Oxnard & Pleasant Valley Basins
New Extraction Allocation System

Workshop / Webinar
June 3, 2020
Agenda

1. Introduction
2. Overview of New OPV Extraction Allocation Ordinance
3. Notification of New Extraction Allocation Letter
4. Policy and Procedures to Request Correction, Variance, or Allocation Transfer
5. Variance Review Committee
7. Q & A
2. Overview of New OPV Extraction Allocation Ordinance
Development & Adoption of Ordinance

- Oct 2015 – Board directed development of new OPV allocation system
- Jan 2017 – Board directed staff develop interim ordinance
- Staff worked with OPV stakeholder representatives in many meetings
- Nov 2017 & Jan 2018 – Interim plan presented to Board
- Mar 2018 – OPV Ag stakeholder “white paper” proposal
- Jul 2018 – Board allocation workshop
- Aug 2018 – Board direction for allocations
- Sept & Oct 2018 – Additional Board direction on draft ordinance
- Oct 2018 – First reading of draft ordinance
- Nov 2018 – First reading of revised ordinance
- Jan 2019 – Public hearing of revised ordinance
- Feb 2019 – Public hearing of revised ordinance
- May 2019 – Update to Board
- Jun 2019 – Public hearing of revised ordinance
- July & Oct 2019 – Executive Committee

New extraction allocation ordinance adopted by Board at Oct 23, 2019 public hearing following 4 years of development and stakeholder input
General Provisions

- Allocation initially assigned to extraction facilities (wells) with intent to transition to land-based system in future.
- Initial allocations assigned to each well based on average annual extraction from 2005 through 2014, excluding any extractions that incurred surcharges.
- Operator may combine extraction facilities within a basin (into a CombCode).
Santa Clara River Water Flex Allocation

- Flexibility is provided for UWCD and PVCWD to encourage conjunctive use.
- Flex allows increase annual extractions when SCR deliveries to the PTP and PV pipeline systems are below the 2005-2014 average, provided that a
- Corresponding reduction in extractions occurs in years when SCR deliveries to these systems are greater than the 2005-2014.
Allocation Carryover

- Operator may carry over up to 50% of unused annual allocation in any one year
- Maximum of 100% of current-year annual allocation can be carried over
- The first water used in any year deemed exercise of carried-over water
- Carried-over allocation expires after 5 years
- Annual allocation carryover for extraction facilities combined under a single operator (CombCode) will be evenly divided among combined extraction facilities
Specific reporting is required to collect info for transition to land-based system

Example of reporting requirements:

**Ag irrigation well operators required to report:**

- Parcel numbers
- Irrigated acres of each parcel
- Source of all water used to irrigate parcels

**Domestic and M&I well operators required to report:**

- Each parcel supplied by the operator’s extraction facility
Allocation Transfers

- Authorizes Agency to approve transfers or temporary assignments of allocation (language slightly modified)
- Executive Officer can approve transfers within the same basin
- All other transfers require Board approval
- When irrigated acreage changes to M&I use, the allocation transfers on a one-to-one basis
Reduction of Allocations

- Ordinance does not include reductions in allocations
- Board to consider reductions in the future
3. Notification of New Extraction Allocation Letter
New Allocation Notifications

- Mailed over 500 New Allocation Notifications to all Well OWNERS and OPERATORS, containing new allocations for each well owned or operated.
New Allocation Notification Letters

- Mailed mid-March and some in April
- Follow up letter late March clarifying allocation value as Annual Allocation
- Agency staff are reaching out to tracking all inquiries and returned letters
- Non-current well registration/designated operator
- Use Application for Corrections, Transfers and Variances to FCGMA@ventura.org
New Allocation Table

- Account Information
- Base period 2005-2014 Reported Extractions
- New allocation (based on average Base Period extractions)
- Semi-annual average on initial notifications is doubled
- Transcription issue with APNs in letter – correct in database
4. Policy and Procedures to Request Correction, Variance, or Allocation Transfer
Requesting Allocation Modifications

- Corrections
- Unreported Semi-Annual Extraction Statement (SAES) periods
- Variance
- Allocation transfer (e.g., from replaced well)
Background

- New allocation effective Oct. 1, 2020
- Executive Committee discussed variance process and penalties for unreported extractions at meetings on Jul. 15, 2019, Oct. 1, 2019, and Feb. 12, 2020
- Board considered and approved Executive Committee and staff recommendations at Feb. 26, 2020 meeting
- Board adopted Resolution No. 2020-03 on April 22, 2020
5 or More Years of Reported Extractions

