



# 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  
1.3.11

AUG 10 2016

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

Subject: Allocation of the Fiscal Year (FY) 2017 Total Restoration Payments, Central Valley Project Improvement Act, Central Valley Project (CVP)

Dear Ms. Anderson:

This letter notifies Western Area Power Administration (Western) of the FY 2017 total power payment obligation for restoration payments pursuant to the Central Valley Project Improvement Act, Title XXXIV of Public Law 102-575. The FY 2017 total allocation includes the CVP power contractors' assigned portion. Consistent with the Bureau of Reclamation's hydrologic projections for the CVP, and continuing the Maximum Restoration Payment Policy, the total FY 2017 power payment obligation is \$35,853,809.

The amount allocated to power is determined as follows:

Total Restoration Payments – Fiscal Year 2017	\$55,606,000
Projected Restoration Payments – Water	<u>\$19,752,191</u>
Total Restoration Payments – Power	<u>\$35,853,809</u>

Projected restoration receipts are \$12,831,200 for Irrigation and \$6,920,991 for Municipal & Industrial. FY 2017 initial projection uses a historical average based on the projected hydrologic conditions from our Central Valley Operations office.

The power payment obligation for FY 2017 of \$35,853,809 must be transferred to Reclamation in FY 2017. In accordance with our agreement dated April 21, 1995, a mid-year adjustment to power's payment obligation will be made in April 2017.

Western will be notified in October 2016 of the actual restoration payments fund receipts in FY 2016. This would state any shortage/overage in receipts for the fiscal year.

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

Sincerely,



Rodney D. Whitfield  
Regional Financial Manager

Enclosure

Projected FY 2017 Restoration Payments

Projected Deliveries

	<u>Acre-Feet</u>	<u>Charge</u> 28% 8 - 9/16	<u>Charge</u> 72% 10/16 - 7/17	<u>Projected</u> <u>Payments</u> 100.00%
Restoration Payments (Water)				
Irrigation	1,254,959	\$10.21	\$10.23	\$12,831,200
M&I	338,620	\$20.41	\$20.45	\$6,920,991
<b>Total Restoration Payments (Water)</b>				<b><u>\$19,752,191</u></b>

Jan	3%
Feb	4%
Mar	5%
Apr	8%
May	10%
Jun	15%
Jul	19%
Aug	19%
Sep	9%
Oct	4%
Nov	2%
Dec	2%
<b>Total</b>	<b><u>100%</u></b>

FY 2015 thru FY 2017 Total Restoration Payments needed in 1992 dollars	\$90,000,000 /1
less FY 2015 Actual Payments (\$ 47,436,000 indexed /2)	28,258,000 /1
less FY 2016 Projected Payments (\$ 49,528,000 indexed /3)	29,120,000 /1
less subtotal FY 2015 & FY 2016	57,378,000 /1
<b>Total FY 2017 Projected Restoration Payments in 1992 dollars</b>	<b><u>\$32,622,000 /1</u></b>

Total FY 2017 Projected Restoration Payments in FY 2017 dollars	\$55,606,000 /4
less Projected Payments from Irrigation and M&I	<u>19,752,191</u>
<b>Balance needed from Power</b>	<b><u>\$35,853,809</u></b>

- /1 October 1992 price levels (rounded to thousands)
- /2 FY 2015 price levels (1.6787 CPIU index factor)
- /3 FY 2016 price levels (1.7008 CPIU index factor)
- /4 FY 2017 price levels (1.7045 CPIU index factor)

Project Water sold and delivered 8/16 thru 7/17 will generate almost all of FY 2017 restoration payments projected from water. The above projection assumes restoration payments (receipts) are received and processed 2 months after deliveries are taken.

ENCLOSURE