

**NOTICE TO STATE WATER PROJECT CONTRACTORS****Number:** 11-01**Date:** JAN 21 2011**Subject:** 2011 Turn-Back Water Pool Program**From:** 
Raphael A. Torres, DEPARTMENT OF WATER RESOURCES

The Department of Water Resources (DWR) is offering a 2011 Turn-Back Water Pool Program pursuant to Article 56 of the Water Supply Contracts. This Program is available to interested State Water Project (SWP) contractors who have signed the Monterey Amendment, and is subject to the attached terms and conditions (Attachment A).

DWR will administer two Turn-Back Water Pools: Pool A and Pool B. A SWP contractor may choose to sell or buy Turn-Back Pool Water in one or both of these Pools. This Program is separate from any other water sale or purchase program that DWR may administer during 2011.

To participate in the 2011 Turn-Back Water Pool Program and be on the notification list, a contractor must complete, sign, and date the commitment (Attachment A) attached to this notice and return all pages of the attachment to Lincoln King, State Water Project Analysis Office, Department of Water Resources, Post Office Box 942836, Sacramento, California 94236-0001. To meet the commitment due date, contractors can email signed notices to Dietlind Wiesner at dwiesner@water.ca.gov, as long as the original notice is also mailed. A schedule for this Program (Attachment B) is included as a reference.

If you have any questions or need additional information about this Program, please contact Dietlind Wiesner at (916) 653-8127 or Lincoln King at (916) 653-4389.

Attachments

Attachment A
2011 Turn-Back Water Pool Program

Terms and Conditions

1. The 2011 Turn-Back Water Pools are subject to Article 56 of the Water Supply Contracts.
2. A SWP contractor may sell allocated 2011 Table A water that it will not use, provided that: (1) the contractor has not elected to store project water outside of its service area in 2011, and (2) the contractor has not elected to carry over Table A water from 2010 pursuant to Article 12(e) or Article 56 of its Water Supply Contract.
3. Sales and purchases of Turn-Back Water Pool shall not affect the 2011 allocation of Table A water to any SWP contractors.
4. Turn-Back Pool water purchased by a contractor will be delivered to the contractor's service area from the SWP facilities, or as otherwise arranged, consistent with the contractor's Water Supply Contract.
5. DWR may limit or delay delivery of Turn-Back Pool water due to either (a) limits on the operational capacity of SWP facilities, or (b) changing operational conditions.
6. Delivery priority of Turn-Back Pool water will be the same as for Table A water (Priority 1), as described in Article 12(f) of the long-term Water Supply Contracts so long as the total amount of project water does not exceed the contractor's 2011 Table A amount. Delivery priority of Turn-Back Pool water in excess of the contractor's Table A amount will be Priority 6.

7. Contractors selling Turn-Back Pool water shall submit a revised water delivery schedule to DWR reflecting changes due to the sale of their water. Likewise, a contractor purchasing Turn-Back Pool water should submit its revised delivery request to DWR as soon as possible after being allocated the Turn-Back Pool water. All water schedules shall be prepared in accordance with Article 12 of the contractor's Water Supply Contract.
8. Turn-Back Pool water may be stored outside of the purchasing contractor's service area for later use inside of the contractor's service area consistent with Article 56. The location of this storage may be inside or outside of the SWP service area, but it must be consistent with water rights permits for the SWP.
9. The 2011 Turn-Back Water Pool Program shall not be a precedent for future programs.
10. A SWP contractor offering to sell Turn-Back Pool water in either Pool A or in Pool B must submit a completed and signed copy of this Agreement for each Pool as appropriate (see last two pages of this Agreement). Sellers shall indicate the amount of water they want to sell in Pool A and/or Pool B using the chart provided with the signature page. DWR must receive a signed Agreement on or before 12:01 p.m., February 15, 2011 for Pool A water sales and on or before 12:01 p.m., March 15, 2011 for Pool B water sales. It is acceptable to submit a signature page by e-mail to Dietlind Wiesner at dwiesner@water.ca.gov and Lincoln King at lking@water.ca.gov in order to meet the deadline; however, an original signature must be submitted as soon as possible afterwards.
11. A SWP contractor offering to buy Turn-Back Pool water in either Pool A or in Pool B must submit a completed and signed copy of this Agreement for each Pool as appropriate (see last two pages of this Agreement). Buyers shall indicate the amount of water they want to purchase in Pool A and/or Pool B using the chart provided with the signature page. DWR must receive a signed Agreement on or before 12:01 p.m., March 1, 2011 for Pool A water purchases

and on or before 12:01 p.m., April 1, 2011 for Pool B water purchases. It is acceptable to submit a signature page by e-mail to Dietlind Wiesner at dwiesner@water.ca.gov and Lincoln King at lking@water.ca.gov in order to meet the deadline; however, an original signature must be submitted as soon as possible afterwards.