- Allocation determined based on average annual extractions for reported periods
- Unpaid extraction charges and interest due
- Civil penalties due based on average annual extractions and number of unreported periods
## Penalties - 5 or More Years Reported

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<tr>
<th>Number of Unreported Periods</th>
<th>Average Annual Extraction (AFY)</th>
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<tr>
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<td>0 – 5</td>
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* In addition to unpaid pump charges of $4.00 or $6.00 plus 1.5% per month interest ($0.72 or $1.08/yr)
5 or Less Years of Reported Extractions

- Addressed on case-by-case basis
- Burden of proof on applicant to provide evidence of extraction amount
- Subject to payment of full civil penalties and unpaid extraction charges
Extractions from Unregistered Well

- Must receive Board approval for variance seeking allocation from an unregistered well
- Violation of multiple Agency Ordinance Code requirements
- Subject to full penalties for all violations
- All extractions subject to surcharges as no allocation existed
- Burden of proof on applicant to provide evidence of extraction amount
Extenuating Circumstances

- Board, on appeal, may decrease the civil penalty based on extenuating circumstances or other mitigating factors including
  - Applicant’s lack of culpability in causing the violation
  - Absence of past violations, either of a similar or different nature, on the same or different property under the same ownership
  - Financial burden on the applicant
  - Other factors as deemed relevant by the Board
Other Variance Requests

- Variance requests for additional allocation related to
  - Change in crops
  - Change in land use
  - Receipt of water from water purveyor

- Such additional allocation would affect the percentage of total sustainable yield of the allocations of all other extractors in the basin

- Request must be reviewed by a variance review committee representative of groundwater extractors in the basins

- Committee recommendation provided to Board for its consideration
Variance Application Fee

- Variance application processing fee of $250
- Fee refunded if variance process identifies an error in Agency records
Use of Civil Penalties Collected

- Board directed civil penalties collected during variance request processing exceeding administrative costs be used for benefit of basins

- Civil penalties collected during variance processing will be held in designated account for use as Board directs
Application for Correction, Transfer or Variance

To request any changes to the new allocation of a well, complete the application located at FCGMA.org/Allocation

▪ Submit 1 Application Per Well
▪ Owner must sign form
▪ Include supporting documentation as applicable
▪ Mail or Email to FCGMA@ventura.org
Application for Correction, Transfer or Variance

Go to:

FCGMA.org/Allocation

Or

FCGMA.org/public-documents/forms
Application for Correction, Transfer or Variance

- Printable version
- From the Forms page under Public Documents
Application for Correction, Transfer or Variance
Use a separate form for each well.

State Well Number: ______ N____ W____ ______ CombCode: _______

Please complete one form for each State Well Number (SWN). Check all items that apply below, and sign Page 3. Attach additional pages if needed.

☐ Information listed in the Notification of New Extraction Allocation is incorrect (e.g., APN, contact info, extractions, etc.).
   Go to Section A.

☐ Allocations from one well need to be transferred to another well (e.g., a replaced well).
   Go to Section B.

☐ I wish to bring one or more non-reported semi-annual extraction periods into compliance. Unpaid extraction fees and penalties will be due.
   Go to Section C.

☐ There are special circumstances or exceptional characteristics applicable to this well and I wish to submit a variance request in accordance with Article 11 of the Ordinance.
   Go to Section D.

☐ I did not receive a Notification of New Extraction Allocation letter for this SWN.

(For Office Use Only)

<table>
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<tr>
<th>Application No.</th>
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Corrections to Account & Extraction Records

1. Check section A, page 1

2. Complete Section A, page 2, correcting account and / or extraction records
Allocation Transfer

1. Check section B, page 1

2. Complete Section B, page 3

3. Complete Allocation Transfer FCGMA.org/Forms
Unreported Extractions

1. Check section C, page 1

2. Complete Section C, page 3
Allocation Variance

1. Check section D, page 1

2. Complete section D, page 4
Allocation Not Received

If you did not receive a Notification of New Extraction Allocation letter check here:

