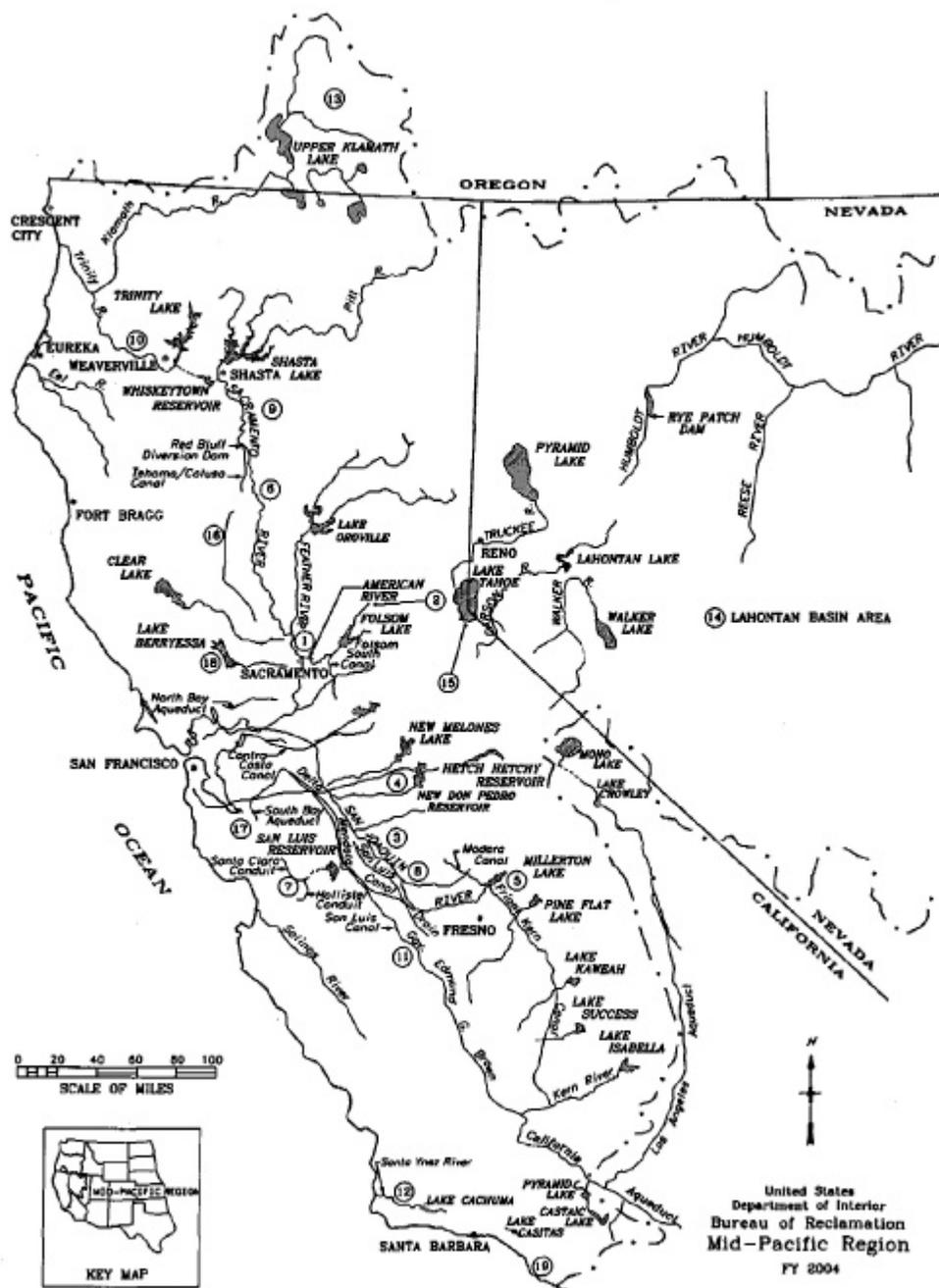


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**MID-PACIFIC REGION
PROJECTS AND PROGRAMS
MAP KEY**

Central Valley Project:

1. American River Division
2. Auburn-Folsom South Unit
3. Delta Division
4. East Side Division
5. Friant Division
6. Sacramento Division
7. San Felipe Division
8. San Joaquin Division
9. Shasta Division
10. Trinity River Division
11. West San Joaquin Division, San Luis Unit

Other Projects:

12. Cachuma Project
13. Klamath Project
14. Lahontan Project
15. Lake Tahoe Regional Wetlands Development
16. Orland Project
17. San Jose Area Water Reclamation/Reuse-TitleXVI
18. Solano Project
19. Ventura River Project

FY 2004 Mid-Pacific Region Budget Summary

(\$ in thousands)

Project	FY 2003 Request 1/	FY 2004					FY 2004 Request	Other Fed/ Non-Fed	Total Program
		Water & Energy	Land Management	Fish & Wildlife	Facility Operations	Facility Maintenance			
Cachuma Project	1,335	543	170	38	465	200	1,416		1,416
California Investigations Program	417	215					215	215	430
Central Valley Project (CVP):									
American River Division	11,701	1,307	615	44	6,933	100	8,999	2,911	11,910
Auburn-Folsom South Unit, CVP	2,751	9,899				100	9,999		9,999
Delta Division	16,418	7,442	285	2,312	5,941	100	16,080		16,080
East Side Division	4,685	1,101	352	12	2,100	350	3,915	1,550	5,465
Friant Division	5,300	1,052	647	694	3,532	250	6,175		6,175
Miscellaneous Project Programs	12,953	9,982	1,642	1,660	808	279	14,371		14,371
RAX Program, CVP	11,000					24,000	24,000		24,000
Sacramento River Division	6,701	2,200	252	1,763	1,658	150	6,023		6,023
San Felipe Division	519	252	468	25			745		745
San Joaquin Division	249			383			383		383
Shasta Division	9,585	591	140	100	6,584	550	7,965	4,033	11,998
Trinity River Division	13,299	476	140	7,000	2,770	200	10,586	2,775	13,361
Water and Power Operations	9,405	1,800			10,716	360	12,876		12,876
West San Joaquin Division, San Luis Unit	44,307	39,753	285	399	6,530	8	46,975		46,975
Yield Feasibility Investigation	1,000	1,000					1,000		1,000
Subtotal Central Valley Project	149,873	76,855	4,826	14,392	47,572	26,447	170,092	11,269	181,361
Endangered Species Recovery Implementation 2/	0			1,584			1,584		1,584
Klamath Project	14,267	7,505	646	11,890	776		20,817	135	20,952
Lahontan Basin Project	8,554	3,717	1,740	1,010	1,769	677	8,913		8,913
Lake Tahoe Regional Wetlands Development	200			200			200		200
Orland Project	469	41			375	70	486		486
San Jose Water Reclamation/Reuse - Title XVI	1,000	1,000					1,000		1,000
Solano Project	2,761	363	963	196	1,552	1,141	4,215		4,215
Ventura River Project	0	18	511				529		529
Total - Water and Related Resources	\$178,876	\$90,257	\$8,856	\$29,310	\$52,509	\$28,535	\$209,467	\$11,619	\$221,086

1/ The FY 2003 column reflects the President's budget request level as adjusted by the FY 2003 Budget Amendments transmitted to Congress on January 7, 2003. The original Mid-Pacific Region FY 2003 request been adjusted from \$158,776,000 to \$178,876,000 to reflect the expenses related to the settlement of the "Sumner Peck Ranch, Inc. v. Bureau of Reclamation."

2/ In the FY 2003 funding requested for the Endangered Species Conservation Program totals \$1,836,000 and is in the following CVP divisions: American River Division \$512,000; Delta Division \$479,000; Friant Division, \$236,000; and Shasta Division, \$609,000.

**MID-PACIFIC REGION
FY 2004 OVERVIEW**

FY 2003 Request 1/	FY 2004 REQUEST FOR WATER AND RELATED RESOURCES					
	Water & Energy	Land Management	Fish & Wildlife	Facility Operations	Facility Maintenance	Total Program
\$178,876,000	\$90,257,000	\$8,856,000	\$29,310,000	\$52,509,000	\$28,535,000	\$209,467,000

1/ The FY 2003 column reflects the President’s budget request as adjusted by the FY 2003 Budget Amendments transmitted to Congress on January 7, 2003. The original Mid-Pacific Region FY 2003 request has been adjusted from \$158,776,000 to \$178,876,000 to reflect the expenses related to the settlement of the “*Sumner Peck Ranch, Inc. v. Bureau of Reclamation*”.

The Mid-Pacific Region (Region) includes all the lands drained by rivers flowing into the Pacific Ocean along the coast of California, north of the Tehachapi Mountains (north of Los Angeles), and all the lands drained by the rivers that both begin and end in Nevada. The small area in southern Oregon drained by the Klamath River is also part of the Region. With California’s largest and most well-known water project, the Central Valley Project (CVP) under its management, the Region encounters all the same issues and pressures that characterize the State overall. The CVP delivers more water than any other single agency in California (about 7 million acre-feet in a normal year). With the State’s burgeoning population, renewed emphasis on environmental issues, and unpredictable weather patterns, there are many challenges. Among the projects the Region manages and operates in addition to the CVP are the Klamath Project and the Lahontan Basin Project, which involve all the major western water issues, particularly Indian trust responsibilities, and endangered species protection. The Region strives to develop and implement a balanced approach to resource management while serving users and protecting environmental conditions.

The Bureau of Reclamation’s FY 2004 Water and Related Resources budget request for the Mid-Pacific Region is \$209,467,000. This funding level is adequate for most continuing operations. Additional funding, a portion of which is related to activities in the Water and Related Resources account, is described under the CVP Restoration Fund (\$39,600,000) and the California Bay-Delta Restoration (\$15,000,000) appropriations tabs.

The **Water and Energy Management and Development** activity request totals \$90.3 million. Included in this request are ongoing efforts in water conservation through the CVP, Miscellaneous Project Programs, drainage management activities in the West San Joaquin Division, the water supply enhancement activities at Klamath Project and numerous initiatives in the Lahontan Basin Project. Also included is funding to complete construction of permanent replacement for the Placer County Water Agency pumping plant and the second of 3 installments of \$34 million for installment of the settlement payment for the Sumner Peck litigation.

