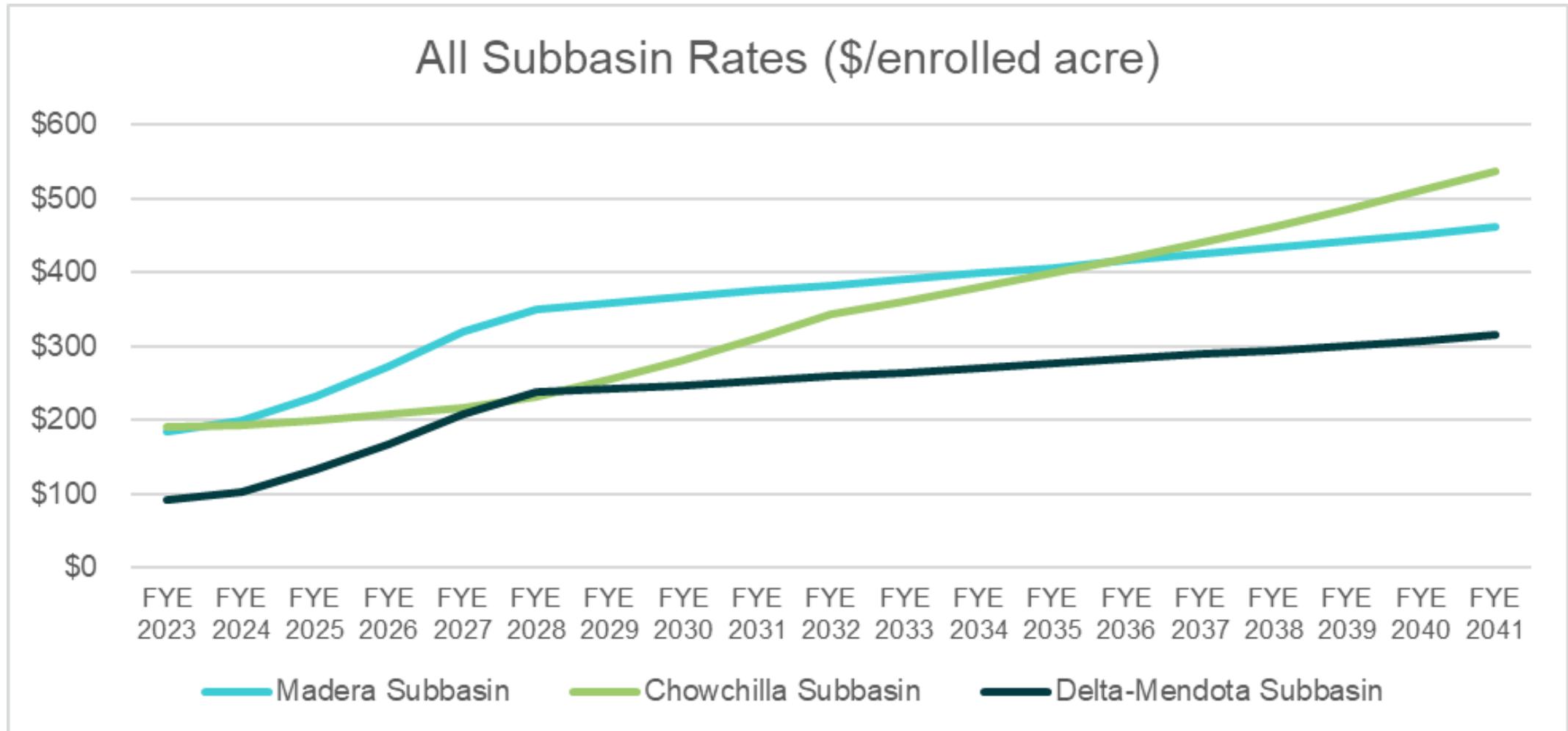
Fixed Only	FY 2022-23 (2022 Allocation)	FY 2023-24 (2023 Allocation)	FY 2024-25 (2024 Allocation)	FY 2025-26 (2025 Allocation)	FY 2026-27 (2026 Allocation)
Fixed (\$/enrolled acre)	\$92	\$104	\$129	\$162	\$202
Volumetric (\$/AF)	N/A	N/A	N/A	N/A	N/A