12. The price for Pool A water will be \$20.96 (50 percent of the 2011 Delta Water Rate) for each acre-foot of water purchased or sold. Also, the price for Pool B water will be \$10.48 (25 percent of the 2011 Delta Water Rate) for each acre-foot of water purchased or sold. In addition to the charge per acre-foot, the purchasing contractor shall pay DWR the 2011 Transportation Variable Operations, Maintenance, Power, and Replacement Component charges and the Off-Aqueduct Power Facilities Charges for Turn-Back Pool water delivered, plus any incremental costs identified by DWR as described in Article 56(d)(7).
13. DWR will notify all participating contractors by e-mail after the current sales and allocation information is determined at each stage of the Program. These notifications will be sent out within three working days of each of the above milestone dates.
14. DWR will invoice each purchasing contractor for the purchase price of the water, with payment due 30 days from the date of the invoice. Likewise, DWR will pay each selling contractor for their water within 30 days after DWR has received payment from all the purchasers.
15. All sales and purchases through Pool A are irrevocable even if DWR reduces Table A allocations on or after February 15, 2011.
16. DWR will finalize the allocation of sales and purchases of Pool B water on June 1, 2011. The percentage of Table A allocations in effect on this date will determine the final amounts. Only contractors who were active participants in

this Program on April 1, 2011 will be allowed to participate. No reallocation of sales or purchases will be done after June 1, 2011.

17. In the event that any water remains unsold in either Pool, the offering contractor may cancel its offer to sell its share of unsold water in writing. A cancellation letter or advance copy sent by e-mail must be received no later than 12:01 p.m., March 15, 2011 for Pool A water and by no later than 12:01 p.m., April 15, 2011 for Pool B water.
18. DWR shall decide by April 21, 2011 whether to purchase any portion of Pool A water remaining unsold on that date.

AGREEMENT TO SELL/PURCHASE 2011 TURN-BACK POOL WATER IN POOL A

In order to sell or purchase Turn-Back Pool water under Article 56 of the contractor's long-term Water Supply Contract, please fill in the information required below, sign in the space provided, and return all pages of this Attachment A to the State Water Project Analysis Office. A contractor's signature indicates acceptance of all of the terms and conditions of this Program as set forth in this Attachment A.

Purchasers of Turn-Back Pool A water may either check the following box to receive the full allocation of water offered or fill in the chart below for specific purchase amounts.

() We agree to purchase all available Turn-Back Pool A water.

Table A Allocation As of February 15, 2011 (Percent)	Amount to Sell (Acre-Feet)	Amount to Buy (Acre-Feet)
5		
10		
15		
20		
25		
30		
35		
40		
45		
50		
55		
60		
65		
70		
75		
80		
85		
90		
95		
100		

Authorized Representative
Signature

Agency

Date

Contact Person

Email

Telephone

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES

Chief, State Water Project Analysis Office

AGREEMENT TO SELL/PURCHASE 2011 TURN-BACK POOL WATER IN POOL B

In order to sell or purchase Turn-Back Pool water under Article 56 of the contractor's long-term Water Supply Contract, please fill in the information required below, sign in the space provided, and return all pages of this Attachment A to the State Water Project Analysis Office. A contractor's signature indicates acceptance of all of the terms and conditions of this Program as set forth in this Attachment A.

Purchasers of Turn-Back Pool B water may either check the following box to receive the full allocation of water offered or fill in the chart below for specific purchase amounts.

() We agree to purchase all available Turn-Back Pool B water.

Table A Allocation As of June 1, 2011 (Percent)	Amount to Sell (Acre-Feet)	Amount to Buy (Acre-Feet)
5		
10		
15		
20		
25		
30		
35		
40		
45		
50		
55		
60		
65		
70		
75		
80		
85		
90		
95		
100		