The **Land Management and Development** activity request totals \$8.9 million. Funding provides for ongoing efforts associated with management of land and natural resources including hazardous material management, encroachments and outgrants, and land use requests. Also included is management and oversight of recreation areas.

The **Fish and Wildlife Management and Development** activity request totals \$29.3 million. Funds requested provide for numerous ongoing environmental initiatives throughout the Region. Included are mitigation and protection of endangered species at the Tracy Pumping Plant, implementation of a long-term solution of fish passage problems at the Red Bluff Diversion Dam, various endangered species conservation efforts, and implementation of recommendations of the Trinity River Flow Evaluation. Also included are numerous ecosystem restoration activities and Endangered Species Act compliance activities in the Lahontan Basin and Klamath projects.

The **Facility Operations** activity request totals \$52.5 million. Funding continues operations and maintenance of dams, conveyance facilities, fish hatcheries, and associated infrastructure within the CVP, as well as those projects outside the CVP. These ongoing efforts on aging facilities present unique challenges and increase commitment of financial and manpower resources.

The **Facility Maintenance and Rehabilitation** activity request totals \$28.5 million. Funding continues ongoing efforts to accomplish items in the CVP, Replacements, Additions, and Extraordinary Maintenance (RAX) Program. These items of work are accomplished in priority order ensuring that funds are used to resolve the most critical items first. Additional items of non-routine maintenance outside the CVP are included in the individual projects. Also, included in this activity are necessary Accessibility Improvements.

Budget and Performance Integration - The region will demonstrate greater linkage between its budget and performance in FY 2004. Primary end outcome goals reflect Reclamation's core mission to: 1) deliver water consistent with applicable State and Federal law, in an environmentally responsible and cost-efficient manner, and 2) deliver hydropower consistent with applicable State and Federal law, in an environmentally responsible and cost-efficient manner. Program activities not directly aligned with these two goals provide ancillary support for their achievement.

The following tables show performance goals and targets and FY 2004 projected accomplishments for the region. Tables linking Reclamation's total budget and end outcome goals are included in the General Statement section of this document.

Mid-Pacific Region - Performance Goals and Targets

End Outcome Goal: Deliver Water Consistent with Applicable State and Federal Law, in an Environmentally Responsible and Cost-Efficient Manner					
End/Intermediate Outcome Measures	FY 2001 Actual	FY 2002 Actual	FY 2003 Target	FY 2004 Target	Increase/Decrease from FY 2003 Target
Water Delivery: Acre-feet of water delivered consistent with applicable substantive and procedural requirements of Federal and State water law	5,937,955 MAF	6,427,617 MAF	6,631,086 MAF	6,631,086 MAF	0
Reliability: Reduce the amount of acre-feet of restricted capacity	--	--	--	0	0
% of water facilities that do not receive notices of violation under environmental requirements as defined by Federal and State law	--	--	--	100%	100%
Maximize Cost-Efficiency and Value: Cost per acre-foot of water delivered	--	--	--	\$8.11 ¹	--
Strategy 1: Operate and Maintain Safe and Secure Infrastructure Facilities Condition: Water Facilities are in fair or better condition as measured by the Facilities Condition Index Dams Associated Facilities	--	--	In FY 2003, the goal was to assess facilities to obtain baseline data on condition from which future goals would be set 73% assessed 71%	In FY2004 MP will complete 100% of baseline assessments and maintain assessed facilities at fair or better condition.	--
Strategy 2: Effective Water Management to Optimize Supply Supply Management: Long-term Planning: # of western watersheds with 25 year needs forecasts completed	--	--	--	This is a Reclamation wide goal.	--

¹ The methodology for calculating the cost per acre foot of water delivered has not been agreed to by all Regions. The target may change significantly depending on what methods are eventually agreed to or developed by the activity based costing initiative.

Customer Satisfaction: # score of satisfaction for water customers served by DOI	--	--	--	This is a Reclamation wide goal.	--
Strategy 3: Address environmental concerns Percent of environmental audit findings addressed	--	--	--	80%	--
Strategy 4: Complete authorized construction projects to increase delivery infrastructure and water availability Increased Supply: Acre-feet made available through completion of projects	Prior to FY 2004, this goal only included Title XVI projects 10,000 AF	0 AF	0 AF	0 AF	0
End Outcome Goal: Deliver Hydropower Consistent with Applicable State and Federal Law, in an Environmentally Responsible and Cost-Efficient Manner					
Achieve Cost Efficient Power Generation: Achieve the top quartile of lowest cost hydropower producers: Percentile of lowest cost hydropower producers, comparing cost per megawatt of installed capacity	--	--	Upper 25 th percent	This is a Reclamation wide goal.	--
Assure Reliability of Reclamation Generation: Achieve the Industry Average or Lower Forced Outage Rate: % of time in forced outage equal to or better (lower) than the industry average			50% lower than the industry average of 3% (= to 1.5%)	This is a Reclamation wide goal.	--
% of power facilities that do not receive notices of violations under environmental requirements as defined by Federal and State law	--	--	--	100%	--

<p>Strategy 1: Operate and Maintain Reliable, Safe and Secure Power Facilities Facility condition: Power Facilities are in fair or better condition as measured by the appropriate Facilities Condition Index</p>	--	--	In FY 2003, the goal was to assess facilities, obtain baseline data on condition from which future goals would be set	50% of facilities are in fair or better condition	--
<p>Strategy 2: Improved Power Generation Management to Maximize Supply Reclamation-wide weighted forced outage rate (# of hours of out of service due to forced outage/8,760 total hours in the year weighted for plant size and capacity)</p>	2%	2%	3%	3%	--
<p>End Outcome Goal: Improve Access to Appropriate Recreation Opportunities on DOI Managed or Partnered Lands and Waters</p>					
<p>Strategy 1: Improve capacities to provide access for recreation Disability Access: % of universally accessible programs and facilities in relation to the total number of sites</p>	--	Not measured separately in FY 2003	38%	25% ²	--
<p>End Outcome Goal: Ensure a Quality Experience and Enjoyment of Natural and Cultural Resources on DOI Managed or Partnered Land and Waters</p>					
<p>Strategy 1: Enhance the Quality of Recreation Opportunities Facilities Condition: Recreation Facilities are in fair or better condition as measured by the Facilities Condition Index</p>	--	--	In FY 2003, the goal was to assess facilities to obtain baseline data on condition from which future goals would be set	This is a Reclamation wide goal.	--

² FY2003 number includes number of facilities being assessed, as well as the number of retrofits to bring the facilities to universal accessibility; while the FY2004 percentage is the number of universally accessible facilities.

End Outcome Goal: Protect Lives, Resources and Property					
Injury Reduction: # of fatalities and serious injuries among employees at DOI	--	--	--	0	--

FY 2004 Projected Accomplishments

Resource Use - Deliver Water Consistent with Applicable State and Federal Law, in an Environmentally Responsible and Cost-Efficient Manner:

The Mid-Pacific Region anticipates completing all facility assessments in FY 2004. Based upon the general belief within the Region, it is felt that the great majority of the facilities will be at fair or better condition and therefore there will be very little refurbishment other than safety of dams upgrades.

It is anticipated that funding for the CALFED partnership will be included in the FY 2004 budget which will allow the Mid-Pacific Region to begin reimbursing the State of California for its share of the Environmental Water Account that was established in FY 2001.

The Mid-Pacific Region is in negotiations with the Klamath Waters Users to provide and fund a 100,000 acre-foot water bank. It is anticipated that with the \$500,000 approved to establish Water Resources Initiatives in the Klamath Basin, the Mid-Pacific Region can provide up to 10,000 acre-feet of water to the water users in this basin.

Resource Use - Deliver Hydropower Consistent with Applicable State and Federal Law, in an Environmentally Responsible and Cost-Efficient Manner:

The MP Region expects to improve on power delivery goals by taking advantage of energy efficiency improvements such as completing Unit 6 turbine runner replacement at Shasta, energizing new generator technology (powerformer at Folsom), and operating the CVP to minimize water spills at dams (bypassing generation facilities). In addition, continue with turbine runner replacements at Carr and New Melones power plants in order to increase their generation efficiencies.

Improve Access to Appropriate Recreation Opportunities on DOI Managed or Partnered Lands and Waters:

In FY 2004, MP Region plans to aggressively attack the problem of universal accessibility. The Region is currently in the process of accessing and planning corrective actions to assure the accessibility. It is anticipated that 25% of all MP Regional recreation facilities will be universally accessible by the end of FY 2004.

Ensure a Quality Experience and Enjoyment of Natural and Cultural Resources on DOI Managed or Partnered Land and Waters:

The Mid-Pacific Region will aggressively promote the assessment of the recreational facilities within the Region during FY 2004. It is anticipated that facility condition will be made a higher priority than in years past due to the fact that there are several areas of legal adherence that are involved. It is the intent of the region to assure that at least 50 percent of those facilities assessed will be at or above fair by the end of FY 2004.

Cachuma Project

LOCATION: The Cachuma Project is located along the west coast, near Santa Barbara, in southern California.

DESCRIPTION/JUSTIFICATION: The Project facilities consist of five storage dams and reservoirs (Bradbury, Glen Anne, Lauro, Ortega, and Carpinteria), two tunnels (Tecolote and Sheffield) totaling 7.5 miles, 24.3 miles of conduit, and various distribution systems. Bradbury Dam and Reservoir are operated and maintained by Reclamation. Operation and maintenance of all other project facilities are performed by the water users. The project provides supplemental irrigation water to approximately 38,000 acres and a supply of municipal water to the City of Santa Barbara and other urban areas located in Santa Barbara County on the southern slope of the Santa Ynez Mountains. Project facilities also are operated to provide recreation benefits.

