



United States Department of the Interior

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

APR 18 2018

IN REPLY
REFER TO:
MP-3600
1.3.11



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

Subject: Mid-Year Adjustment to the Allocation of the Fiscal Year (FY) 2018 Mitigation and Restoration Payments, Central Valley Project Improvement Act, Central Valley Project (CVP)

Dear Ms. Anderson:

This letter notifies Western Area Power Administration (WAPA) of the mid-year adjustment to the FY 2018 mitigation and restoration payment allocation. Included is the portion assigned to the CVP power contractors associated with the Central Valley Project Improvement Act, Title XXXIV of Public Law 102-575. Consistent with the Bureau of Reclamation's (Reclamation) hydrologic projections for the CVP and continuing the Maximum Restoration Payment Policy, the power contractor's FY 2018 obligation has been revised. The power contractor's obligation is estimated at \$19,355,263, an increase of \$4,132,872. This takes into account the FY 2018 power obligation of \$13,248,597 and the FY 2017 shortfall of \$1,973,793.97.

The revised allocation is based on factors delineated herein: 1) Reclamation's February and March 2018, water supply allocation for the CVP, 2) actual mitigation & restoration receipts for the first 6 months of FY 2018, and 3) the FY 2018 ceiling amount. Reclamation will continue to monitor receipts throughout the rest of the fiscal year.

FY 2018 mitigation and restoration receipts collected above the ceiling will be applied against the FY 2019 power contractors' obligation. In August 2018, WAPA will receive official notification of the FY 2019 mitigation and restoration payment allocation to power contractors.

Should you require additional information regarding the above amounts, please contact Ms. Gail Trujillo-Bixby at gtrujillobixby@usbr.gov or (916) 978-5263, or Mr. Spencer Walden at swalden@usbr.gov or (916) 978-5311.

Sincerely,

Heriberto Abreo
Acting Regional Financial Manager

Enclosure



10-Apr-18

FY 2018 ACTUAL & PROJECTED RESTORATION PAYMENTS

	<u>1st - 6 months actual receipts (10/01/17 thru 3/31/2018)</u>	<u>2nd - 6 months projected (04/01/18 thru 9/30/2018)</u>	<u>12 months total (10/01/17 thru 9/30/2018)</u>
Restoration Payments - Water	15,865,192	6,154,544	22,019,737
Restoration Payments - Power	<u>6,462,478</u>	<u>12,892,785</u>	<u>19,355,263</u>
Total	22,327,670	19,047,330	41,375,000
FY 2018 Total Restoration Payments Budgeted	41,375,000		
FY 2018 Restoration Payments Projected - Water	<u>22,019,737</u>		
Total Needed from Power as of 4/10/2018	19,355,263		
Original FY 2018 Power Allocation	13,248,597		
FY 2017 Shortfall (also due by Sept. 2018)	<u>1,973,794</u>		
Difference	4,132,872		

If the difference from the initial Restoration Payment allocation to Power is less than \$500,000, then no mid-year adjustment needed.

note: differences due to rounding