



NOTICE TO STATE WATER PROJECT CONTRACTORS

NUMBER: 99-08

DATE: NOV 12 1999

SUBJECT: Revised Unit Transportation
Variable OMP&R Charges for 1999

FROM: Signed: Stephen Kashiwada
Deputy Director, Department of Water Resources

This is to inform you that the Department of Water Resources is reducing unit Transportation variable Operation, Maintenance, Power & Replacement charges to some contractors for the remaining months of 1999. These unit Transportation variable OMP&R charges, which are defined in Article 26 of the Long-Term Water Supply Contract, are applied to contractors' water deliveries each month to determine water contractors' charges under that billing component. These reduced charges are a result of unexpected revenue received by the Department in 1999 from sale of excess SWP power under the Department's power management program.

The redetermination of variable OMP&R charges is on a contractor-by-contractor basis. Each contractor must pay its share of allocated variable OMP&R costs for the year before its variable charges are discontinued.

A table showing the 1999 water deliveries and charges to each of the four water contractors with remaining charges is attached. These four contractors will continue to be charged for water deliveries at the same rates. If the Department receives revised schedules for these agencies, their charges will be redetermined.

As in past years, the Department will review these water contractor deliveries, charges and payments early in year 2000 to better determine any over or under payments by contractors under this component. The Department will continue to present this information to State Water Contractor representatives at SWC Audit-Finance Committee meetings.

Attachment

Estimate of 1999 Transportation Variable OMP&R Charges for Those Contractors with Remaining Charges

Energy at 5.9659 Mills/kWh

Contractor	Annual SWP Deliveries [acre-feet]	Annual Charges [\$]	Payments for Jan-Aug [\$]	Remaining Charges [2]-[3] [\$]
	[1]	[2]	[3]	[4]
Zone 7	47,793	248,711	211,777	36,934
ACWD	43,965	249,794	194,912	54,882
SCVWD	79,125	445,236	365,807	79,429
Littlerock	906	17,255	12,200	5,055
Total	171,789	960,996	784,696	176,300

State Water Project Analysis Office
November 4, 1999