AUTHORIZATION: P.L. 76-260, Reclamation Project Act of 1939, August 4, 1939 (approved by the Secretary of the Interior on March 4, 1948); P.L. 95-578, the Reclamation Safety of Dams Act, November 2, 1978; as amended by P.L. 98-404, the Reclamation Safety of Dams Act Amendments of 1984, August 28, 1984.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2003 ^{1/}	FY 2004
Water and Energy Management and Development	\$561,337	\$543,000
Land Management and Development	220,320	170,000
Fish and Wildlife Management and Development	34,530	38,000
Facility Operations	454,470	465,000
Facility Maintenance and Rehabilitation	140,329	200,000
Total Program	\$1,410,986	\$1,416,000
Prior Year Funds	(75,986)	0
Request	\$1,335,000	\$1,416,000
Underfinancing	TBD	0
Total Reclamation Allotment	\$1,335,000	\$1,416,000

^{1/} The FY 2003 column reflects the President's budget request level.

WORK PROPOSED FOR FY 2004:

Water and Energy Management and Development - Continues the Water Conservation Field Services Program, which includes water conservation plans, technical assistance, demonstration projects, grants, cooperative agreements, partnerships, and irrigation efficiency improvements. Continues the administration and monitoring of the National Environmental Policy Act (NEPA) process as it pertains to the project, in adherence to the all federally mandated requirements. Continues the administration and negotiation of water services contract renewals and water marketing activities. **\$543,000**

Land Management and Development - Continues day-to-day land management activities, complying with and administering laws and regulations, provide on-site assessment, review, and oversight. Continues hazardous materials activities, which may include waste removal and cleanups. **170,000**

Fish and Wildlife Management and Development - Continues environmental monitoring of the effect pest management activities have on, in or around project facilities in compliance with Federal and State environmental laws and regulations. **38,000**

Facility Operations - Continues day-to-day operation of Bradbury Dam to ensure continued delivery of water for irrigation, municipal and industrial use through tunnels, canals, pumping plants and pipelines, as well as water releases for water rights downstream. **465,000**

Facility Maintenance and Rehabilitation - Continues facility modifications to meet Federal accessibility standards. **200,000**

Reclamation Request **\$1,416,000**

SEE APPENDIX FOR: Obligation by Function for Operating Projects

California Investigations Program

LOCATION: The portion of California north of the Tehachapi Mountains in the Mid-Pacific Region. The location includes Congressional Districts 1 through 23 and 25.

DESCRIPTION/JUSTIFICATION: The objective of this ongoing program is to improve water management in California.

Future management of water resources in California often requires solutions developed from a geographical perspective or watershed basins. California's water resource problems are different depending upon the geographic location. The program issues are driven by the listing of endangered species, the San Francisco Bay-Delta Estuary requirements, water quality concerns, land subsidence, salt water intrusion, and increasing urbanization and population growth. It is critical to develop a mechanism that is predicated upon cooperation with Federal, state, and local interests to improve water management practices in California.

AUTHORIZATION: The Reclamation Act of 1902, June 17, 1902; P. L. 102-575, Title XVI and Title XXXIV, Central Valley Project Improvement Act of 1992, October 30, 1992. (CVPIA).

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2003 ^{1/}	FY2004
Water and Energy Management and Development	\$537,272	\$430,000
Total Program	\$537,272	\$430,000
Prior Year Funds	(16,272)	0
Non-Federal	(104,000)	(215,000)
Request	\$417,000	\$215,000
Underfinancing	TBD	0
Total Reclamation Allotment	\$417,000	\$215,000

^{1/} The FY 2003 column reflects the President's budget request level.

COST-SHARING: Cost-sharing for each activity under the California Investigations Program will be determined on individual merits and will be consistent with Reclamation's policy.

WORK PROPOSED FOR FY 2004:

Water and Energy Management and Development -

California Water Issues - California Water Issues activity provides a source for initial evaluations of water management options. The water management options may be related to the Central Valley Project or other water needs in the Northern and Central areas of California. The current investigations are:

Friant Division Land-Atmosphere-Water Simulator - Begins to develop a Land-Atmosphere-Water Simulator (LAWS) in the Friant Division. The LAWS is a geospatially referenced, land use based hydrologic model. The fundamental objective of LAWS is to simulate water demand based on the consumptive use of water resources associated with various types of land use. These types of land use include agricultural, urban, and native vegetation classifications. Simulations of water use can be performed for historical time series, current conditions, or future forecasts. An equally important objective of LAWS is to provide a measure of the predictive reliability of water use demands in each of the simulation modes. For model conceptualization, the LAWS model represents these coupled processes in four component models. These models simulate the atmospheric, vegetative, vadose zone, and irrigation management components of the coupled hydrologic system. For each of these component models, geospatial referencing is maintained through a Geological Information System (GIS) database of model inputs and results.

The development of LAWS is planned to occur in three phases. The scheduling of these phases is flexible and could be performed on a simultaneous basis. The primary differences between the model development phases are the simulation period and the methods used for simulation of the hydrologic processes in each of the four component models. The Phase 1 LAWS model development is focused on providing historical results. This information is intended for use in the calibration of planning models that require historical estimates of consumptive use, aquifer recharge, and ground water extraction. Phase 2 focuses on providing current consumptive use information. This kind of information is important to daily water supply management operations. Phase 3 is intended to forecast consumptive use demands and quantify the reliability of the forecasts for both short and long-term water management operations.

	\$400,000
Non-Federal	<u>(200,000)</u>
	200,000

State of California Bulletin 160 - Continues cooperation with the State of California, to update the State Water Plan (Bulletin 160). The last update was completed in 1998 and the next update is due in 2003. Reclamation provides data on the Central Valley Project and provides technical assistance and review as the next update is assembled.

	30,000
Non-Federal	<u>(15,000)</u>
	15,000

Subtotal, Water and Energy Management and Development	<u>\$215,000</u>
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Reclamation Request	\$215,000
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**CVP, American River Division
Folsom Dam Unit / Mormon Island (Safety of Dams)**

LOCATION: The American River Division (Division) is located in the east-central part of the Sacramento-San Joaquin Valley in El Dorado, Placer, Sacramento, and San Joaquin Counties, California.

DESCRIPTION/JUSTIFICATION: This Division consists of Folsom Dam and Folsom Lake, constructed by the U.S. Army Corps of Engineers and transferred to Reclamation in 1956, with a height of 340 feet and a crest length of 1,400 feet and a capacity of 977,000 acre-feet is flanked by long earthfill wing dams extending from the end of the concrete section on both abutments; Folsom Powerplant, with a capacity of 212,220 kilowatts, located at the foot of Folsom Dam on the north side of the River; Mormon Island Auxiliary Dam is one component of the Folsom Dam and Lake facilities; Nimbus Fish Hatchery, built by Reclamation and operated by the State of California with funds advanced yearly by Reclamation, is located about 0.3 mile below Nimbus Dam on the American River 7 miles below Folsom Dam; Nimbus Powerplant, with two generators and a capacity of 7,763 kilowatts each; El Dorado Distribution System, built by Reclamation and operated by the El Dorado Irrigation District, is located in western El Dorado County and includes water treatment facilities and a distribution system for irrigation and municipal purposes; Sly Park Dam, an earthfill structure 190 feet high and a crest length of 760 feet, with an auxiliary earthfill dam 130 feet high and a crest length of 600 feet; Jenkinson Lake, with a storage capacity of 41,000 acre-feet; Camp Creek Diversion Dam, a concrete structure 20 feet high and a crest length of 119 feet; Camino Conduit, with a capacity of 125 cubic feet per second; and other appurtenant works. The Water Resources Development Act of 1999 (P.L. 106-53) authorized the Corps of Engineers to modify Folsom Dam including adding new outlet works. The Secretary of the Army shall coordinate with the Secretary of the Interior with respect to the design and construction of modifications at Folsom Dam.

AUTHORIZATION: P.L. 79-732, August 14, 1946, Fish and Wildlife Coordination Act; P.L. 81-356, American River Basin Development, October 14, 1949; P.L. 102-377, FY 1993 Energy and Water Development Appropriation Act, Section 201, October 2, 1992; P.L. 102-575, Central Valley Project Improvement Act of 1992, Title XXXIV, October 30, 1992; and P.L. 105-295, October 27, 1998, Authorization to construct Folsom Dam temperature control devices. P.L. 106-377 authorized title transfer of the Sly Park Unit to El Dorado Irrigation District.

COMPLETION DATA:

Folsom Dam, Mormon Island Auxiliary Dam Repairs - As of September 30, 2002, the Folsom Dam, Mormon Island project Phases I and II are 100 percent complete. The Safety of Dams modification report was approved during FY 1992 as three phases with the start of Phase III dependent on evaluating results from Phases I and II. Based on this evaluation, it has been determined that additional work is needed on the upstream foundation at Mormon Island, however, a completion schedule has not yet been developed.

SUMMARIZED FINANCIAL DATA**Program Financial Data**

Activity	FY 2003 ^{1/}	FY 2004
Water and Energy Management and Development	\$1,062,049	\$1,307,000
Land Management and Development	429,231	615,000
Fish and Wildlife Management and Development	598,090	44,000
Facility Operations	9,557,514	9,844,000
Facility Maintenance and Rehabilitation	119,556	100,000
Total Program	\$11,766,440	\$11,910,000
Prior Year Funds	(65,440)	0
Non-Federal	N/A	(2,911,000)
Request	\$11,701,000	\$8,999,000
Underfinancing	TBD	0
Total Reclamation Allotment	\$11,701,000	\$8,999,000

^{1/}The FY 2003 column reflects the President's budget request level.

Total Construction Costs to be Allocated

	Total Estimated Cost	Total to 9/30/02	FY 2003	FY 2004	Balance to Complete
<u>Reclamation</u>					
- Folsom Dam Unit	\$204,487,015	\$167,153,142	\$11,556	\$0	\$37,322,317
<u>Adjustments</u> ^{1/}					
- Folsom Dam Unit	(22,580)	(1,713,392)	1,690,847	0	(35)
<u>Total</u>					
- Folsom Dam Unit	\$204,464,435	\$165,439,750	\$1,702,403	\$0	\$37,322,282

^{1/} Includes Federal net property transfers of (\$22,580) and FY 2003 includes undelivered orders.