Fixed + Volumetric (Project-based)	FY 2022-23 (2022 Allocation)	FY 2023-24 (2023 Allocation)	FY 2024-25 (2024 Allocation)	FY 2025-26 (2025 Allocation)	FY 2026-27 (2026 Allocation)
Fixed (\$/enrolled acre)	\$92	\$104	\$129	\$162	\$202
Volumetric (\$/AF)	N/A	N/A	\$0	\$0	\$0

Fixed + Volumetric (Policy-Based)	FY 2022-23 (2022 Allocation)	FY 2023-24 (2023 Allocation)	FY 2024-25 (2024 Allocation)	FY 2025-26 (2025 Allocation)	FY 2026-27 (2026 Allocation)
Fixed (\$/enrolled acre)	\$95	\$107	\$100	\$125	\$157
Volumetric (\$/AF)	N/A	N/A	\$83	\$104	\$147

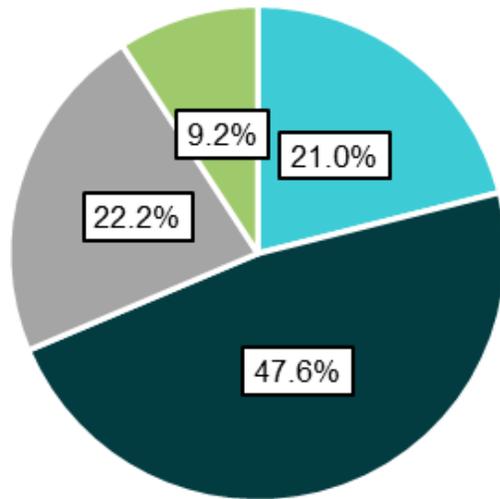
Rates Projections to 2040

Average Cost per Enrolled Acre, at Allocation



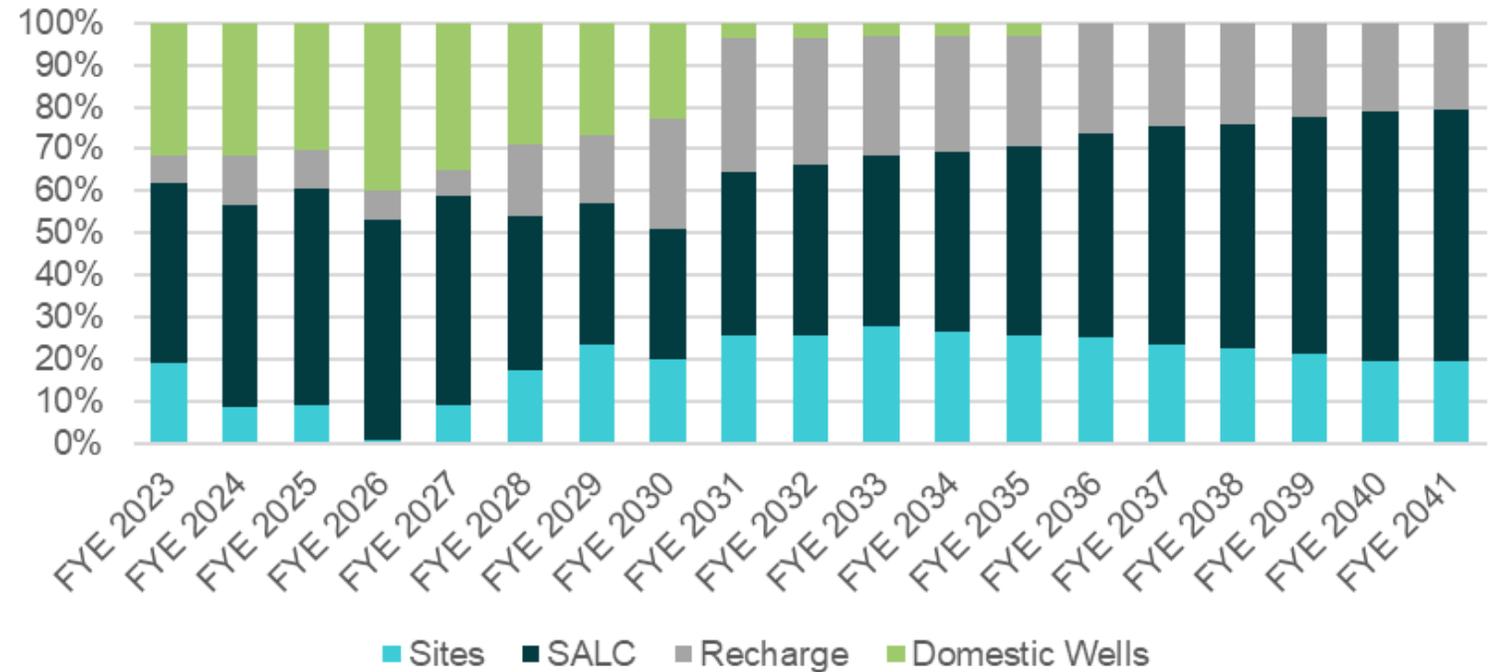
Project Cost Shares – Madera Subbasin

Madera Subbasin
FY 2023 to FY 2041



■ Sites ■ SALC ■ Recharge ■ Domestic Wells

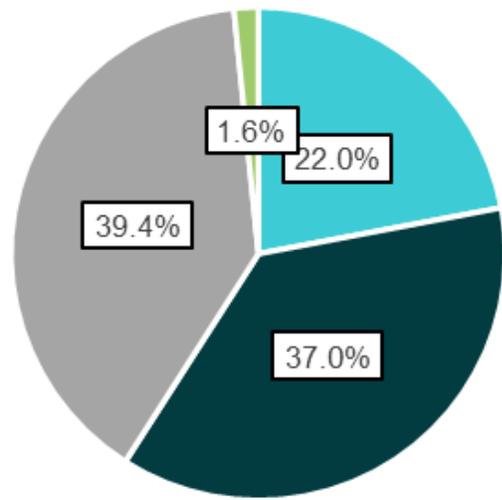
Madera Subbasin



■ Sites ■ SALC ■ Recharge ■ Domestic Wells

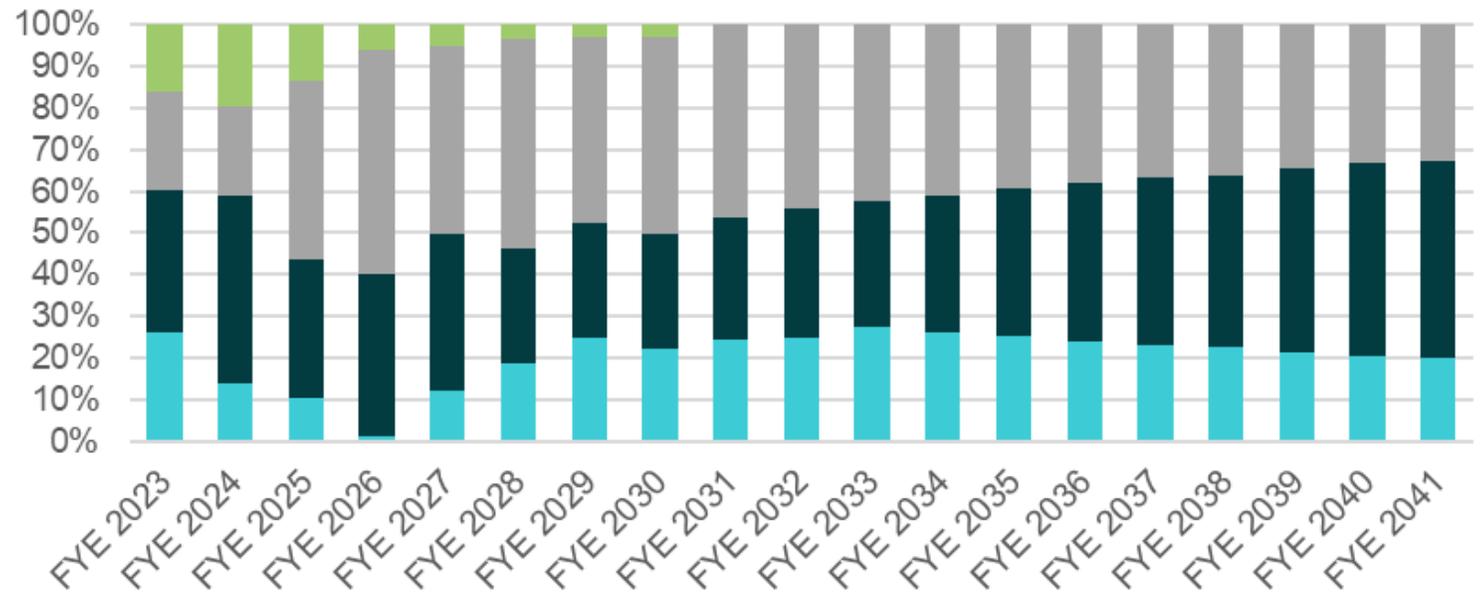
Project Cost Shares – Chowchilla Subbasin