Authorized Representative
Signature

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES

Chief, State Water Project Analysis Office

Agency

Date

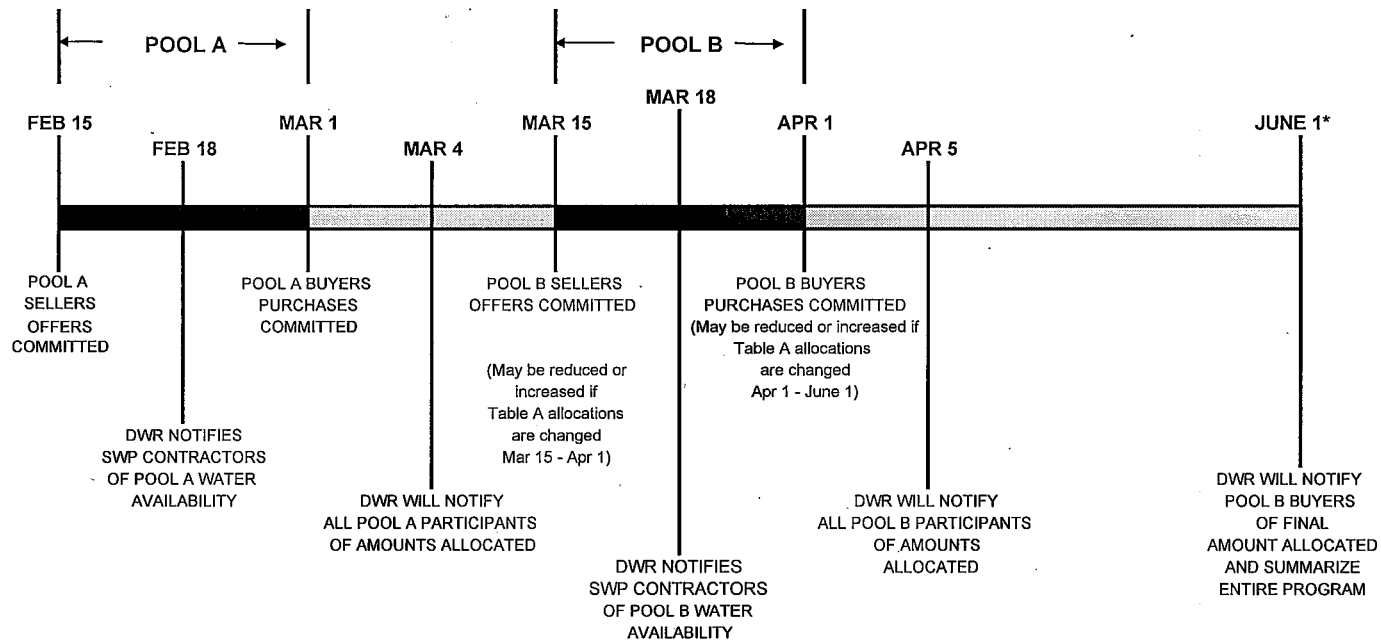
Contact Person

Email

Telephone

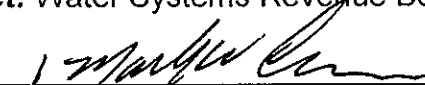
2011 TURN-BACK POOL SCHEDULE

Attachment B



* The June 1 date only applies if Table A allocations have changed between April 1 and June 1. Only participants who were fully committed as of April 1 will be involved.

SWPAO
12/29/2009

**NOTICE TO STATE WATER PROJECT CONTRACTORS****Number:** 11-02**Date:** JAN 26 2011**Subject:** Water Systems Revenue Bonds, Series AH**From:**
Director, DEPARTMENT OF WATER RESOURCES

Department of Water Resources

Central Valley Project Water System Revenue Bonds, Series AH and AI

Par Amount: Series AH \$97,675,000, Series AI \$92,275,000

Closing Date: Series AH November 9, 2010, Series AI September 7, 2011

Summary of Financing Results

The Department of Water Resources (DWR) issued Bond Series AH and AI to refund \$132.9 million of bonds outstanding for Series W, X, and AC. DWR will deliver Series AI on or about September 7, 2011 pursuant to a purchase agreement between DWR, the State Treasurer and the Underwriters executed on November 1, 2010. The delayed delivery of the Series AI Bonds is necessary to achieve a current refunding of the Series W Refunded Bonds in accordance with IRS regulations. The Series W Bonds will be callable on December 1, 2011. The combined net present value savings achieved for both series was \$16.3 million or 12.3 percent. DWR entered the municipal market at a time of historically low interest rates and was able to take advantage of extremely low borrowing costs. The Series AH Bonds also funded the takeout of approximately \$71.5 million of commercial paper that had been issued to fund various water projects. A summary of the financing results is provided in Table 1 attached.

Summary of Cash Flow Savings

The significant savings DWR achieved on the financing will provide cash flow relief over the next 20 years. Table 2, attached, is a summary of yearly savings to DWR as a result of refunding each of the Bond Series W, X, and AC by the new Series AH and AI.

If you have any questions or need additional information, please contact Perla Netto-Brown, Chief of DWR's Division of Fiscal Services at (916) 653-9836.

Attachment

Notice to State Water Project Contractors

Attachment

Table 1: Summary of Financing Results

Par Amount Refunded	\$ 132,985,000
Average Coupon of Refunded Bonds	5.21%
Average Life of Refunded Bonds	9.628
CP Refunded (Last Maturity in year 2035)	\$ 71,538,216
Net Present Value Savings	\$ 16,329,590
Percentage Savings of Refunded bonds	12.28%
All-in True Interest Cost (TIC)	3.14%

Table 2: Summary of Savings Results
Series AH & AI

Year	Annual Savings
12/1/10	\$ 124,466
12/1/11	344,355
12/1/12	993,381
12/1/13	993,781
12/1/14	1,014,182
12/1/15	1,290,320
12/1/16	1,288,695
12/1/17	1,293,845
12/1/18	1,294,808
12/1/19	1,292,020
12/1/20	1,290,038
12/1/21	1,276,738
12/1/22	1,275,050
12/1/23	1,296,575
12/1/24	1,299,231
12/1/25	1,303,425
12/1/26	1,299,732
12/1/27	1,303,388
12/1/28	1,296,606
12/1/29	1,297,313
Total Savings	<u>\$ 22,867,949</u>
Net Present Value Savings	<u>\$ 16,329,590</u>

**NOTICE TO STATE WATER PROJECT CONTRACTORS****Number:** 11-03**Date:** JAN 20 2011**Subject:** 2011 State Water Project Allocation Increase to 60 Percent**From:**
Deputy Director, DEPARTMENT OF WATER RESOURCES

The Department of Water Resources (DWR) is increasing the allocation of 2011 State Water Project (SWP) water for long-term contractors from 2,086,065 acre-feet to 2,503,276 acre-feet. Based on recent precipitation, runoff, and current water supply conditions, SWP supplies are projected to meet 60 percent of SWP contractors' 2011 requested Table A amounts, which total 4,172,126 acre-feet. Attached is the revised 2011 SWP 60 percent allocation table.