Construction Cost Allocation and Methodology

Allocation	FY 2003	FY 2004
Irrigation - Folsom Dam Unit	\$120,293,000	\$121,680,000
Power - Folsom Dam Unit	33,523,000	33,687,000
Municipal & Industrial Water - Folsom Dam Unit	18,806,000	18,348,000
Recreation - Folsom Dam Unit	200,000	200,000
Flood Control - Folsom Dam Unit	8,770,000	8,221,000
Navigation - Folsom Dam Unit	645,000	592,000
Safety of Dams – Folsom Dam Unit ^{1/}	20,956,000	21,737,000
Total - Folsom Dam Unit ^{2/}	\$203,193,000	\$204,465,000

^{1/} \$21,737,000 for safety of dams program activities at the Folsom Dam, Mormon Island Auxiliary Dam; under Reclamation Safety of Dams Act of 1978, November 2, 1978 (P.L. 95-578), as amended by P.L. 98-404, Reclamation Safety of Dams Act Amendments of 1984, August 28, 1984.

^{2/} Rounding adjustment of \$565 made for allocation purposes.

METHODOLOGY: The operational and financial integration provision of the Central Valley Project authorization requires that the cost allocation, ratesetting, and repayment studies be performed for the total project rather than for individual divisions and units. In response to congressional requests for information on individual divisions and units, pro rata shares of the cost allocation for the total authorized project are shown for the individual divisions and units. Thus, the pro rata share of the project cost allocation shown for this division will change each time there is a change in the total estimated cost of the authorized Central Valley Project.

The net increase in the total cost to be allocated of \$1,272,000 includes an increase of \$1,199,327 for contract costs for the Folsom Temperature Control Device, \$71,688 for reevaluation of contract support costs for Folsom Dam Emergency Repairs, and \$985 for rounding.

APPROPRIATION CEILING: Not applicable.

WORK PROPOSED FOR FY 2004:

Water and Energy Management and Development -

Administration and Compliance - Continues administration of water rights and water marketing activities such as administering water contracts, agreements, developing standards, National Environmental Policy Act compliance, water service contract renewals, and water resources management plans. \$1,027,000

Conservation/Special Programs - Continues environmental monitoring, water conservation activities, energy conservation planning, state law coordination and compliance. 280,000

Subtotal, Water and Energy Management and Development **\$1,307,000**

Land Management and Development - Continues management and oversight of the recreation areas at Folsom. Continues hazardous material management program. **615,000**

Fish and Wildlife Management and Development - Continues Endangered Species Act compliance. Decrease is due to Endangered Species Conservation Program requirements has been moved to its own project. **44,000**

Facility Operations -

Water/Power Operations - Continues day-to-day operation, preventive maintenance and efficient resource management of the Folsom and Nimbus dams, reservoirs, powerplants, switchyards, pumping plant, and recreation facilities. Central Valley Project Preference Power Customers are funding Folsom and Nimbus powerplant and switchyard in FY 2004. 7,651,000
Central Valley Project Power Customers (non-Federal) (2,911,000)
4,740,000

Fish and Wildlife Facilities - Continues ongoing support of the Nimbus Fish Protection Facility and Hatchery, operational support for public information and outreach programs, and operational support of the Nimbus Fish Hatchery Interpretative Facility, which consists of displays and interpretative specialists, educational material, enhanced viewing facilities, and guided tours of the hatchery. 2,193,000

Subtotal, Facility Operations **6,933,000**

Facility Maintenance and Rehabilitation -

Accessibility Improvement - Continues facility modifications to meet Federal accessibility standards.

100,000

Reclamation Request

\$8,999,000

SEE APPENDIX FOR: Benefit Cost Ratios as of October 1, 2003
Land Certification
Obligations by Function for Operating Projects
Project Repayment FY 2004
Status of NEPA Compliance
Status of Water Service and Repayment Contracts
Summary of Irrigation Investment

CVP, Auburn-Folsom South Unit

LOCATION: The Auburn-Folsom South Unit (Unit) is located in the east-central part of the Sacramento-San Joaquin Valley in El Dorado, Placer, Sacramento, and San Joaquin Counties, California.

DESCRIPTION/JUSTIFICATION: This Unit consists of the authorized, but unconstructed Auburn Dam, Reservoir, and Powerplant; the Folsom South Canal, a proposed 68.8-mile long canal (26.7 miles have been completed) with an anticipated capacity of 3,500 cubic feet per second, originating at Nimbus Dam on the American River which would extend southward through San Joaquin County and terminate 20 miles southeast of the City of Stockton; Sugar Pine Dam and Reservoir, an earth and rockfill structure 197 feet high with a crest length of 680 feet and a reservoir capacity of 6,950 acre-feet; and County Line Dam and Reservoir, a proposed earthfill structure 90 feet high and 585 feet long with a capacity of 40,000 acre-feet would develop water and power supplies for delivery to users located in the unit service area and elsewhere in the project service area when complete. The unit would provide full irrigation service to 28,300 acres, supplemental irrigation service to 416,050 acres, and 332,000 acre-feet annually for municipal and industrial use. Benefits would also accrue to fish and wildlife, recreation, and water quality. The power installation at Auburn would have an initial capacity of 300,000 kilowatts, consisting of two units of 150,000 kilowatts each, with provisions for ultimate development of the hydroelectric capacity, now estimated to consist of an additional two units of 150,000 kilowatts each. The installation of the ultimate capacity would require additional authorization.

AUTHORIZATION: P.L. 89-161, Auburn-Folsom South Unit, Central Valley Project, September 2, 1965. P.L. 106-566 authorized title transfer of the Foresthill Divide subunit to Foresthill Public Utility District.

COMPLETION DATA: Water is available from the first 27 miles of the Folsom South Canal. In addition, Sugar Pine Dam and the Foresthill conveyance system have been completed. Construction of Auburn Dam has been indefinitely deferred. As of September 30, 2002, the Auburn-Folsom South Unit was 27 percent complete.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2003 ^{1/}	FY 2004
Water and Energy Management and Development	\$2,711,677	\$9,899,000
Facility Maintenance and Rehabilitation	44,000	100,000
Total Program	\$2,755,677	\$9,999,000
Prior Year Funds	(4,677)	0
Request	\$2,751,000	\$9,999,000
Underfinancing	TBD	0
Total Reclamation Allotment	\$2,751,000	\$9,999,000

^{1/} The FY 2003 column reflects the President's budget request level as adjusted by the FY 2003 Budget Amendments transmitted to Congress on January 7, 2003. The original FY 2003 request amount of \$7,751,000 has been adjusted to \$2,751,000 to reflect the expenses related to the settlement of the "Sumner Peck Ranch, Inc. v. Bureau of Reclamation".

Total Construction Costs to be Allocated

	Total Estimated Cost	Total to 9/30/02	FY 2003	FY 2004	Balance to Complete
Reclamation	\$2,784,180,439	\$378,593,972	\$2,755,677	\$9,999,000	\$2,392,831,790
Adjustments ^{1/}	3,083,510	1,545,130	1,441,022	0	97,358
Total	\$2,787,263,949	\$380,139,102	\$4,196,699	\$9,999,000	\$2,392,929,148

^{1/} Includes contributions from the Sacramento Metropolitan Water Authority to meet the non-Federal cost-sharing requirement for the feasibility-level planning report/environmental impact statement on alternative multipurpose plans for water and power development in the American River Basin and Federal net property transfers and FY 2003 includes undelivered orders.

Construction Cost Allocation and Methodology

Allocation	FY 2003	FY 2004
Irrigation	\$1,677,849,000	\$1,681,349,000
Power	467,584,000	465,485,000
Municipal and Industrial Water	262,311,000	253,523,000
Recreation	23,900,000	23,900,000
Fish and Wildlife	235,500,000	238,814,000
Flood Control	122,330,000	113,593,000
Navigation	8,996,000	8,175,000
Deferred Use	2,425,000	2,425,000
Total ^{1/}	\$2,800,895,000	\$2,787,264,000

^{1/} Rounding adjustment of \$51 made for allocation purposes.

METHODOLOGY: The operational and financial integration provision of the Central Valley Project authorization requires that the cost allocation, rate setting, and repayment studies be performed for the total project rather than for individual divisions and units. In response to congressional requests for information on individual divisions and units, pro rata shares of the cost allocation for the total authorized project are shown for the individual divisions and units. Thus, the pro rata share of the project cost allocation shown for this unit will change each time there is a change in the total estimated cost of the authorized Central Valley Project.

The net decrease in the total cost to be allocated of \$13,631,000 includes a decrease of \$15,651,000 for indexing to October 2003 projected prices, \$1,714,096 for reevaluation of contract costs for the annual removal and replacement of the Placer County Water Agency Temporary Pumps, \$880,425 for miscellaneous cooperative agreement for Auburn Dam and Reservoir, \$4,321 for reevaluation of miscellaneous support costs for Auburn Dam and Reservoir, \$302 for minor adjustment; offset by an increase of \$1,890,000 for reevaluation of costs for handicap accessibility improvements and repairs, \$2,725,760 for reevaluation of contract support costs for Land Resource Management, \$3,333 due to a calculation error during the FY 2003 Justification formulation, and \$51 for rounding.

APPROPRIATION CEILING: Appropriations authorized are \$1,808,277,000 (October 2003). The comparable Federal obligation is \$2,784,180,439, which exceeds the appropriation ceiling by more than the amount of contingencies included in the obligation. Appropriate congressional committees will be advised of the ceiling status for this project. Legislation to provide additional appropriation ceiling would be needed to complete the project as authorized. Current commitments will be held within the existing ceiling.

WORK PROPOSED FOR FY 2004:

Water and Energy Management and Development -

Placer County Water Agency (PCWA) Permanent Pumps - Continues the partial restoring of the Auburn Dam site by replacing Placer County Water Agency's pumps with a permanent facility, temporarily closing the Auburn Dam diversion tunnel, restoring the American River to its original channel, restoring riparian vegetation along the channel, and to allow recreational boating through the construction site. Increase is due to monies required to complete the Placer County Water Agency Pumps with a permanent facility. \$8,000,000

Utilization/Development/Implementation - Continues management contracts for land, grounds and buildings for Auburn-Folsom South Unit. 1,804,000

Administration and Compliance - Continues NEPA compliance, Endangered Species Act compliance, hazardous materials management program, accessibility reviews, realty actions, etc. 65,000

Conservation/Special Programs - Continues energy conservation planning. 30,000

Subtotal, Water and Energy Management and Development **\$9,899,000**

Facility Maintenance and Rehabilitation -

Accessibility Improvement - Continues facility modifications to meet Federal accessibility standards. **100,000**

Reclamation Request **\$9,999,000**

SEE APPENDIX FOR: Benefit Cost Ratios as of October 1, 2003
Land Certification
Project Repayment FY 2004
Status of NEPA Compliance
Status of Water Service and Repayment Contracts
Summary of Irrigation Investment

CVP, Delta Division

LOCATION: The Delta Division (Division) is located in Alameda, Contra Costa, Fresno, Merced, Sacramento, San Joaquin, Solano, and Stanislaus Counties in central California.

