

Amador Water Agency

Water Transfer Policy

Reviewed and Adopted:
04-23-2020

100.00 Purpose of the Policy

The primary purpose of this policy is to establish the parameters that will govern the actions of staff in pursuing water transfer opportunities and agreements.

100.10 Authority for Water Transfers

Water is considered a public resource, and its use is permitted through water rights and contractual entitlements. It is the policy of the State of California to facilitate the voluntary transfer of water. (See Water Code sections 109 and 475.) The Agency is authorized to transfer water that has been beneficially used under its water rights and entitlements and that is excess to the needs of its customers. (Agency Act section 95-5.)

A Water Transfer is a transaction in which a holder of a surface water right or entitlement voluntarily sells or exchanges to a willing buyer the right to use all or a portion of the water that would have been consumptively used under that water right or entitlement consistent with applicable state law. The seller retains title to the surface water right or entitlement, which distinguishes a Water Transfer from a sale or assignment of a water right or entitlement in which the buyer obtains the title or right. Under California law, a Water Transfer is either short-term, i.e., a transfer of the right of use for one year or less, or long-term, i.e., for a period of more than one year. Water Transfers may occur between a seller and a buyer in the same watershed or basin or between a seller and a buyer in different watersheds.

200.00 Policy

The Amador Water Agency has invested considerable resources in conserving water under its Amador Water System contractual entitlement based on PG&E's senior pre-1914 rights to divert, store and use water from the Mokelumne River and its tributaries. This includes making numerous improvements to the Amador Canal and construction the Amador Transmission Pipeline Project. These investments have created available water supplies that enable the Agency to partner with willing buyers to utilize Agency water supplies that are excess to the immediate needs of Agency

customers. Allowing these available assets to be used by others can create a financial benefit to the ratepayers of the Agency and protect the Agency's water supplies, while providing needed water supplies to agencies whose water supplies have been reduced.

It therefore is the policy of the Board of Directors to authorize water transfers whenever prudent to more fully utilize water supplies that are excess to the present needs of its customers and to generate revenues from idle assets to benefit Agency ratepayers. The Board of Directors will protect the long term interests of the Agency and its ratepayers first by maintaining and defending the Agency's water rights and contractual entitlements and the condition of its water system assets.

300.00 Policy Review

This Policy shall be reviewed at least every two years.