Chowchilla Subbasin
FY 2023 to FY 2041



■ Sites ■ SALC ■ Recharge ■ Domestic Wells

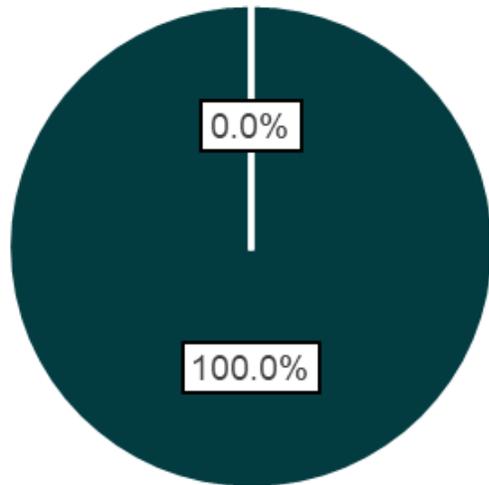
Chowchilla Subbasin



■ Sites ■ SALC ■ Recharge ■ Domestic Wells

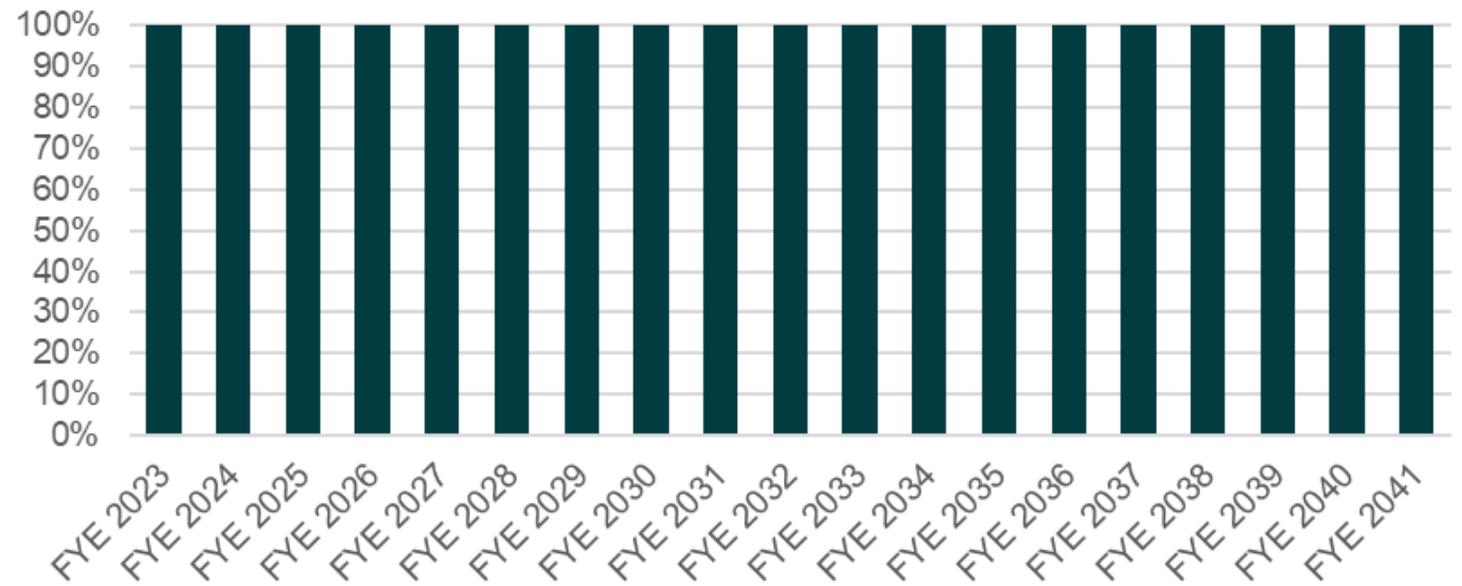
Project Cost Shares – Delta-Mendota Subbasin