DESCRIPTION/JUSTIFICATION: This Division includes the Delta Cross Channel, an earth section channel designed to divert approximately 3,500 cubic feet per second; Contra Costa Canal, 47.7 miles long with an initial diversion capacity of 350 cubic feet per second; Tracy Pumping Plant, consisting of an inlet channel, pumping plant, discharge pipes, and six pumping units at 900 cubic feet per second each and a rating of 22,500 horsepower each; the Delta-Mendota Canal, 115.7 miles long with a diversion capacity of 4,600 cubic feet per second; the Tracy Fish Collecting Facility, located at the head of the Tracy Pumping Plant; and 21 salinity sites located throughout the Delta, all constructed by Reclamation. The Division provides full irrigation service to 45,648 acres, supplemental irrigation service to 181,582 acres and 100,104 acre-feet annually for municipal and industrial use in the Division service area.

The Division provides for delivery of water and power supplies developed in the American River, Shasta, and Trinity River Divisions to the areas served by the Delta Division, San Luis Unit, and San Felipe Division. This Division also provides for fish and wildlife, flood control, navigation, recreation, and water quality benefits.

AUTHORIZATION: Emergency Relief Appropriation Act of 1935, April 8, 1935. The project was authorized by a finding of feasibility by the Secretary of the Interior, and approved by the President on December 2, 1935; P.L. 75-392, Rivers and Harbors Act of 1937, August 26, 1937; P.L. 76-868, Rivers and Harbors Act of 1940, October 17, 1940; P.L. 99-546, Coordinated Operations Agreement, Suisun Marsh Preservation Agreement and Small Reclamation Projects Act of 1986, October 27, 1986; and P.L. 102-575, Title XXXIV, Central Valley Project Improvement Act of 1992, October 30, 1992 (CVPIA).

COMPLETION DATA: Completed and operational major features include: Tracy Pumping Plant and Switchyard, Delta Cross Channel, Delta-Mendota Canal, and the Contra Costa Canal System.

As of September 30, 2002, the Delta Division was 56 percent complete. The change in percent complete is due, in part, to a more current outyear estimate for the Tracy Fish Test Facility. A more detailed explanation of these changes is described in the methodology section.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2003 ^{1/}		FY 2004	
	Restoration Fund	Water & Related Resources	Restoration Fund	Water & Related Resources
Water and Energy Management and Development	\$0	\$7,025,368	\$0	\$7,442,000
Land Management and Development	0	277,477	0	285,000
Fish and Wildlife Management and Development	5,003,312	3,922,993	0	2,312,000
Facility Operations	0	5,246,505	0	5,941,000
Facility Maintenance and Rehabilitation	0	147,087	0	100,000
Total Program	\$5,003,312	\$16,619,430	\$0	\$16,080,000
Prior Year Funds	(3,312)	(201,430)	0	0
Request	\$5,000,000	\$16,418,000	\$0	\$16,080,000
Underfinancing	N/A	TBD	0	0
Total Reclamation Allotment	\$5,000,000	\$16,418,000	\$0	\$16,080,000

^{1/} The FY 2003 column reflects the President's budget request level.

Total Construction Costs to be Allocated

	Total Estimated Cost	Total to 9/30/02	FY 2003	FY 2004	Balance to Complete
Reclamation	\$346,132,034	\$242,940,466	\$13,413,777	\$6,787,000	\$82,990,791
Adjustments ^{1/}	199,215,995	375,053	27,819,020	52,889,000	118,132,922
Total	\$545,348,029	\$243,315,519	\$41,232,797	\$59,676,000	\$201,123,713

^{1/} Includes \$148,863,000 for California Bay-Delta Restoration funds (\$143,000,000 is proposed funding) for the Tracy Fish Facility Improvement program's new **Tracy Fish Test Facility (TFTF)**; \$43,067,162 for State of California proposed funding for the TFTF; \$2,500,000 which was paid to the State of California to operate and maintain Suisun Marsh. Actual cost on the construction schedule reflects this payment for an accurate accounting of payments. Includes \$2,985,060 which is FY 1998 State of California Proposition 204 (CVPIA prior cost-share funds for Red Bluff and Shasta TCD; and the Master Screen Agreement), partial distribution applied as follows \$1,397,790 to Tracy Fish Facility Improvement Program and \$1,587,270 to Contra Costa Fish Screen at Rock Slough. Includes \$1,786,049 for State of California General Funds (CVPIA) prior cost-share funds) for Tracy Fish Facility Improvement Program. Also includes \$14,724 for transfers, credits and other expenditures. FY 2003 includes undelivered orders. FY 2004 includes California Bay-Delta Restoration funds.

Construction Cost Allocation and Methodology

Allocation	FY 2003	FY 2004
Irrigation	\$118,913,000	\$120,406,000
Power	33,138,000	33,334,000
Municipal and Industrial Water	18,590,000	18,155,000
Recreation	205,000	205,000
Fish and Wildlife	271,677,000	364,528,000
Flood Control	8,670,000	8,135,000
Navigation	638,000	585,000
Total ^{1/}	\$451,831,000	\$545,348,000

^{1/} Rounding adjustment of -\$29 made for allocation purposes.

METHODOLOGY: The operational and financial integration provision of the CVP authorization requires that the cost allocation, ratesetting, and repayment studies be performed for the total project rather than for individual divisions and units. In response to congressional requests for information on individual divisions and units, pro rata shares of the cost allocation for the total authorized project are shown for the individual divisions and units. Thus, the pro rata share of the project cost allocation shown for this division will change each time there is a change in the total estimated cost of the authorized CVP.

Increase of \$93,517,000 includes \$90,084,065 due to updated outyear estimates of contract and contingency requirements for the Tracy Fish Facility Improvement Program, which includes the Tracy Fish Test Facility. The increased cost estimates are due because funding constraints have caused contracts to be accomplished “piece meal” and also the constrained availability of land limits. Increase of \$4,046,210 for reestablishment of the work schedule and level of participation by Reclamation, which had been reduced because of previous year funding reductions for the Interagency Ecological Program; \$1,401,000 due to revised outyear estimates for Reclamation’s technical support and coordination efforts with the State of California’s Department of Water Resources for the Suisun Marsh Preservation program; \$44,729 due to updated estimates of outyear requirements for Contra Costa Water District fish screen project; and \$65,873 due to funding available for research and technology activities within Delta Division; offset by a decrease of \$2,023,092 because the CALFED Bay-Delta oversight activities were less than anticipated; \$100,906 due to reevaluation of contingency requirements for the South Delta Barrier program; and \$879 for minor adjustment.

APPROPRIATION CEILING: Not applicable for the Division, except for Suisun Marsh Preservation. Appropriations authorized in P.L. 99-546, October 17, 1986, for Suisun Marsh Preservation are \$62,059,000 (October 2003). The comparable Federal obligation is \$31,509,376, which does not exceed the ceiling limitation.

WORK PROPOSED FOR FY 2004:**Water and Energy Management and Development -**

Interagency Ecological Program (IEP) Delta Support - Continues to support the IEP for the Sacramento-San Joaquin estuary for physical, chemical, and biological monitoring which is required as a condition of the joint Federal-State water export permit and studies under the Endangered Species Act of 1973 and to resolve Bay-Delta water issues. \$4,000,000

Suisun Marsh Preservation - Continues Federal participation with the State of California to operate water barrier control facilities and identify structural and non-structural actions for protection and preservation of Suisun Marsh to improve water quality, while preserving the storage yield of the CVP.

2,173,000

Miscellaneous Activities - Continues to provide for water resource management, development, and utilization of water supplies, administration and negotiation for the renewal of long-term water service contracts, compliance with, and administration of laws, regulations, agreements, contracts, and other arrangements related to the allocation, use and distribution of water and water conservation activities, and the water quality monitoring stations in the Delta to meet the California State Water Resources Control Board's water quality control plan.

1,169,000

Science and Technology - Continues science and technology development activities to ensure reliable water deliveries by improving methods to protect water related natural resources.

100,000

Subtotal, Water and Energy Management and Development

\$7,442,000

Land Management and Development - Continues day-to-day land management activities, complying with and administering laws and regulations, execution of agreements, contracts, outgrants or other agreements, for the use and management of lands and the protection of recreation facilities and land resources. Continue hazardous materials activity, which includes handling, storage, and disposal.

285,000

Fish and Wildlife Management and Development -

Tracy Fish Loss Replacement/Protection Program - Continues measures to reduce and offset losses of fish resources associated with the operation of the Tracy Pumping Plant and Fish Collecting Facility as per the 1992 Agreement with California Department of Fish and Game. Reclamation provides funding directly to the State of California to implement programs that will improve fish resources that are dependent on the Delta, principally by offsetting and replacing fish taken at the facilities. The 50-year-old Tracy Fish Facility is not attaining the salvage efficiencies as required under current fish screen criteria and needs significant improvements or total replacement to meet acceptable standards. The FY 2004 request increase is due to prior budget limitations preventing full attainment of funding commitments per the Agreement. The increase provides the anticipated level of participation by Reclamation, which was envisioned by this time per the Agreement.

1,000,000

Water Service Contract Renewals (Biological Opinion) - Continues the implementation of the Biological Opinion activities to assure Reclamation's compliance with a number of consultations with Fish and Wildlife Service under Section 7 of the Endangered Species Act of 1973, which includes the long-term water service contract renewals located within the Delta Division. The FY 2004 request increase is due to ESA commitments made under the Delta long-term contract renewal Biological Opinion and a need for additional site-specific Section 7 consultations.

