



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 26 2019

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

Subject: Allocation of the Fiscal Year (FY) 2020 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 2020 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 2020 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 2020 power payment obligation is \$24,150,477.

The amount allocated to power is determined as follows:

Total Mitigation and Restoration Payments – Fiscal Year 2020	\$54,548,000
Projected Mitigation and Restoration Payments – Water	<u>30,397,523</u>
Total Mitigation and Restoration Payments – Power	<u>\$24,150,477</u>

Projected mitigation and restoration receipts are \$21,572,802 for Irrigation and \$8,824,721 for Municipal & Industrial. FY 2020 initial projection uses a historical average based on the projected hydrologic conditions from our Central Valley Operations office.

The power payment obligation for FY 2020 of \$24,150,477 must be transferred to Reclamation in FY 2020. In accordance with our agreement dated April 21, 1995, a mid-year adjustment to power's payment obligation will be made in April 2020.

WAPA will be notified after October 2019, of the actual mitigation and restoration fund receipts in FY 2019. This would state any shortage/overage in receipts for the fiscal year.

Please contact Mr. Spencer Walden at (916) 978-5311 or swalden@usbr.gov should you require additional information regarding the above calculations, or for TTY access call the Federal Relay Service at (800) 877-8339.

Sincerely,



Ann Lubas-Williams
Regional Financial Manager

Enclosure

Projected FY 2020 Restoration Payments

	Acre-Feet	Charge		Projected Payments 100.00%
		28%	72%	
		8 - 9/19	10/19 - 7/20	
Restoration Payments (Water)				
Irrigation	1,991,654	\$10.63	\$10.91	\$21,572,802
M&I	407,360	\$21.26	\$21.82	\$8,824,721
Total Restoration Payments (Water)				\$30,397,523

Projected Deliveries

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%

Total FY 2020 Projected Restoration Payments in FY 2020 dollars	\$54,548,000 /4
less Projected Payments from Irrigation and M&I	<u>30,397,523</u>
Balance needed from Power	<u><u>\$24,150,477</u></u>

- /1 October 1992 price levels (rounded to thousands)
- /2 FY 2018 price levels (1.7453 CPIU index factor)
- /3 FY 2019 price levels (1.7717 CPIU index factor)
- /4 FY 2020 price levels (1.8183 CPIU index factor)

Project Water sold and delivered 8/19 thru 7/20 will generate almost all of FY 2020 mitigation & restoration payments projected from water. The above projection assumes restoration payments (receipts) are received and processed 2 months after deliveries are taken.