



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

APR 29 2014

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

Subject: Mid-Year Adjustment to the Allocation of the Fiscal Year 2014 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 mid-year adjustment to the fiscal year 2014 restoration payment allocation, including that portion assigned to the CVP power contractors, associated with the Central Valley Project Improvement Act, Title XXXIV of Public Law 102-575. Consistent with the Bureau of Reclamation's hydrologic projections for the CVP and continuing the Maximum Restoration Payment Policy, the power contractor's 2014 obligation has been revised. The power contractor's obligation is estimated at \$45,487,918, an increase of \$24,919,671 from the original power obligation of \$20,568,247. The increase is mainly due to the extreme drought conditions being experienced in the state and the water supply allocation updated in April did not increase allocations significantly to water contractors.

The revised allocation is based on factors delineated herein: 1) Reclamation's April CVP water allocation, and 2) actual receipts for the first 6 months of fiscal year 2014. The carryover from fiscal year 2013 of \$784,456.27 will be applied this fiscal year. Reclamation will continue to monitor receipts throughout the rest of the fiscal year.

Any fiscal year 2014 restoration overpayments collected above the allocation will be applied against the fiscal year 2015 power contractors' obligation. In August 2014, Western will receive official notification of the fiscal year 2015 restoration payment allocation to power contractors.

Subject: Mid-Year Adjustment to the Allocation of the Fiscal Year 2014 Total Restoration Payments, Central Valley Project Improvement Act, Central Valley Project (CVP) 2

Please contact Ms. Gail Trujillo-Bixby if you require additional information regarding the above calculations 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

Enclosure

FY 2014 ACTUAL & PROJECTED RESTORATION PAYMENTS

	<u>1st - 6 months actual receipts (10/01/13 thru 3/31/2014)</u>	<u>2nd - 6 months projected (04/01/14 thru 9/30/2014)</u>	<u>12 months total (10/01/13 thru 9/30/2014)</u>
Restoration Payments - Water	5,683,829	2,175,253	7,859,082
Restoration Payments - Power	<u>10,204,527</u>	<u>35,283,391</u>	<u>45,487,918</u>
Total	15,888,357	37,458,643	53,347,000
FY 2014 Total Restoration Payments Budgeted	53,347,000		
FY 2014 Restoration Payments Projected - Water	<u>7,859,082</u>		
Total Needed from Power as of 4/8/2014	45,487,918		
Original FY 2014 Power Allocation	<u>20,568,247</u>		
Difference	24,919,671		

If the difference from the initial Restoration Payment allocation to Power is less than \$500,000, then no mid-year adjustment needed.

note: differences due to rounding

ENCLOSURE