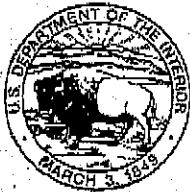


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United States Department of the Interior

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

AUG 03 2004

IN REPLY
REFER TO:
MP-3600
WTR-4.00

Mr. Thomas R. Boyko
Power Marketing Manager
Sacramento Area Office
Western Area Power Administration
114 Parkshore Drive
Folsom, California 95630-4710

Subject: Allocation of the Fiscal Year 2005 Total Restoration Payments, Central Valley Project Improvement Act (CVPIA), Central Valley Project (CVP)

Dear Mr. Boyko:

This letter is to notify Western Area Power Administration of the amount of the fiscal year 2005 Total Restoration Payments allocation, including that portion assigned to the CVP power contractors, pursuant to the CVPIA, Title XXXIV of Public Law 102-575. Consistent with Reclamation's hydrologic projections for the CVP, and continuing the Maximum Restoration Payment Policy, that portion of the Total Restoration Payments allocated to power for fiscal year 2005 is \$22,874,691.

The amount allocated to power is determined as follows:

Total Restoration Payments - Fiscal Year 2005	\$46,369,000
Less Projected Restoration Payments - Water	<u>-23,494,309</u>
Restoration Payments - Power	<u>\$22,874,691</u>

Projected Restoration Payments - Water is based on expected receipts of \$17,384,117 from irrigation and \$6,110,192 from municipal and industrial. This year's initial projection takes into consideration that in five out of the last six years there have been little (5%) or no Class 2 water deliveries. Any changes to this projection will be reflected in the mid-year correction to power's allocation. Power's allocation of Restoration Payments (\$22,869,146), needs to be transferred to Reclamation in fiscal year 2005. In accordance with our letter to you, dated April 21, 1995, a mid-year correction to power's allocation will be made on or about April 1, 2005.

Subject: Allocation of the Fiscal Year 2005 Total Restoration Payments, Central Valley
Project Improvement Act, Central Valley Project 2

Please contact Mr. Les Ross at 916-978-5386, TDD: 916-978-5608, should you require additional information regarding the above calculations.

Sincerely,



Craig Muchlberg
Acting, Regional Business Manager

Enclosure: Projected FY 2005 Restoration Payments

