



# 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

JAN 16 2014



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

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

Dear Ms. Anderson:

This letter notifies Western Area Power Administration of an increase to 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 which has been increased due to the drought conditions being experienced at this time. Consistent with the Bureau of Reclamation's hydrologic projections for the CVP and continuing the Maximum Restoration Payment Policy, the total FY 2014 power payment obligation is \$33,447,311; an increase of \$12,879,064 from the original power obligation of \$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>\$19,899,689</u>
Total Restoration Payments – Power	<u>\$33,447,311</u>

Projected restoration receipts are \$13,342,395 for Irrigation and \$6,557,294 for Municipal & Industrial. This projection uses updated hydrologic data for estimating water deliveries.

Also, Reclamation has determined there was a shortfall in collections for FY 2013. Per our agreement, any over/under collections will be recovered in a future assessment. The short fall for FY 2013 was \$393,772.57. The total restoration payments for FY 2013 was \$39,582,000 and actual collections were \$39,188,227.43.

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In accordance with our agreement dated April 21, 1995, a mid-year adjustment to power's payment obligation will be made on or about April 1, 2014.

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

Sincerely,

*For* 

Brenda Bryant  
Regional Financial Manager

Enclosure

Projected FY 2014 Restoration Payments

	Acre-Feet	Charge 28% 8 - 9/13	Charge 72% 10/13 - 7/14	Projected Payments 100.00%	Projected Deliveries
Restoration Payments (Water)					
Irrigation	1,343,104	\$9.79	\$9.99	\$13,342,395	3%
M&I	330,043	\$19.58	\$19.98	\$6,557,294	4%
<b>Total Restoration Payments (Water)</b>				<b>\$19,899,689</b>	5%

FY 2012 thru FY 2014 Total Restoration Payments needed in 1992 dollars  
 less FY 2012 Actual Payments (\$ 52,761,000 indexed /2)  
 less FY 2013 Projected Payments (\$ 39,582,000 indexed /3)  
 less subtotal FY 2012 & FY 2013  
 Total FY 2014 Projected Restoration Payments in 1992 dollars

	33,711,000 /1
	24,253,000 /1
	<u>57,964,000 /1</u>
	<u>\$32,036,000 /1</u>

Total FY 2014 Projected Restoration Payments in FY 2014 dollars  
 less Projected Payments from Irrigation and M&I  
 Balance needed from Power

	\$53,347,000 /4
	19,899,689
	<u>\$33,447,311</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.