- Information listed in the Notification of New Extraction Allocation is incorrect (e.g., APN, contact info, extractions, etc.).
  Go to Section A.
- Allocations from one well need to be transferred to another well (e.g., a replaced well).
  Go to Section B.
- I wish to bring one or more non-reported semi-annual extraction periods into compliance. Unpaid extraction fees and penalties will be due.
  Go to Section C.
- There are special circumstances or exceptional characteristics applicable to this well and I wish to submit a variance request in accordance with Article 11 of the Ordinance.
  Go to Section D.
- I did not receive a Notification of New Extraction Allocation letter for this SWN.
How to Submit Application

By June 30, 2020

Include:
✓ Completed and signed application
✓ Supporting documentation

- Variance Application Fee will be invoiced if applicable

Mail to:
Fox Canyon Groundwater Management Agency
800 S. Victoria Avenue
Ventura, CA 93009

Email to:
FCGMA@ventura.org
5. Variance Review Committee
Resolution 2020-03

Section 3. Other Variance Requests

An applicant for a variance seeking additional allocation related to change in crops, change in land use, or receipt of water from a water purveyor shall have the request submitted to a variance review committee representative of the groundwater extractors in the basins. The recommendation of the committee shall be provided to the Board for its consideration of the variance request.
Variance Review Committee

- Committee applications must be submitted by June 5, 2020
- Executive Committee to review applications and make appointment recommendations at June 10, 2020, meeting
- Board to make committee appointments at June 24, 2020, meeting
Current Allocations & Reporting Periods

- **Ag Operators**
  - Emergency Ordinance E Annual Efficiency Allocation (aka IAI)
  - Aug. 1, 2019, through July 31, 2020

- **M&I Operators**
  - Emergency Ordinance E Temporary Extraction Allocation (TEA)
  - Jan. 1, 2020, through Dec. 31, 2020

- **Domestic Operators**
  - Agency Ordinance Code Historical or Baseline Allocation
  - Jan. 1, 2020, through Dec. 31, 2020
Transition to Water Year Reporting

- New allocation reporting period is from Oct through Sept
- For Ag Operators – allocation for two-month gap between end of current reporting year (July 31) and start of new allocation (Oct. 1)
- For M&I and Domestic Operators – prorate current reporting year from current ending on Dec. 31 to Sep. 30
- Goal is to establish allocation to allow groundwater extractions that would have been allowed under current ordinance
- Board adopted Ordinance at May 27, 2020, meeting
Agricultural Operators

- Ag well extractions vary significantly over the year
- Aug. and Sept. are peak irrigation months
- Monthly AMI data for calendar year 2019 analyzed for portion of extractions during Aug. and Sept.
- 89% of wells analyzed extracted 35% or less of total year in Aug. and Sept.
M&I Operators

- AMI not required until Oct. 1, 2019
- Monthly potable production reported to State Water Board
- Analysis shows M&I Operators typically used between 75% and 76% of total annual water production from Jan. – Sept.
Transition Allocation – Ag Operators

- Ag operators submit SAES and IAI Application for Crop Year ending Jul. 31, 2020, like normal

- For period of Aug. 1, 2020, through Sept. 30, 2020, allocation adjusted to 35% of the operator’s Crop Year 2019/2020 Annual Efficiency Allocation

- Agency will send “Special Extraction Statement” (SES) for the two-month period

- Each Ag operator must return the completed SES, along with a date-stamped photo of the flowmeter reading on Sept. 30, 2020
Transition Allocation – M&I Operators

- M&I operators submit SAES for 2020-1 reporting period like normal (Jan. 1 - Jun. 30, 2020)
- Agency will send a SES to requesting total extractions during the 3-month period (Jul. 1 to Sept. 30, 2020)
- Each M&I operator must return the completed SES, along with a date-stamped photo of the flowmeter reading on Sept. 30, 2020
- M&I operator’s extraction allocation is 76% of TEA for the total reporting period (Jan. 1 to Sept. 30, 2020)
- Domestic operator’s allocation is 76% of the operator’s historical or baseline extraction allocation
Transition Allocation – Variances

- Allows an operator to demonstrate that extractions during the prorated portion of a prior crop year or calendar year were greater than the percentages in the transition ordinance.

- The applicant has the burden of proving to the satisfaction of the Executive Officer the amount of extractions during the prorated portion of the prior year.

- Variance requests must be in writing and submitted by Aug. 31, 2020.
7. Questions & Answers
How to Ask Questions

- **In Zoom**
  - Raise hand
  - Chat

- **From Phone**
  - Email: FCGMA@ventura.org