



United States Department of the Interior

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

IN REPLY REFER TO:

MP-3600

1.3.11

AUG 29 2018

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

Subject: Allocation of the Fiscal Year (FY) 2019 Total Restoration Payments, Central Valley Project Improvement Act, Central Valley Project (CVP)

Dear Mr. Sethi:

This letter notifies Western Area Power Administration (WAPA) of the FY 2019 total power payment obligation for mitigation and restoration payments pursuant to the Central Valley Project Improvement Act, Title XXXIV of Public Law 102-575. The FY 2019 total allocation includes the CVP power contractors' assigned portion. Consistent with the Bureau of Reclamation's hydrologic projections for the CVP, and continuing the Maximum Restoration Payment Policy, the total FY 2019 power payment obligation is \$38,677,620.

The amount allocated to power is determined as follows:

Total Mitigation and Restoration Payments – Fiscal Year 2019	\$61,707,000
Projected Mitigation and Restoration Payments – Water	<u>23,029,380</u>
Total Mitigation and Restoration Payments – Power	<u>\$38,677,620</u>

Projected mitigation and restoration receipts are \$14,655,682 for Irrigation and \$8,373,697 for Municipal & Industrial. FY 2019 initial projection uses a historical average based on the projected hydrologic conditions from our Central Valley Operations office.

The power payment obligation for FY 2019 of \$38,677,620 must be transferred to Reclamation in FY 2019. In accordance with our agreement dated April 21, 1995, a mid-year adjustment to power's payment obligation will be made in April 2019.

WAPA will be notified after October 2018, of the actual mitigation and restoration payments fund receipts in FY 2018. This would state any shortage/overage in receipts for the fiscal year.

Should you require additional information regarding the above calculations please contact Ms. Gail Trujillo-Bixby at 916-978-5263 or gtrujillobixby@usbr.gov. You may also contact Mr. Spencer Walden at 916-978-5311 or swalden@usbr.gov. For TTY access call the Federal Relay Service at 800-877-8339.



Sincerely,

A handwritten signature in black ink, appearing to read "H. Abreo", with a long horizontal line extending to the right.

Heriberto Abreo
Acting Regional Financial Manager

Enclosure

cc: HCasillas (MP-410), JReynoso (MP-3400), TAberle (MP-110)

Projected FY 2019 Restoration Payments

Projected Deliveries

	Acre-Feet	Charge 28% 8 - 9/18	Charge 72% 10/18 - 7/19	Projected Payments 100.00%
Restoration Payments (Water)				
Irrigation	1,384,545	\$10.47	\$10.63	\$14,655,682.35
M&I	395,538	\$20.94	\$21.26	\$8,373,697.41
Total Restoration Payments (Water)				\$23,029,379.76

Jan	3%
Feb	4%
Mar	5%
Apr	8%
May	10%
Jun	15%
Jul	19%
Aug	19%
Sep	9%
Oct	4%
Nov	2%
Dec	2%
Total	100%

FY 2017 thru FY 2019 Total Restoration Payments needed in 1992 dollars	\$90,000,000 /1
less FY 2017 Actual Payments (\$ 53,632,000 indexed /2)	31,464,308 /1
less FY 2018 Projected Payments (\$ 41,375,000 indexed /3)	<u>23,706,099 /1</u>
less subtotal FY 2017 & FY 2018	55,170,407 /1
Total FY 2019 Projected Restoration Payments in 1992 dollars	\$34,829,593 /1

Total FY 2019 Projected Restoration Payments in FY 2019 dollars	\$61,707,000 /4	Note: Number is rounded.
less Projected Payments from Irrigation and M&I	<u>23,029,380</u>	Note: Number is rounded.
Balance needed from Power	<u>\$38,677,620</u>	

- /1 October 1992 price levels (rounded to thousands)
- /2 FY 2017 price levels (1.7045 CPIU index factor)
- /3 FY 2018 price levels (1.7453 CPIU index factor)
- /4 FY 2019 price levels (1.7717 CPIU index factor)

Project Water sold and delivered 8/18 thru 7/19 will generate almost all of FY 2019 mitigation & restoration payments projected from water. The above projection assumes restoration payments (receipts) are received and processed 2 months after deliveries are taken.

ENCLOSURE