689,000

Delta Barriers - Continues coordination activities with California Department of Water Resources work to on environmental and legal issues, barrier design, and construction. The FY 2004 request increase is due because the program has moved into the implementation phase.

269,000

Contra Costa Fish Screen Program (Rock Slough) - Continues to mitigate fishery impacts associated with the Contra Costa Pumping Plant located at Rock Slough in the central California delta.

245,000

Contra Costa/Environmental Monitoring - Continues monitoring pest management activities on, in, or around the Delta-Mendota Canal for compliance with Federal and state environmental laws and regulations. Continues monitoring efforts for endangered species at the intake to the Contra Costa Canal as directed by the Delta Smelt, Winter-Run Chinook Salmon, and Los Vacqueros Biological Opinions.

The FY 2004 request increase is due to increased commitment to environmental monitoring, which includes review of operation and maintenance, and water conservation plans to ensure they do not adversely affect threatened and endangered species.

109,000

Subtotal, Fish and Wildlife Management and Development **2,312,000**

Facility Operations -

Tracy Fish Collecting Facility - Continues operation and preventative maintenance of the Tracy Fish Collecting Facility and associated fish release sites that screen, collect, and return fish (including endangered species) to the Delta out of the sphere of influence of the Tracy Pumping Plant.

5,000,000

Miscellaneous Operation and Maintenance Activities - Continues day-to-day operation of the Delta Cross Channel and the water quality monitoring stations to meet water quality standards in the Delta, prevent flooding on the east side on the Delta, protect migrating fish in the Delta; support the aquatic weed research and eradication programs; monitor and report on ground levels. The FY 2004 request increase is due to an additional six monitoring stations on the San Joaquin River that are required by the state Regional Water Quality Board.

941,000

Subtotal, Facility Operations **5,941,000**

Facility Maintenance and Rehabilitation-

Accessibility Improvement - Continues facility modifications to meet Federal accessibility standards.

100,000

Reclamation Request \$16,080,000

SEE APPENDIX FOR: Benefit Cost Ratios as of October 1, 2003
Land Certification
Obligations by Function for Operating Projects
Project Repayment FY 2004
Status of NEPA Compliance
Status of Water Service and Repayment Contracts
Summary of Irrigation Investment

CVP, East Side Division

LOCATION: The East Side Division (Division) is located in Alpine, Calaveras, San Joaquin, Stanislaus, and Tuolumne Counties, California.

DESCRIPTION/JUSTIFICATION: This Division includes New Melones Dam, Lake, and Powerplant located on the Stanislaus River. New Melones Dam is an earth and rockfill structure, 625 feet above streambed and has a crest length of 1,560 feet. New Melones Lake has a capacity of 2.4 million acre-feet, a water surface area of 12,500 acres, and contains 100 miles of shoreline. The 2-unit powerplant has an installed capacity of 300 megawatts and produces approximately 455 million kilowatt-hours of energy annually. The multipurpose functions of this project include flood control, irrigation, municipal and industrial water supply, power generation, fishery enhancement, water quality improvement, and recreation. Irrigation and storage facilities have been developed on the Stanislaus River both upstream and downstream of New Melones Dam.

AUTHORIZATION: Emergency Relief Appropriation Act of 1935, April 8, 1935. The project was authorized by a finding of feasibility by the Secretary of the Interior, and approved by the President on December 2, 1935; P.L. 75-392, Rivers and Harbors Act of 1937, August 26, 1937; P.L. 76-868, Rivers and Harbors Act of 1940, October 17, 1940; P.L. 78-534, Flood Control Act, December 22, 1944; P.L. 87-874, Rivers and Harbors Act of 1962, Flood Control Act of 1962, October 23, 1962; P.L. 99-546, Coordinated Operations Agreement, Suisun Marsh Preservation Agreement, and Small Reclamation Projects Act of 1986; October 27, 1986; and P.L. 102-575, Title XXXIV, Central Valley Project Improvement Act of 1992, October 30, 1992.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2003 ^{1/}	FY 2004
Water and Energy Management and Development	\$494,901	\$1,101,000
Land Management and Development	348,483	352,000
Fish and Wildlife Management and Development	21,667	12,000
Facility Operations	3,614,597	3,650,000
Facility Maintenance and Rehabilitation	277,213	350,000
Total Program	\$4,756,861	\$5,465,000
Prior Year Funds	(71,861)	0
Non-Federal	N/A	(1,550,000)
Request	\$4,685,000	\$3,915,000
Underfinancing	TBD	0
Total Reclamation Allotment	\$4,685,000	\$3,915,000

^{1/} The FY 2003 column reflects the President's budget request level as adjusted by the FY 2003 Budget Amendments transmitted to Congress on January 7, 2003. The original FY 2003 request amount of \$5,085,000 has been adjusted to \$4,685,000 to reflect the expenses related to the settlement of the "Sumner Peck Ranch, Inc. v. Bureau of Reclamation".

WORK PROPOSED FOR FY 2004:

Water and Energy Management and Development -

New Melones Temperature Management Investigation - Begins study to assess the most feasible and cost effective structural and non-structural changes to New Melones Reservoir and related facilities to better meet downstream temperature objectives for federally listed species of anadromous fish.

\$100,000

Conservation, Administration and Compliance - Continues administration of water rights and water marketing activities, water conservation activities and National Environmental Policy Act compliance.
237,000

Tri-Dams Management - Continues funding to the Tri-Dams Authority (Authority) to operate and manage their system to allow delivery of water. The Authority was funded in prior years under Facility Operations and moved to Water and Energy Management and Development in FY2003 per programmatic budget guide.
77,000

Energy Resources Management - Continues electrical engineering studies of the New Melones Powerplant and energy conservation planning which includes semi-annual and annual reports to document energy usage and descriptions of the energy and water saving projects that are being implemented.
67,000

New Melones Adaptive Operations Guidelines - Continues update of the adaptive operations guidelines for New Melones facilities to reflect new regulations, guidelines, court decisions and endangered species listings.
520,000

Stanislaus River Temperature Management Study - Completes study to examine options to enhance the survivability of anadromous fish species through management of water temperature in the Stanislaus River.
100,000

Subtotal, Water and Energy Management and Development **\$1,101,000**

Land Management and Development - Continues management and concession oversight of the recreation area at New Melones. Continues compliance to hazardous material handling and clean-up as required by Federal and state laws, technical support of maintenance and development of project lands, realty actions, trespass recreation fee assessments, and structures inventory. **352,000**

Fish and Wildlife Management and Development - Continues Endangered Species Act compliance. **12,000**

Facility Operations -

Land and Recreation Facilities - Continues operational support for the visitor center. Continues vegetation management, operation of public use areas, implementation of a prescribed fire plan in order to protect and enhance resource values, eliminate fire hazards and to insure public health and safety of the visiting public.
1,832,000

Power and Water Operations - Continues ongoing infrastructure support, preventive maintenance, service contract renewals and effective and efficient resource management of the New Melones Dam, Reservoir, and Powerplant. Central Valley Project Preference Power Customers are funding New Melones Powerplant in FY 2004.
1,818,000
Central Valley Project Power Customers (non-Federal) (1,550,000)
268,000

Subtotal, Facility Operations **2,100,000**

Facility Maintenance and Rehabilitation -

Accessibility Corrective Maintenance - Continues facility modifications to meet Federal accessibility standards.
250,000

Life Safety Program - Completes corrective actions for Life Safety Code deficiencies.
100,000

Subtotal, Facility Maintenance and Rehabilitation **350,000**

Reclamation Request **\$3,915,000**

SEE APPENDIX FOR: Land Certification
Obligations by Function for Operating Projects
Status of Water Service and Repayment Contracts

CVP, Friant Division

LOCATION: The Friant Division (Division) is located in Fresno, Kern, Madera, Merced, and Tulare Counties, California.

DESCRIPTION/JUSTIFICATION: The main features of this Division are Friant Dam, a concrete gravity structure 319 feet high with a crest length of 3,488 feet that regulates the San Joaquin River; Millerton Lake, with a capacity of 520,500 acre-feet; the 151 mile-long Friant-Kern Canal, with an initial capacity of 4,000 cubic feet per second; and the Madera Canal, a 36 mile-long canal with an initial capacity of 1,000 cubic feet per second. Related facilities include local water distribution systems constructed by Reclamation, the Mendota Pool, and the Columbia-Mowry Pumping Plants. The Division provides storage for irrigation and transportation of surplus Northern California water through the southern part of the semi-arid Central Valley. Other benefits include flood control, groundwater recharge, fish and wildlife mitigation, recreation, and municipal and industrial benefits.

AUTHORIZATION: Emergency Relief Appropriation Act of 1935, April 8, 1935. The project was authorized by a finding of feasibility by the Secretary of the Interior, and approved by the President on December 2, 1935, for construction by Reclamation; P.L. 75-392, Rivers and Harbors Act of 1937, August 26, 1937; P.L. 76-868, Rivers and Harbors Act of 1940, October 17, 1940; P.L. 99-546, Coordinated Operations Agreement, Suisun Marsh Preservation Agreement, and Small Reclamation Projects Act of 1986; October 28, 1986; and P.L. 102-575, Title XXXIV, Central Valley Project Improvement Act of 1992, October 30, 1992.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2003 ^{1/}	FY 2004
Water and Energy Management and Development	\$1,049,105	\$1,052,000
Land Management and Development	607,032	647,000
Fish and Wildlife Management and Development	668,723	694,000
Facility Operations	2,982,614	3,532,000
Facility Maintenance and Rehabilitation	131,200	250,000
Total Program	\$5,438,674	\$6,175,000
Prior Year Funds	(138,674)	0
Request	\$5,300,000	\$6,175,000
Underfinancing	TBD	0
Total Reclamation Allotment	\$5,300,000	\$6,175,000

^{1/} The FY 2003 column reflects the President's budget request level.

