



# United States Department of the Interior

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

IN REPLY REFER TO:

**AUG 16 2013**

MP-3600  
FIN-3.00

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

Subject: Allocation of the Fiscal Year (FY) 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 FY 2014 total power payment obligation for restoration payments pursuant to the Central Valley Project Improvement Act, Title XXXIV of Public Law 102-575. The FY 2014 total allocation includes the CVP power contractors' assigned portion. Consistent with the Bureau of Reclamation's projections for the CVP and continuing the Maximum Restoration Payment Policy, the total FY 2014 power payment obligation is \$20,568,247.

The amount allocated to power is determined as follows:

Total Restoration Payments – Fiscal Year 2014	\$53,347,000
Projected Restoration Payments – Water	<u>\$32,778,753</u>
Total Restoration Payments – Power	<u>\$20,568,247</u>

Projected restoration receipts are \$25,646,777 for Irrigation and \$7,131,976 for Municipal & Industrial. FY 2014 initial projection uses a standard deviation calculated using water deliveries from FY 2002 through FY 2012.

The power payment obligation for FY 2014 of \$20,568,247 must be transferred to Reclamation in FY 2014. In accordance with our agreement dated April 21, 1995, a mid-year adjustment to the power payment obligation will be made on or about April 1, 2014.

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

Western will be notified in October 2014 of the actual RF5 fund receipts in FY 2014. This would state any shortage or overage in receipts for the fiscal year.

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

Sincerely,



Brenda Bryant  
Regional Financial Manager

Enclosure

**Projected FY 2014 Restoration Payments**

**Projected Deliveries**

	<u>Acre-Feet</u>	<u>Charge</u> 28% 8 - 9/13	<u>Charge</u> 72% 10/13 - 7/14	<u>Projected</u> <u>Payments</u> 100.00%
Restoration Payments (Water)				
Irrigation	2,581,717	\$9.79	\$9.99	\$25,646,777
M&I	358,968	\$19.58	\$19.98	\$7,131,976
<b>Total Restoration Payments (Water)</b>				<b><u>\$32,778,753</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 2012 thru FY 2014 Total Restoration Payments needed in 1992 dollars	\$90,000,000 /1
less FY 2012 Actual Payments (\$ 52,761,000 indexed /2)	33,711,000 /1
less FY 2013 Projected Payments (\$ 39,582,000 indexed /3)	24,253,000 /1
less subtotal FY 2012 & FY 2013	<u>57,964,000 /1</u>
Total FY 2014 Projected Restoration Payments in 1992 dollars	<u>\$32,036,000 /1</u>

Total FY 2014 Projected Restoration Payments in FY 2014 dollars	\$53,347,000 /4
less Projected Payments from Irrigation and M&I	<u>32,778,753</u>
Balance needed from Power	<u>\$20,568,247</u>

- /1 October 1992 price levels (rounded to thousands)
- /2 FY 2012 price levels (1.5651 CPIU index factor)
- /3 FY 2013 price levels (1.6321 CPIU index factor)
- /4 FY 2014 price levels (1.6652 CPIU index factor)

Project Water sold and delivered 8/13 thru 7/14 will generate almost all of FY 2014 restoration payments projected from water. The above projection assumes restoration payments (receipts) are received and processed 2 months after deliveries are taken.