Delta-Mendota Subbasin
FY 2023 to FY 2041



■ Sites ■ SALC ■ Recharge ■ Domestic Wells

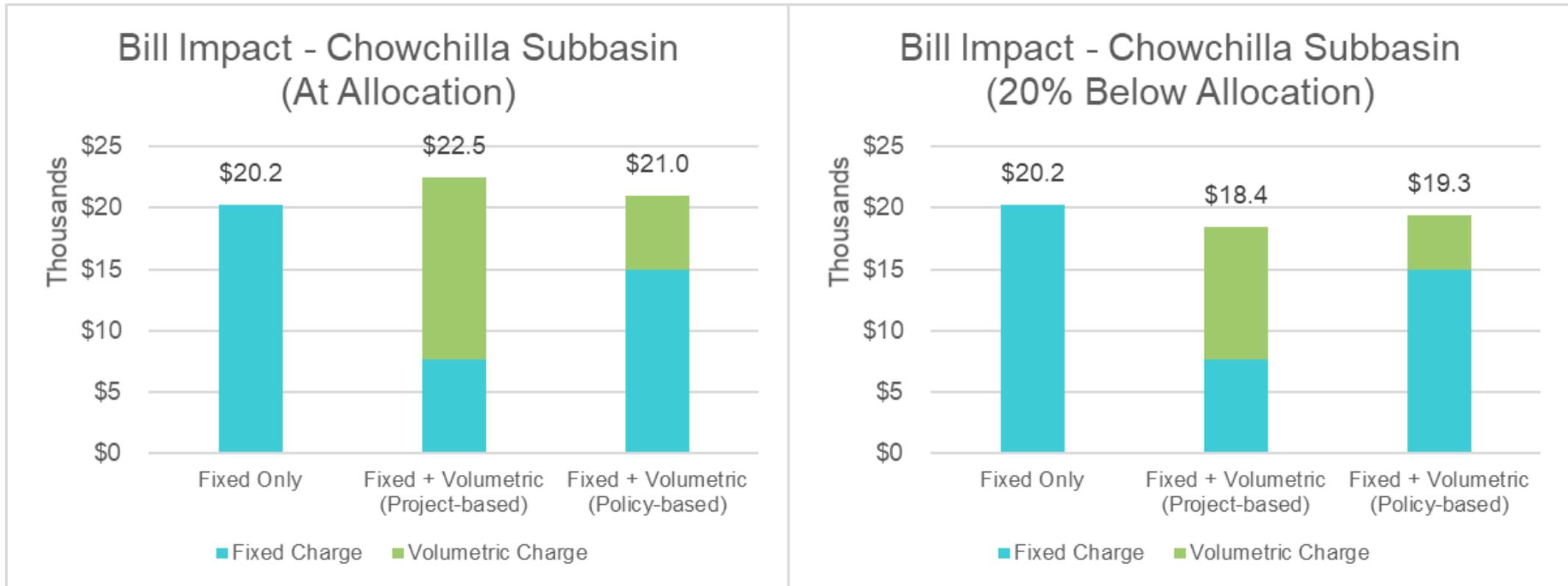
Delta-Mendota Subbasin



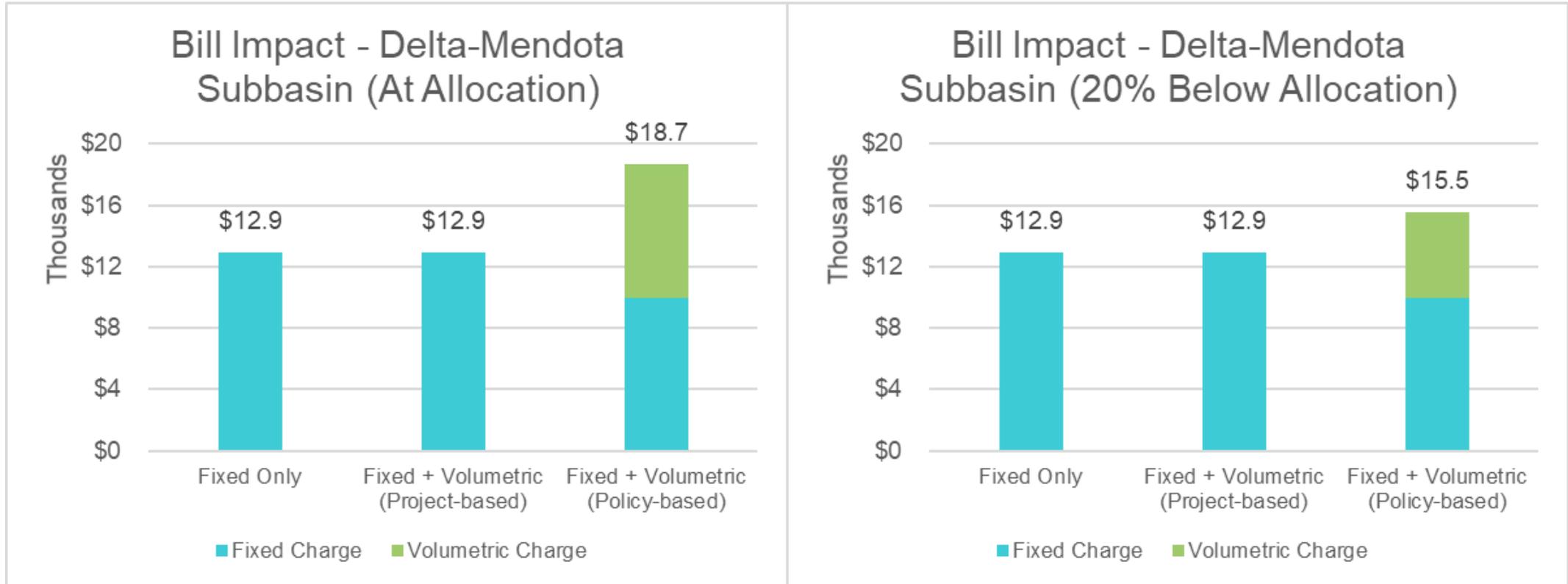
■ Sites ■ SALC ■ Recharge ■ Domestic Wells

Rate Options Comparison – Chowchilla Subbasin

FY 2024-2025, 100-acre Farm Unit



Rate Options Comparison – Delta-Mendota Subbasin FY 2024-2025, 100-acre Farm Unit



Simple 100-acre Farm Unit Example

- Examples to illustrate why charges must be based on Enrolled Acres
 - › Option 1: grower idles 20 acres and utilizes that water (SY+TW) on the remaining 80 acres
 - › Option 1A: grower idles 20 acres and utilizes that water (SY+TW), but does not have to pay for it, on the remaining 80 acres
 - Option 1A is clearly not fair or reasonable because the grower is receiving free water
 - › Option 2: grower enrolls 20 acres in SALC (gives up SY +TW on those acres), idles 10 acres and utilized that water (SY+TW) on the remaining 70 acres acres

Simple 100-acre Farm Unit Example

	Option 1: Farm 80 Acres	Option 1A: Farm 80 Acres with Free Water	Option 2: Enroll in SALC
Enrolled Acres	100	100	100
SALC acres	0	0	20
Idle acres	20	20	10
Irrigated acres	80	80	70
Total Fee Cost	\$20,000	\$16,000	\$20,000
(SALC Payment)	\$0	\$0	\$12,000
Net Fee Cost	\$20,000	\$16,000	\$8,000
Net cost/irrigated ac	\$250	\$200	\$114
Net cost/enrolled ac	\$200	\$160	\$80

Not fair or reasonable

1. Results in revenue shortfall for GSA
2. Gives free water to grower
3. Fees would need to increase to pay the difference

Option 2 illustrates how the grower could decide to lower his/her net fee cost.