WORK PROPOSED FOR FY 2004:

Water and Energy Management and Development -

Miscellaneous Activities - Continues the administration and negotiation of water service contract renewals and related activities for environmental compliance, water marketing, water conservation, groundwater monitoring and reports. \$796,000

National Environmental Protection Act (NEPA) Compliance Activities - Continues the administration and monitoring of the NEPA process in adherence with federally mandated requirements. 256,000

Subtotal, Water and Energy Management and Development **\$1,052,000**

Land Management and Development -

Land Use Compliance - Continues the oversight to the public and non-public land-use requests, review of current and proposed uses of land associated with the Friant-Kern and Madera Canals, Millerton Reservoir and other division land activities. 563,000

Hazardous Materials Management - Continues hazardous materials management activities. 84,000

Subtotal, Land Management and Development **647,000**

Fish and Wildlife Management and Development -

Endangered Species Act (ESA) Compliance - Continues environmental impact statement and biological opinion activities to assure Reclamation's compliance with a number of consultations with Fish and Wildlife Service under Section 7 of the Endangered Species Act (ESA) which includes interim and long-term water service contacts, continued operation and maintenance of Reclamation facilities and other site specific Federal actions throughout Fresno, Kern, Madera and Tulare Counties, California. 649,000

Environmental Monitoring - Continues environmental monitoring which includes pest management activities on, in, or around, the Friant Dam and Friant-Kern and Madera Canals in compliance with Federal and state environmental laws and regulations. 45,000

Subtotal, Fish and Wildlife Management and Development **694,000**

Facility Operations -

Friant Dam, Millerton Lake San Joaquin River Operations - Continues the day-to-day operation and maintenance (O&M) for Friant Dam, the outlet works for Madera and Friant-Kern Canals, and San Joaquin River and associated O&M facilities for the distribution of project water. Continues the San Joaquin River operation, which supplies water for an irrigation and domestic purpose to certain lands along the San Joaquin River. 2,422,000

Water Operations - Continues to provide technical engineering service and consultation for design and specifications for modifying, replacing, or repairing features for the operations of Friant Dam, Millerton Lake, San Joaquin River and the Columbia-Mowry pumping/delivery system. Continues the operation of the Columbia-Mowry System and flood control within the San Joaquin Valley. Continues Reclamation support of the hydrilla detection and eradication program and the aquatic weed research program within the Division. 565,000

Deficiencies in Cost Recovery for Authorities - Continues Reclamation's obligation to assure cost for the operation, maintenance and replacement of the conveyance and conveyance pumping facilities on the Friant-Kern Canal are reimbursed to the Friant Water Users Authority (Authority) in accordance with Service Contract between Authority and Reclamation. 545,000

Subtotal, Facility Operations **3,532,000**

Facility Maintenance and Rehabilitation -

Accessibility Improvement - Continues facility modifications to meet Federal accessibility standards. **250,000**

Reclamation Request \$6,175,000

SEE APPENDIX FOR: Land Certification
Obligations by Function for Operating Projects
Status of Water Service and Repayment Contracts

CVP, Miscellaneous Project Programs

LOCATION: The Miscellaneous Project Programs (Programs) encompasses the entire Central Valley of California for those activities not reported under a separate division. The boundary extends from the Cascade Range in the north to the plains along the Kern River in the south.

DESCRIPTION/JUSTIFICATION: As an integrated part of the Central Valley Project, these programs deliver water and power supplies developed by the American River Division to users located in the areas served by the American River, Delta, and San Felipe Divisions and the San Luis Unit, and deliver water supplies developed by the Friant Division to users located in the Friant Division service area. The Programs provide supplemental irrigation service to 1,012,620 acres and 344,730 acre-feet annually for municipal and industrial use in the areas served by the American River and Friant Divisions, generate 212,220 kilowatts of hydropower, and provide fish and wildlife and flood control benefits.

Program purposes include fish and wildlife, flood control, highway improvement, navigation, power, water conservation, and water quality. This program also includes the administration and coordination of activities that have a scope that extends beyond only one or two divisions or units of the Central Valley Project, activities that involve setting project-wide policy, and special emphasis activities that have project-wide implications.

AUTHORIZATION: Emergency Relief Appropriation Act of 1935, April 8, 1935. The Central Valley Project was authorized by a finding of feasibility by the Secretary of the Interior, and approved by the President on December 2, 1935; P.L. 75-392, Rivers and Harbors Act of 1937, August 26, 1937; P.L. 76-868, Rivers and Harbors Act of 1940, October 17, 1940; P.L. 81-356, American River Division Authorization Act, October 14, 1949; P.L. 87-874, River and Harbors Act of 1962 (Flood Control Act), October 23, 1962; P.L. 91-502, Black Butte Integration Act, October 23, 1970; P.L. 94-423, Reclamation Authorization Act of 1976, September 28, 1976; P.L. 99-546, Coordinated Operations Agreement, Suisun Marsh Preservation Agreement, and Small Reclamation Projects Act of 1986, October 27, 1986; and P.L. 102-575, Title XXXIV, Central Valley Project Improvement Act of 1992, October 30, 1992 (CVPIA).

COMPLETION DATA: Major features that are completed and operational include Friant Dam and Reservoir, Friant-Kern Canal, Madera Canal, and Friant-Kern and Madera Distribution Systems.

As of September 30, 2002, the Miscellaneous Project Programs is 73 percent complete, which is a 2 percent increase from the FY 2003 Budget Justifications due primarily to progress in the fish screen program, the anadromous fish restoration program, and the refuge water supply program.

SUMMARIZED FINANCIAL DATA**Program Financial Data**

Activity	FY 2003 ^{1/}		FY 2004	
	Restoration Fund	Water & Related Resources	Restoration Fund	Water & Related Resources
Water and Energy Management and Development	\$ 0	\$8,353,461	\$ 0	\$9,982,000
Land Management and Development	0	1,377,172	0	1,642,000
Fish and Wildlife Management and Development	32,890,429	2,211,921	28,240,000	1,660,000
Facility Operations	0	807,356	0	808,000
Facility Maintenance and Rehabilitation	0	222,451	0	279,000
Total Program	\$32,890,429	\$12,972,361	\$28,240,000	\$14,371,000
Prior Year Funds	(30,429)	(19,361)	0	0
Request	\$32,860,000	\$12,953,000	\$28,240,000	\$14,371,000
Underfinancing	N/A	TBD	0	0
Total Reclamation Allotment	\$32,860,000	\$12,953,000	\$28,240,000	\$14,371,000

^{1/} The FY 2003 column reflects the President's budget request level as adjusted by the FY 2003 Budget Amendments transmitted to Congress on January 7, 2003. The original FY 2003 request amount of \$13,753,000 has been adjusted to \$12,953,000 to reflect the expenses related to the settlement of the "Sumner Peck Ranch, Inc. v. Bureau of Reclamation".

Total Construction Costs to be Allocated

	Total Estimated Cost	Total to 9/30/02	FY 2003	FY 2004	Balance to Complete
Reclamation	\$792,694,000	\$431,279,727	\$35,211,429	\$29,761,000	\$296,441,844
Adjustments ^{1/}	49,997,000	12,870,528	33,969,124	0	3,157,348
Total ^{2/}	\$842,691,000	\$444,150,255	\$69,180,553	\$29,761,000	\$299,599,192

^{1/} Includes contributions of \$5,000 from Big Valley Irrigation District, \$2,500 from Modoc County, \$2,500 from Lassen County towards the cost of preconstruction investigations for the Allen Camp Unit, Pit River Division; \$15,703,590 for Federal net property transfers; and \$34,283,410 for cost-share funds from the State of California for various CVPIA programs. FY 2003 includes undelivered orders.

^{2/} FY 2004 request includes Restoration Funds of \$28,240,000.

Construction Cost Allocation and Methodology

Allocation	FY 2003	FY 2004
Irrigation	\$184,288,000	\$187,456,000
Power	51,358,000	51,897,000
Municipal and Industrial Water	28,811,000	28,266,000
Recreation	54,000	54,000
Fish and Wildlife	536,540,000	561,443,000
Flood Control	13,437,000	12,665,000
Navigation	988,000	910,000
Total	\$815,476,000	\$842,691,000

METHODOLOGY: The operational and financial integration provision of the Central Valley Project authorization requires that the cost allocation, ratesetting, and repayment studies be performed for the total project rather than for individual divisions and units. In response to congressional requests for information on individual divisions and units, pro rata shares of the cost allocation for the total authorized project are shown for the individual divisions and units. Thus, the pro rata share of the project cost allocation shown for these Programs will change each time there is a change in the total estimated cost of the authorized Central Valley Project.

The net increase in total cost to be allocated of \$27,215,000 includes: \$9,401,000 in Ecosystem/Water System modeling which reflects inclusion of a 10-year program to support the San Joaquin River Agreement and the management of Section 3406(b)(2); \$6,124,000 for wheeling water to refuges which reflects increases in the cost of level 4 water as well as the amount of level 4 water needed; \$2,810,000 due to reevaluation and updating of cost estimates for developing and implementing measures to avoid losses of juvenile fish resulting from unscreened or inadequately screened diversions; \$2,500,000 for reevaluation of requirements of the Anadromous Fish Restoration Program to double natural production of anadromous fish in Central Valley rivers and streams; \$2,037,000 for reevaluation of costs to convey water to wildlife refuges; \$1,272,000 for other environmental impacts on CVP programs not specifically enumerated in P.L. 102-575, Title XXXIV, Section 3406(b), particularly for work in the San Joaquin Valley; \$1,000,000 for additional costs of dedicating and managing, annually, 800,000 acre-feet of CVP yield for restoration measures and purposes; \$800,000 for implementation and oversight of administrative proposals pertaining to the CVPIA; \$525,000 to extend the spawning gravel restoration program; \$500,000 due to evaluation of the requirements of the monitoring and assessment program for determining the effectiveness of various fish and wildlife relocation activities; \$190,000 for research activities for prevention of fish entrainment, to improve fish passage, and to determine operational influences on habitat; to improve fish passage and screening for native fresh water species; and for evaluation of salmon spawning success; \$58,000 for reevaluation of costs of the flow fluctuation program; and decrease of \$2,000 for miscellaneous minor adjustments.

WORK PROPOSED FOR FY 2004:

Water and Energy Management and Development -

Water Marketing - Continues water marketing which includes annual ratesetting, cost allocations for water operations record keeping and accounting, repayment capacity and economic studies, water rights, water transfers, and water rights litigation. \$4,015,000

Administration and Compliance - Continues water conservation technical assistance to area offices, the water conservation field services program, and operation of the water conservation center.