This allocation increase is made consistent with the long-term water supply contracts and public policy. DWR's new approval considered several factors including existing storage in SWP conservation reservoirs, SWP operational constraints such as the conditions of the recent Biological Opinions for Delta smelt and salmonids and the longfin smelt incidental take permit, and 2011 contractor demands. DWR may revise allocations if warranted by the year's developing hydrologic and water supply conditions.

Due to continuing issues with recruitment and retention of sufficient skilled trades and crafts personnel, aging equipment, and unexpected equipment failures, DWR was not able to export over 100,000 acre-feet of additional water that was available for export since December. This has caused a delay in the filling of the San Luis Reservoir and will impact the overall allocation of water in 2011.

Based on this allocation increase, DWR will use the 50 percent schedules submitted by the long-term SWP contractors earlier this year for the new 60 percent schedules, unless contractors submit updated schedules. DWR will send the approved monthly water delivery schedules to the long-term SWP contractors.

If you have any questions or need additional information, please contact Robert Cooke, Chief of DWR's State Water Project Analysis Office, at (916) 653-4313.

**2011 STATE WATER PROJECT ALLOCATION
(ACRE-FEET)**

SWP CONTRACTORS	TABLE A (1)	INITIAL REQUEST (2)	APPROVED ALLOCATION (3)	PERCENT INITIAL REQUEST APPROVED (3)/(2) (4)
FEATHER RIVER				
County of Butte	27,500	27,500	16,500	60%
Plumas County FC&WCD	2,240	2,240	1,344	60%
City of Yuba City	9,600	9,600	5,760	60%
Subtotal	39,340	39,340	23,604	
NORTH BAY				
Napa County FC&WCD	29,025	29,025	17,415	60%
Solano County WA	47,556	47,556	28,534	60%
Subtotal	76,581	76,581	45,949	
SOUTH BAY				
Alameda County FC&WCD, Zone 7	80,619	80,619	48,371	60%
Alameda County WD	42,000	42,000	25,200	60%
Santa Clara Valley WD	100,000	100,000	60,000	60%
Subtotal	222,619	222,619	133,571	
SAN JOAQUIN VALLEY				
Oak Flat WD	5,700	5,700	3,420	60%
County of Kings	9,305	9,305	5,583	60%
Dudley Ridge WD	50,343	50,343	30,206	60%
Empire West Side ID	3,000	3,000	1,800	60%
Kern County WA	982,730	982,730	589,638	60%
Tulare Lake Basin WSD	88,922	88,922	53,353	60%
Subtotal	1,140,000	1,140,000	684,000	
CENTRAL COASTAL				
San Luis Obispo County FC&WCD	25,000	25,000	15,000	60%
Santa Barbara County FC&WCD	45,486	45,486	27,292	60%
Subtotal	70,486	70,486	42,292	
SOUTHERN CALIFORNIA				
Antelope Valley-East Kern WA	141,400	141,400	84,840	60%
Castaic Lake WA	95,200	95,200	57,120	60%
Coachella Valley WD	138,350	138,350	83,010	60%
Crestline-Lake Arrowhead WA	5,800	5,800	3,480	60%
Desert WA	55,750	55,750	33,450	60%
Littlerock Creek ID	2,300	2,300	1,380	60%
Mojave WA	82,800	82,800	49,680	60%
Metropolitan WDSC	1,911,500	1,911,500	1,146,900	60%
Palmdale WD	21,300	21,300	12,780	60%
San Bernardino Valley MWD	102,600	102,600	61,560	60%
San Gabriel Valley MWD	28,800	28,800	17,280	60%
San Geronio Pass WA	17,300	17,300	10,380	60%
Ventura County FCD	20,000	20,000	12,000	60%
Subtotal	2,623,100	2,623,100	1,573,860	
TOTAL	4,172,126	4,172,126	2,503,276	



NOTICE TO STATE WATER PROJECT CONTRACTORS

Number: 11-04

Date: MAR - 9 2011

Subject: Criteria for Bulletin 132-11

From:


Raphael A. Torres, DEPARTMENT OF WATER RESOURCES

Attached for your information are copies of "Criteria for Bulletin 132-2011 Project Operations Studies" and "Interest and Escalation Rates for Preparing Bulletin 132-2011."

These criteria are being used by the Department of Water Resources (DWR) to prepare information for Bulletin 132-2011, "Management of the California State Water Project" and to determine Water Contractors' Statements of Charges for the year 2012.

If you have any questions or need additional information, please contact Robert Cooke, Chief of DWR's State Water Project Analysis Office, at (916) 653-4313, or you may call Susan Lee of his staff at (916) 653-1894.

Attachment

CRITERIA FOR BULLETIN 132-2011 STATE WATER PROJECT OPERATIONS STUDIES

These criteria provide summaries of the basic operations assumptions to be used in developing the 2012 Statement of Charges. Actual SWP operations may ultimately be different and contractor billings will be adjusted as appropriate.

