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Emil Cavagnolo

(A UNIT OF THE SACRAMENTO VALLEY CANALS) P. O. BOX 218 ORLAND, CALIFORNIA 95963 Telephone (530) 865-4304 • Fax (530) 865-8497

Re: Crop Idling Water Transfers.

Dear OAWD landowners and water users,

As you know, we are once again experiencing severe drought conditions. The 2021 water year was difficult, 2022 is looking worse. Shasta Reservoir levels are still very low, much lower then this time last year. The District is concerned that the transfer water purchased last year, may not be available in 2022. In the past, the District has depended on Project Water and Groundwater Substitution transfers from River Contractors. With the dry weather and low reservoir levels these types of transfers may be limited, if available at all. The only option left, maybe Crop Idling Transfers, the most expensive type of transfer. The cost is because we are asking farmers to fallow land and transfer their water. *If conditions continue as they are now, Crop Idling Water could not be available.* 

Once the farmers make the decision to fallow their land, there is no turning back. And, because there are people lining up for this type of transfer, these decisions must be made well in advance. The full <u>estimated</u> cost of this type of transfer for 2022 ranges from <u>\$750 to \$900</u> per acre-foot. This is an early estimate, more a best guess. The cost is made up of several items, the premium to purchase the water, the USBR costs associated with the water, transfer fees, and O&M Deficit. When South of the Delta districts receive little or no water, the North of the Delta districts receive a much larger portion of the Bureau's O&M costs. Those who purchase this type of water will be responsible for all associated costs from the transfer.

To allow the District to execute agreements in a timely manner, water users will need to commit to the purchase of transferred water in advance. If you are interested in this type of transfer, please contact the OAWD office and request an agreement. Once signed, the agreement will allow the District to purchase water for the water user. Full payment will be required at the time the water is purchased. The District will work to get the best rates for transferred water, but we cannot predict these rates and must have commitments to proceed. The District will not purchase any water that has not been committed to in advance.

In order to purchase Crop Idling Water a signed agreement must be delivered to the District office by <u>4:00 PM, February 22, 2022</u>.

Sincerely,

Emil Cavagnolo OAWD General Manager

The District will do its best to keep you informed on the status of water for irrigation and the season proceeds. At this time, we are very dry and anticipate a zero allocation for the start of the new water year. The District will only be able to deliver Warren Act Water. Please, do not use water if it has not been arranged for in advance by the District, doing so will result in penalties the shutting off of turnouts.