



# United States Department of the Interior

BUREAU OF RECLAMATION  
Mid-Pacific Regional Office  
2800 Cottage Way  
Sacramento, CA 95825-1898

IN REPLY REFER TO:

MP-3600  
FIN-3.00

**MAY 20 2014**

Ms. Sonja A. Anderson  
Power Marketing Manager  
Western Area Power Administration  
114 Parkshore Drive  
Folsom, California 95630-4710

Subject: Rescission of the Mid-Year Adjustment to the Allocation of the Fiscal Year 2014  
Total Restoration Payments, Central Valley Project Improvement Act, Central Valley  
Project

Dear Ms. Anderson:

This letter rescinds the April 29, 2014, letter notifying Western Area Power Administration (Western) of the mid-year adjustment to the fiscal year (FY) 2014 restoration payment allocation pursuant to the Central Valley Project Improvement Act, Title XXXIV of Public Law 102-575. The power contractor's obligation for FY 2014 shall be established using the January 16, 2014, letter which estimated a power contractor's obligation of \$33,447,311. In addition, the shortfall from FY 2013 of \$393,772.57 will be added to the estimate for a total of \$33,841,084.

The 2014 drought conditions require unprecedented measures to accommodate extremely low water deliveries. Reclamation committed to rescind the mid-year adjustment and Northern California Power Agency committed to return to historical practices next fiscal year. The actions in response to the drought include:

1. Rescind the April mid-year adjustment.
2. Use the January updated power contractor obligation with the fiscal year 2013 shortfall.
3. Continue to work with water and power contractors to assess collections.
4. Continue use of the \$30.0 million three-year rolling average.

In the spirit of coordination, Reclamation is informing Western that the FY 2015 Total Restoration Allocation is \$56.9 million. The power contractor's obligation will be a portion of that plus the shortfall from FY 2014 as agreed to at the recent Association of California Water Agencies conference. Reclamation will notify Western in August 2014 of the FY 2015 power contractor's obligation.

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Please contact Ms. Gail Trujillo-Bixby if you require additional information regarding the above measures at (916) 978-5263, gtrujillobixby@usbr.gov, or for TTY access call the Federal Relay Service at (800) 877-8339.

Sincerely,

  
for Autumn Wolfe  
Acting Regional Financial Manager