1. **Water Deliveries:** Water demands for the water operations studies will be based on the short-range, five-year (2011-2015) requests submitted by the SWP Contractors (Contractors) in October 2010 and the long-range (2016-2035) requests submitted by the Contractors in October 2010.
2. **Water Supply:** The water and power operations studies will reflect compliance with the long-term NMFS Salmonids, Green Sturgeon and Killer Whales Biological and Conference Opinion issued June 4, 2009; the long-term USFWS Delta Smelt Biological Opinion issued December 15, 2008; the Incidental take Permit for Longfin Smelt issued February 23, 2009; and the March 15, 2000 revision of the December 1999 Water Right Decision 1641. The water supply assumed for water and power operation studies will be as follows:
 - (a) 2011 – The initial operations study for 2011 will assume hydrology sufficient to deliver 2.483 MAF. Projections of power generation at Oroville will be based on the Oroville Reservoir inflow from the same hydrology. For generation at Pine Flat Reservoir, lower quartile inflow will be assumed. The 2011 water deliveries and water and power operations studies will be reviewed and finalized in May 2011 when the final water supply forecast based on May 1, 2011 snow surveys becomes available.
 - (b) 2012 – SWP operations projected for 2012 are the basis for the 2012 Statements of Charges. The study will assume hydrology sufficient to deliver 2.555 MAF (60 percent of Contractors' projected Table A requests). Lower quartile inflow will be assumed for Pine Flat generating facilities.
 - (c) 2013 – The 2013 studies will assume hydrology sufficient to deliver 2.484 MAF (60 percent of Contractors' projected Table A requests). Lower quartile inflow will be assumed for Pine Flat generating facilities.
 - (d) 2014 – Assume hydrology sufficient to deliver 2.468 MAF (60 percent of Contractors' projected Table A requests).
 - (e) 2015 – Assume hydrology sufficient to deliver 2.474 MAF (60 percent of Contractors' projected Table A requests).
 - (f) 2016 and thereafter – Assume hydrology sufficient to deliver 2.474 MAF (60 percent of contractors' projected Table A requests).

3. **Future Project Facilities:** The schedule for initial operation of future project facilities to be used when preparing information for Bulletin 132-2011 is shown in the table on page 3.

4. **Water Supply Augmentation:**

- (a) **Delta Pumps.** The total capacity of Banks Pumping Plant is 10,300 cfs; however, actual daily pumping volumes will be limited as stated in the U.S. Army Corps of Engineers Public Notices 5820A, October 1981, and 19990715, May 2000.
- (b) **South Delta Improvements Program (SDIP).** This program is scheduled for implementation as one of the components of Stage 1 of the CALFED Bay-Delta Program to address local and SWP water supply problems in the South Delta. Construction of the permanent operable gates and the channel dredging are proposed to be implemented now under Stage 1 of the SDIP. Stage 2, which would include increasing diversions, has been deferred indefinitely in view of the pelagic organism decline in the Delta. Facilities in the SDIP include the following:
- ◆ Construction of four flow control structures (gates). Three gates are proposed in South Delta channels to control water levels and circulation in the South Delta. The fourth gate will provide protection for salmon migrating along the San Joaquin River (SDIP Stage 1).
 - ◆ Selected channel dredging in the South Delta and modification of local diversion structures. Several miles of river channels are proposed to be dredged to reduce the need to operate gates for water stage. Twenty-four shallow agricultural diversions will be extended to ensure access to water (SDIP Stage 1).
- (c) **Ground Water Programs.** On August 9, 1996, ownership of the Kern Fan Element Property and the La Hacienda Facilities was transferred to the Kern County Water Agency (KCWA) and Dudley Ridge Water District through the Kern Water Bank Authority (KWBA) as part of the Monterey Amendment. Fifty percent of any SWP water remaining in storage from the Berrenda Mesa Demonstration Program and the La Hacienda Water Purchase Program was also transferred to KWBA. The SWP retains the right to recover 15,000 acre-feet under the recovery agreement with KCWA. Additionally, under the 1990 Demonstration Program, the SWP retains the right to 20,065 acre-feet currently stored in Semitropic Water Storage District. The SWP recovered 10,033 acre-feet of previously stored water in Semitropic Water Storage District during 2010. The remaining amount (10,033 acre-feet) will be recovered before 2020.

- (d) Other Project Yield. For purposes of preparing water and power studies for future years, it will be assumed that the SWP will deliver 60 percent of full Table A requests based on the latest reliability study prepared by the Bay Delta Office.

- 5 **Power Operations:** Energy prices in the western states' power market have historically been highest during the on-peak hours and summer months. To minimize power costs, aqueduct operation will be optimized by minimizing on-peak pumping within operating criteria constraints.

For Bulletin 132-2011, forecasted SWP power resources for the study period will be based on existing SWP generation and long-term power purchases. Additional capacity and energy resources needed to meet power requirements will be from unspecified short-term purchases.

