



United States Department of the Interior
BUREAU OF RECLAMATION
2800 Cottage Way
Sacramento, CA 95825-1898



IN REPLY REFER TO:

CGB-3600
1.3.11

Mr. Arun Sethi
Power Marketing Manager
Western Area Power Administration
114 Parkshore Drive
Folsom, California 95630-4710

Subject: Allocation of the Fiscal Year (FY) 2022 Restoration Payments, Central Valley Project Improvement Act, Central Valley Project (CVP)

Dear Mr. Sethi:

This letter notifies Western Area Power Administration (WAPA) of the initial FY 2022 power payment for mitigation and restoration payments pursuant to the Central Valley Project Improvement Act, Title XXXIV of Public Law 102-575. In recognition of the U.S. Court of Appeals' decision regarding proportionality; *Northern California Power Agency v. United States*, 942 F.3d 1-91 (2019), Reclamation has modified the method to estimate power's M&R payment. The initial, estimated power payment for FY 2022 is \$17,295,324. See attachment for details.

The initial power payment for FY 2022 of \$17,295,324 must be transferred to Reclamation in FY 2022. Reclamation is in the process of updating the methodology for collecting mitigation and restoration payments to comport with the recent court ruling on proportionality. Reclamation has calculated water and power users' respective allocations of repayment of the Central Valley Project based upon the recently approved Final Cost Allocation Study for the Central Valley Project. The calculation of the final power payment for FY 2022 is predicated on completion of these efforts, and depending on the outcome, a subsequent adjustment in the power payment for FY 2022 may be necessary.

Please contact Mr. Ryan Everest should you require additional information at 530-892-6220 or reverest@usbr.gov or for TTY access call the Federal Relay Service at 800-877-8339.

Sincerely,

ANN LUBAS-
WILLIAMS

Digitally signed by ANN LUBAS-
WILLIAMS
Date: 2021.08.25 14:16:59
-07'00'

Ann Lubas-Williams
Regional Financial Manager

Enclosure

CENTRAL VALLEY PROJECT RESTORATION FUND

Mitigation and Restoration

Table for determining power Mitigation & Restoration Payment

Actual Water Receipts FY 2020

Pre-Renewal Charges	-
Water Transfer Charges	352,274
Tiered Water Charges	124,964
Friant Surcharges	5,795,328
Mitigation & Restoration - Water	26,632,161
M&I Surcharge	-
Total Water Receipts:	32,904,727

10-year Rolling Average for Repayment of the CVP (2011 - 2020)

Fiscal Year	Water Supply		Commercial Power		Combined	
2011	\$1,258,455,407		\$619,080,650		\$1,877,536,057	
2012	\$1,233,698,474		\$628,520,799		\$1,862,219,274	
2013	\$1,273,970,438		\$663,312,841		\$1,937,283,279	
2014	\$1,271,031,465		\$682,125,560		\$1,953,157,024	
2015	\$1,268,332,936		\$685,191,019		\$1,953,523,955	
2016	\$1,276,678,212		\$680,115,689		\$1,956,793,901	
2017	\$1,275,304,594		\$677,828,923		\$1,953,133,517	
2018	\$1,278,898,771		\$681,780,625		\$1,960,679,396	
2019	\$1,238,578,558		\$656,521,839		\$1,895,100,397	
2020	\$1,239,094,641	65.55%	\$655,692,863	34.45%	\$1,894,787,504	100.00%

FY 2022 Mitigation & Restoration Payment - Power

$$= (\text{total water} / \text{water supply} \%) * \text{power} \%$$

$$= (32,904,727 / .6555) * .3445 \qquad \qquad \qquad 17,295,324$$

Stewart, Cori

From: Stewart, Cori
Sent: Thursday, September 2, 2021 11:38 AM
Subject: Fiscal Year 2022 Initial Restoration Fund Letter to Power
Attachments: FY2022 Power Allocation Letter.pdf

To All Central Valley Project Preference Customers:

On August 26, 2021, the Bureau of Reclamation (Reclamation) provided the attached letter notifying Western Area Power Administration (WAPA) of the power customers' fiscal year (FY) 2022 estimated Restoration Fund (RF) obligation of \$17,295,324.

WAPA will begin billing the FY 2022 power obligation on the September 2021 bill for October 2021 service. Power customers can calculate their monthly obligation by multiplying the estimated RF obligation of 17,295,324, by their respective contract Base Resource percentage, and then dividing the result by twelve.

Adjustments due to the hourly exchange participation will be reflected beginning in July 2022 for the adjustment period, July 2021 to June 2022. For those customers who accumulate credits larger than their charge, the credits will be carried over to the next billing period(s) until the credits are fully applied.

WAPA will continue to share information as it becomes available. This letter, as well as other RF billing information, will be posted on WAPA's [website](#) by clicking the link or going to <https://www.wapa.gov/region/SN/rates/Pages/rates.aspx>.

If you have any questions regarding Reclamation's procedures and methodology associated with calculating the power obligation, please contact Mr. Ryan Everest at (530) 892-6220 or reverest@usbr.gov.

If you have any questions regarding billing, you may contact me directly at the telephone or email listed below.

Thank you,

Cori Stewart | Public Utilities Specialist

Western Area Power Administration | Sierra Nevada Region | Folsom, CA
(O) 916.353.4629 | (F) 916.985.1934 | cstewart@wapa.gov

[Join us on Twitter](#)

