

**PROPOSED FRAMEWORK FOR STORAGE  
IN THE CENTRAL AND WEST COAST GROUNDWATER BASINS**

**January 7, 2007**

**This document describes a Framework to augment existing pumping rights by creating the incentives, predictability, and long term certainty necessary to facilitate additional groundwater storage in the Central and West Coast Basins. The proposal described below is a framework that will be accepted or rejected as a complete package. Sections A through J describe a system that allocates portions of the available storage capacity in the Basins to different categories of storage projects. Sections K through R set forth the process by which proposed storage projects will be reviewed and approved by the appropriate decision-making bodies. Finally, Sections S through V contain additional provisions, including the term of this Agreement and the proposed "peace treaty" between the Basins. This "peace treaty" would facilitate long-term investments in the Basins through agreement not to contest the uniformity of the WRD Replenishment Assessment and the quantification of the underflow.**

- A. Storage Apportionment. Usable storage capacity in the Central and West Coast Basins is estimated to be approximately 450,000 acre-feet and it will be apportioned between the Basins with 330,000 acre-feet of storage capacity being allocated to the Central Basin and 120,000 acre-feet of storage capacity being allocated to the West Coast Basin. The use of the allocated storage will not materially encroach on the vadose zone or create an unreasonable risk of harm associated with high groundwater levels. The apportionment contemplates flexible administration where the use of storage capacity is prioritized among competing needs while allowing excess storage capacity to be used in the interim on a "space available" basis.
- B. Increased Carryover. Annual carryover rights for each party to the Judgments will be increased from 20 percent of extraction rights to one hundred (100) percent of extraction rights, less the total quantity of water then held in that party's combined Individual and Community Storage accounts. Any party may convert some or all of its carryover water to an Individual Storage Account or to a Community Storage Account for the benefit of that party. However, the conversion of carryover water to storage is subject to the quantitative limitations set forth below. If sufficient storage capacity is unavailable to accommodate the conversion from carryover, the right to transfer from carryover to storage is prohibited until sufficient capacity is available (on a first-come, first-serve basis) to accommodate the transfer.
- C. Express Allocation of Storage Capacity. Each party to the Central Basin Judgment and West Coast Basin Judgment will receive an express allocation of storage capacity equivalent to 20% of that party's extraction rights. The storage allocation will be held in the name of the individual party to the Judgments and each party will have the unrestricted right to store water and withdraw water up to the maximum quantity of their individual storage allocation ("Individual Storage Allocation").