FUTURE PROJECT FACILITIES	Dates for Initial Operation	
	Bulletin 132-2010	Bulletin 132-2011
CALIFORNIA AQUEDUCT - EAST BRANCH		
East Branch Enlargement - Stage 2	July 2020	2020
Pearblossom Pumping Plant – Units 10 & 11 (375 cfs)		
Alamo Power Plant – Unit 2 (1,506 cfs)		
East Branch Extension - Phase I Improvements	June 2011	September 2012
East Branch Extension – Phase II	June 2013	June 2014
Perris Dam Remediation	2014	2014
SOUTH BAY AQUEDUCT		
Improvement and Enlargement	July 2011	April 2012
DELTA FACILITIES		
South Delta Improvement Program Facilities	Postponed Indefinitely	Postponed Indefinitely
Permanent Operable Barriers		
Delta Habitat Conservation and Conveyance Program	January 2016	January 2021
Sherman and Twitchell Islands Fishscreens	December 2010	December 2012
NORTH BAY AQUEDUCT		
Alternative Intake	July 2017	March 2016

TABLE 1

**INTEREST RATES TO BE USED IN PREPARING DATA AND
INFORMATION FOR BULLETIN 132-2011,
STATE WATER CONTRACTORS' STATEMENTS OF CHARGES FOR 2012, AND
DEPARTMENT FINANCIAL ANALYSIS STUDIES**

<u>Item</u>	<u>Interest Rate¹ Per Year</u>
1. Interest rates on future general obligation "Offset" bonds (If assumed sold) ²	6.0% (6.0%)
2. Interest rate for future Water System Revenue Bonds ²	3.5% (4.0%)
3. Project Interest Rate for determining Statements of Charges for 2010	4.610% (4.608%)
4. Interest rate on future short-term investment of project funds ³	0.5% (1.5%)

¹ For the purposes of Department studies, these rates are to be used as the effective rates of interest. Figures in parentheses are Bulletin 132-2010 assumptions.

² Future bonds are assumed to be repaid by the end of the Project repayment period (2035) or sooner, with maturities commencing in the year following the date of sale and with equal annual bond service for the principal repayment period.

³ Based on the expected rate of return for funds invested in the State's Surplus Money Investment Fund.

TABLE 2
BULLETIN 132-2011
COST ESCALATION RATES
FOR SWP FACILITIES
TO BE USED FOR FINANCIAL ANALYSIS STUDIES

<u>Item</u>	<u>Percent Increase</u> <u>Per Year¹</u>			
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014-2035</u>
<u>Capital Costs</u>				
State Operations				
(Salaries and Benefits)	2.5 (2.5)	2.5 (2.5)	2.5 (2.5)	2.5 (2.5)
Construction, Direct Pay	5 (5)	5 (5)	5 (5)	5 (5)
Relocation, Direct Pay	4 (4)	4 (4)	4 (4)	4 (4)
Land and Rights, Direct Pay	4 (4)	4 (4)	4 (4)	4 (4)
<u>Operations and Maintenance Cost²</u>				
State Operations				
(Salaries and Benefits)	2.5 (2.5)	2.5 (2.5)	2.5 (2.5)	2.5 (2.5)

¹ All figures in parentheses were Bulletin 132-2010 assumptions.

² Operation and Maintenance costs in the Statements of Charges for the year 2012 and in Bulletin 132-2011 are to be escalated through 2013 and then escalated one percent for the remainder of the Project repayment period. For specific Project studies requiring escalated costs, continue the percent rate for 2014-2035.

**NOTICE TO STATE WATER PROJECT CONTRACTORS****Number:** 11-05**Date:** MAR 15 2011**Subject:** 2011 State Water Project Allocation Increase to 70 Percent**From:** 
Deputy Director, DEPARTMENT OF WATER RESOURCES

The Department of Water Resources (DWR) is increasing the allocation of 2011 State Water Project (SWP) water for long-term contractors from 2,503,276 acre-feet to 2,920,488 acre-feet. Based on recent precipitation, runoff, and current water supply conditions, SWP supplies are projected to meet 70 percent of SWP contractors' 2011 requested Table A amounts, which total 4,172,126 acre-feet. Attached is the revised 2011 SWP 70 percent allocation table.

This allocation increase is made consistent with the long-term water supply contracts and public policy. DWR's new approval considered several factors including existing storage in SWP conservation reservoirs, SWP operational constraints such as the conditions of the recent Biological Opinions for Delta smelt and salmonids and the longfin smelt incidental take permit, and 2011 contractor demands. DWR may revise allocations if warranted by the year's developing hydrologic and water supply conditions.

Based on this allocation increase, DWR will use the current long-term SWP contractors 60 percent schedules to arrive at the new 70 percent schedules, unless contractors submit updated schedules. DWR will send the approved monthly water delivery schedules to the long-term SWP contractors.

If you have any questions or need additional information, please contact Robert Cooke, Chief of DWR's State Water Project Analysis Office, at (916) 653-4313.

**2011 STATE WATER PROJECT ALLOCATION
(ACRE-FEET)**

SWP CONTRACTORS	TABLE A (1)	INITIAL REQUEST (2)	APPROVED ALLOCATION (3)	PERCENT INITIAL REQUEST APPROVED (3)/(2) (4)
<u>FEATHER RIVER</u>				
County of Butte	27,500	27,500	19,250	70%
Plumas County FC&WCD	2,240	2,240	1,568	70%
City of Yuba City	9,600	9,600	6,720	70%
Subtotal	39,340	39,340	27,538	
<u>NORTH BAY</u>				
Napa County FC&WCD	29,025	29,025	20,318	70%
Solano County WA	47,556	47,556	33,289	70%
Subtotal	76,581	76,581	53,607	
<u>SOUTH BAY</u>				
Alameda County FC&WCD, Zone 7	80,619	80,619	56,433	70%
Alameda County WD	42,000	42,000	29,400	70%
Santa Clara Valley WD	100,000	100,000	70,000	70%
Subtotal	222,619	222,619	155,833	
<u>SAN JOAQUIN VALLEY</u>				
Oak Flat WD	5,700	5,700	3,990	70%
County of Kings	9,305	9,305	6,514	70%
Dudley Ridge WD	50,343	50,343	35,240	70%
Empire West Side ID	3,000	3,000	2,100	70%
Kern County WA	982,730	982,730	687,911	70%
Tulare Lake Basin WSD	88,922	88,922	62,245	70%
Subtotal	1,140,000	1,140,000	798,000	
<u>CENTRAL COASTAL</u>				
San Luis Obispo County FC&WCD	25,000	25,000	17,500	70%
Santa Barbara County FC&WCD	45,486	45,486	31,840	70%
Subtotal	70,486	70,486	49,340	
<u>SOUTHERN CALIFORNIA</u>				
Antelope Valley-East Kern WA	141,400	141,400	98,980	70%
Castaic Lake WA	95,200	95,200	66,640	70%
Coachella Valley WD	138,350	138,350	96,845	70%
Crestline-Lake Arrowhead WA	5,800	5,800	4,060	70%
Desert WA	55,750	55,750	39,025	70%
Littlerock Creek ID	2,300	2,300	1,610	70%
Mojave WA	82,800	82,800	57,960	70%
Metropolitan WDSC	1,911,500	1,911,500	1,338,050	70%
Palmdale WD	21,300	21,300	14,910	70%
San Bernardino Valley MWD	102,600	102,600	71,820	70%
San Gabriel Valley MWD	28,800	28,800	20,160	70%
San Geronio Pass WA	17,300	17,300	12,110	70%
Ventura County FCD	20,000	20,000	14,000	70%
Subtotal	2,623,100	2,623,100	1,836,170	
TOTAL	4,172,126	4,172,126	2,920,488	

**NOTICE TO STATE WATER PROJECT CONTRACTORS****Number:** 11-06**Date:** APR 20 2011**Subject:** 2011 State Water Project Allocation Increase to 80 Percent**From:** 
Deputy Director, DEPARTMENT OF WATER RESOURCES

The Department of Water Resources (DWR) is increasing the allocation of 2011 State Water Project (SWP) water for long-term contractors from 2,920,488 acre-feet to 3,337,701 acre-feet. Based on recent precipitation, runoff, and current water supply conditions, SWP supplies are projected to meet 80 percent of SWP contractors' 2011 requested Table A amounts, which total 4,172,126 acre-feet. Attached is the revised 2011 SWP 80 percent allocation table.

This allocation increase is made consistent with the long-term water supply contracts and public policy. DWR's new approval considered several factors including existing storage in SWP conservation reservoirs, SWP operational constraints such as the conditions of the recent Biological Opinions for Delta smelt and salmonids and the longfin smelt incidental take permit, and 2011 contractor demands. DWR may revise allocations if warranted by the year's developing hydrologic and water supply conditions.

Based on this allocation increase, DWR will use the current long-term SWP contractors 70 percent schedules to arrive at the new 80 percent schedules, unless contractors submit updated schedules. DWR will send the approved monthly water delivery schedules to the long-term SWP contractors.

If you have any questions or need additional information, please contact Robert Cooke, Chief of DWR's State Water Project Analysis Office, at (916) 653-4313.

Attachment

**2011 STATE WATER PROJECT ALLOCATION
(ACRE-FEET)**

SWP CONTRACTORS	TABLE A (1)	INITIAL REQUEST (2)	APPROVED ALLOCATION (3)	PERCENT INITIAL REQUEST APPROVED (3)/(2) (4)
<u>FEATHER RIVER</u>				
County of Butte	27,500	27,500	22,000	80%
Plumas County FC&WCD	2,240	2,240	1,792	80%
City of Yuba City	9,600	9,600	7,680	80%
Subtotal	39,340	39,340	31,472	
<u>NORTH BAY</u>				
Napa County FC&WCD	29,025	29,025	23,220	80%
Solano County WA	47,556	47,556	38,045	80%
Subtotal	76,581	76,581	61,265	
<u>SOUTH BAY</u>				
Alameda County FC&WCD, Zone 7	80,619	80,619	64,495	80%
Alameda County WD	42,000	42,000	33,600	80%
Santa Clara Valley WD	100,000	100,000	80,000	80%
Subtotal	222,619	222,619	178,095	
<u>SAN JOAQUIN VALLEY</u>				
Oak Flat WD	5,700	5,700	4,560	80%
County of Kings	9,305	9,305	7,444	80%
Dudley Ridge WD	50,343	50,343	40,274	80%
Empire West Side ID	3,000	3,000	2,400	80%
Kern County WA	982,730	982,730	786,184	80%
Tulare Lake Basin WSD	88,922	88,922	71,138	80%
Subtotal	1,140,000	1,140,000	912,000	
<u>CENTRAL COASTAL</u>				
San Luis Obispo County FC&WCD	25,000	25,000	20,000	80%
Santa Barbara County FC&WCD	45,486	45,486	36,389	80%
Subtotal	70,486	70,486	56,389	
<u>SOUTHERN CALIFORNIA</u>				
Antelope Valley-East Kern WA	141,400	141,400	113,120	80%
Castaic Lake WA	95,200	95,200	76,160	80%
Coachella Valley WD	138,350	138,350	110,680	80%
Crestline-Lake Arrowhead WA	5,800	5,800	4,640	80%
Desert WA	55,750	55,750	44,600	80%
Littlerock Creek ID	2,300	2,300	1,840	80%
Mojave WA	82,800	82,800	66,240	80%
Metropolitan WDSC	1,911,500	1,911,500	1,529,200	80%
Palmdale WD	21,300	21,300	17,040	80%
San Bernardino Valley MWD	102,600	102,600	82,080	80%
San Gabriel Valley MWD	28,800	28,800	23,040	80%
San Geronio Pass WA	17,300	17,300	13,840	80%
Ventura County FCD	20,000	20,000	16,000	80%
Subtotal	2,623,100	2,623,100	2,098,480	
TOTAL	4,172,126	4,172,126	3,337,701	

**NOTICE TO STATE WATER PROJECT CONTRACTORS****Number:** 11- 07**Date:** NOV 18 2011**Subject:** 2012 State Water Project Initial Allocation - 60 Percent**From:**

Carl A. Torgersen, DEPARTMENT OF WATER RESOURCES

The Department of Water Resources (DWR) is initially approving 2,503,354 acre-feet of Table A water for long-term State Water Project (SWP) contractors in 2012. SWP supplies are projected to meet 60 percent of SWP contractors' requests for Table A water, which totals 4,172,256 acre-feet. Attached is the initial 2012 SWP allocation table.

This allocation is made consistent with the long-term water supply contracts and public policy. DWR considered several factors, including existing storage in SWP conservation reservoirs, SWP operational constraints such as the conditions of the recent Biological Opinions for Delta smelt and salmonids and the longfin smelt incidental take permit, and 2012 contractor demands. DWR may revise allocations if warranted by the year's developing hydrologic and water supply conditions.

Based on this initial allocation, DWR will use the 60 percent delivery schedules submitted by the contractors earlier this year in developing new schedules, unless revised schedules are submitted. DWR will send an approved monthly water delivery schedule to each long-term contractor in December.

If you have any questions or need additional information, please contact Robert Cooke, Chief of DWR's State Water Project Analysis Office, at (916) 653-4313.

Attachment

**2012 STATE WATER PROJECT ALLOCATION
(ACRE-FEET)**

SWP CONTRACTORS	TABLE A (1)	INITIAL REQUEST (2)	APPROVED ALLOCATION (3)	PERCENT INITIAL REQUEST APPROVED (3)/(2) (4)
<u>FEATHER RIVER</u>				
County of Butte	27,500	27,500	16,500	60%
Plumas County FC&WCD	2,320	2,320	1,392	60%
City of Yuba City	9,600	9,600	5,760	60%
Subtotal	39,420	39,420	23,652	
<u>NORTH BAY</u>				
Napa County FC&WCD	29,025	29,025	17,415	60%
Solano County WA	47,606	47,606	28,564	60%
Subtotal	76,631	76,631	45,979	
<u>SOUTH BAY</u>				
Alameda County FC&WCD, Zone 7	80,619	80,619	48,371	60%
Alameda County WD	42,000	42,000	25,200	60%
Santa Clara Valley WD	100,000	100,000	60,000	60%
Subtotal	222,619	222,619	133,571	
<u>SAN JOAQUIN VALLEY</u>				
Oak Flat WD	5,700	5,700	3,420	60%
County of Kings	9,305	9,305	5,583	60%
Dudley Ridge WD	50,343	50,343	30,206	60%
Empire West Side ID	3,000	3,000	1,800	60%
Kern County WA	982,730	982,730	589,638	60%
Tulare Lake Basin WSD	88,922	88,922	53,353	60%
Subtotal	1,140,000	1,140,000	684,000	
<u>CENTRAL COASTAL</u>				
San Luis Obispo County FC&WCD	25,000	25,000	15,000	60%
Santa Barbara County FC&WCD	45,486	45,486	27,292	60%
Subtotal	70,486	70,486	42,292	
<u>SOUTHERN CALIFORNIA</u>				
Antelope Valley-East Kern WA	141,400	141,400	84,840	60%
Castaic Lake WA	95,200	95,200	57,120	60%
Coachella Valley WD	138,350	138,350	83,010	60%
Crestline-Lake Arrowhead WA	5,800	5,800	3,480	60%
Desert WA	55,750	55,750	33,450	60%
Littlerock Creek ID	2,300	2,300	1,380	60%
Mojave WA	82,800	82,800	49,680	60%
Metropolitan WDSC	1,911,500	1,911,500	1,146,900	60%
Palmdale WD	21,300	21,300	12,780	60%
San Bernardino Valley MWD	102,600	102,600	61,560	60%
San Gabriel Valley MWD	28,800	28,800	17,280	60%
San Geronio Pass WA	17,300	17,300	10,380	60%
Ventura County WPD	20,000	20,000	12,000	60%
Subtotal	2,623,100	2,623,100	1,573,860	
TOTAL	4,172,256	4,172,256	2,503,354	