2,219,000

Other Technical Support - Continues technical support for water resources issues, NEPA compliance technical support, power management and energy resources, and maintenance and evaluation of electronic models.

1,182,000

Geographic Information System - Continues Geographic Information System technical support.

1,000,000

Water Quality Activities - Continues water quality and groundwater monitoring, coordination of the Central Valley Project water quality program, and work on the Clean Water Action Plan.

970,000

Central Valley Project/State Water Project - Continues work on groundwater/surface water model and data development.

259,000

Research and Technology - Continues activities to develop improved technology for prevention of fish entrainment, to improve fish passage, to determine operational influences on habitat; for fish passage and screening of native fresh water species; and for evaluation of salmon spawning success.

190,000

Environmental Water Account (EWA) - Continues coordination with outside agencies participating in the EWA.

147,000

Subtotal, Water and Energy Management and Development

\$9,982,000

Land Management and Development - Continues hazardous materials management programs, compliance with the National Historic Preservation Act, the backlog land classification program, and the management of other natural resources. The backlog land classification program was funded in prior years under Water and Energy Management and Development and moved to Land Management and Development in FY 2004 per the programmatic budget guide.

1,642,000

Fish and Wildlife Management and Development -

Anadromous Fish Restoration Plan ^{1/} 3,000,000

Other Central Valley Project Impacts ^{1/} 2,500,000

Dedicated Project Yield ^{1/} 900,000

Flow Fluctuation Study ^{1/} 50,000

Restoration of Riparian Habitat and Spawning Gravel ^{1/} 500,000

Central Valley Comprehensive Assessment/Monitoring Program ^{1/} 268,000

Anadromous Fish Screen Program ^{1/} 3,000,000

Refuge Wheeling Costs ^{1/} 7,800,000

Refuge Water Supply, Facility Construction ^{1/} 3,945,000

Ecosystem/Water System Operation Model ^{1/} 6,777,000

Fish and Wildlife Management and Development 28,740,000

Subtotal, Restoration Fund (28,240,000)

Subtotal, Water and Related Resources 500,000

^{1/} See Central Valley Project Restoration Fund work proposed for description.

CVPIA Administration Charges - Continues activities related to the administration of the CVPIA, which cannot be directly charged to a specific program. 500,000

Wildlife Habitat Augmentation - Continues implementation of projects that enhance and restore riparian, wetland, and associated habitats within the watersheds of the Central Valley Project. These projects increase opportunities for biodiversity, help meet commitments of the biological opinion for operation of the Central Valley Project, and provide benefits that include improved water quality, groundwater recharge, and habitat for endangered species. 300,000

Central Valley Habitat Monitoring Program - Continues activities to meet analytical requirements described in the Biological Opinion on Implementation of the Central Valley Project Improvement Act and Continued Operation and Maintenance of the CVP which includes developing a Comprehensive Mapping Program to identify remaining natural habitats within the CVP service areas and to identify any changes within those habitats that have occurred between 1993 and 2000. 250,000

Other - Continues work directed by the Fish and Wildlife Coordination Act as it pertains to the Central Valley Project. Tasks include meeting with agencies and private organizations to identify environmental problems and needs, determining methods to evaluate environmental impacts, collect and analyze data, and provide recommendations to mitigate impacts. 79,000

Fish Programs - Continues participation in the Spring-Run Chinook Salmon Work Group, which coordinates recovery and restoration efforts for the spring-run salmon. 31,000

Subtotal, Fish and Wildlife Management and Development **1,660,000**

Facility Operations - Continues miscellaneous operation, maintenance, resource management, and technical support activities pertaining to Central Valley Project operations. Continues operation and routine maintenance of the Central Valley Project radio systems. **808,000**

Facility Maintenance and Rehabilitation - Continues to monitor landslides on Reclamation lands, review operations, provides updates of regional policies and guidelines, and periodic examination of facilities. **279,000**

Reclamation Request **\$14,371,000**

SEE APPENDIX FOR: Benefit Cost Ratios as of October 1, 2003
 Land Certification
 Obligations by Function for Operating Projects
 Project Repayment FY 2004
 Status of NEPA Compliance
 Summary of Irrigation Investment

CVP, Replacements, Additions, and Extraordinary Maintenance Program

LOCATION: This program encompasses the entire Central Valley Project in California. The boundary extends from the Cascade Range in the north to the plains along the Kern River in the south.

DESCRIPTION/JUSTIFICATION: Since FY 2000, replacement, additions, and extraordinary maintenance (RAX) items, previously contained in individual divisions and units of the Central Valley Project (CVP), have been presented in a single program. Consolidating all RAX items in the CVP into a single program provides a more responsive, cost-effective, and comprehensive management tool with which to administer the CVP RAX program and to provide the Congress with a single point of reference regarding CVP RAX items.

AUTHORIZATION: Emergency Relief Appropriation Act of 1935, April 8, 1935. The Central Valley Project was authorized by a finding of feasibility by the Secretary of the Interior, and approved by the President on December 2, 1935; P.L. 75-392, Rivers and Harbors Act of 1937, August 26, 1937; P.L. 76-868, Rivers and Harbors Act of 1940, October 17, 1940; P.L. 81-356, American River Division Authorization Act, October 14, 1949; P.L. 87-874, River and Harbors Act of 1962 (Flood Control Act), October 23, 1962; P.L. 91-502, Black Butte Integration Act, October 23, 1970; P.L. 94-423, Reclamation Authorization Act of 1976, September 28, 1976; P.L. 99-546, Coordinated Operations Agreement, Suisun Marsh Preservation Agreement, and Small Reclamation Projects Act of 1986, October 27, 1986; and P.L. 102-575, Title XXXIV, Central Valley Project Improvement Act of 1992, October 30, 1992.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2003 ^{1/}	FY 2004
Facility Maintenance and Rehabilitation	\$11,005,124	\$24,000,000
Total Program	\$11,005,124	\$24,000,000
Prior Year Funds	(5,124)	0
Request	\$11,000,000	\$24,000,000
Underfinancing	TBD	0
Total Reclamation Allotment	\$11,000,000	\$24,000,000

^{1/} The FY 2003 column reflects the President's budget request level as adjusted by the FY 2003 Budget Amendments transmitted to Congress on January 7, 2003. The original FY 2003 request amount of \$16,000,000 has been adjusted to \$11,000,000 to reflect the expenses related to the settlement of the "*Sumner Peck Ranch, Inc. v. Bureau of Reclamation*".

WORK PROPOSED FOR FY 2004:

Facility Maintenance and Rehabilitation -

Folsom Facilities - Begins rehabilitation of unit intake control shutters at Folsom Dam. Begins repairs and painting of penstock gates and replacement of static exciters at the Folsom Powerplant. Continues replacement of an air compressor at the Folsom Powerplant. Completes overhaul of units 1 and 2 at the Nimbus Powerplant. Completes overhaul of units 1 and 3 and replacement of seals and painting of the draft tube gates at the Folsom Powerplant. Begins replacement of static exciters and replacement of a transformer at the Nimbus Powerplant. Begins stoplog design and installation, repair of radial gates and purchase of attachments for the radial gates at Nimbus Dam. Completes replacement of seals and repair of the gearboxes at the Nimbus Dam. Begins overhaul of the large valve at the Folsom Pumping Plant. Completes replacement of the North Fork and Natoma flow meters, and repair of the roof of the Folsom Pumping Plant. Completes upgrade of governors at the Nimbus Powerplant. Completes replacement of the fish diversion structure at the Nimbus Fish Hatchery.

\$11,557,000

New Melones Facilities - Begins replacement of units 1 and 2 runners at the New Melones Powerplant. Completes replacement of unit butterfly valve bypass plug valves and the replacement of the excitation system at the New Melones Powerplant. 1,255,000

Shasta Facilities - Begins rewind of units 1 and 2 main generating units, rewind of the station service units, and uprating of the main unit governors at the Shasta Powerplant. Completes replacement of 750 elevation tube valve at Shasta Dam and rehabilitation of the spillway regulating gates at Keswick Dam. Completes replacement of oil circuit breakers and painting the penstocks at the Shasta Powerplant. Completes replacement of the ultra low freezer and refrigerated centrifuge at the Coleman National Fish Hatchery. Completes the replacement of the main unit circuit breakers and buss at the Keswick Powerplant; replacement of the roofs at the Shasta and Keswick Powerplants; and cleaning of the weeps and drains at the Shasta and Keswick Dams. 4,639,000

Tracy Facilities - Begins rewind of unit exciters, rewind of unit rotors, replacement of power distribution boards, rewind of motor stators, replacement of units 1 and 4 impellers, and rehabilitation of salinity stations at the Tracy Fish Collecting Facility. Continues replacement of radial gates at the Delta-Mendota Canal. Completes rehabilitation of the Delta Cross Channel gates and rehabilitation of the bypass box transitions at the Tracy Fish Collecting Facility. 2,458,000

Trinity Facilities - Begins removal of vegetation and painting of penstocks at the J F Carr and Spring Creek powerplants; replacement of generator excitation systems at the Trinity, J F Carr, and Spring Creek powerplant. Completes paving of parking areas, replacement of roofs, and replacement of the distribution panel boards at the Trinity River Division powerplants; cleaning of weeps and drains at the Whiskeytown and Trinity dams; restoration of erosion areas at Buckhorn Dam; and refurbishment and painting of main unit transformers at the J F Carr Powerhouse. Completes overhaul of the fixed wheel gate at Trinity Dam, restoration of Trinity Dam excavation area #2, and replacement of incubator frames at the Trinity Fish Hatchery. 3,358,000

San Luis Unit Facilities - Completes replacement of unit breakers at the O'Neill Pumping Plant. 130,000

Project-wide Programs - Completes a noise reduction program at project powerplants. 553,000

Sacramento River Division Facilities - Completes evaluation of the need to refurbish the downstream apron of the Red Bluff Diversion Dam. 50,000

Subtotal, Facility Maintenance and Rehabilitation **\$24,000,000**

Reclamation Request \$24,000,000

SEE APPENDIX FOR: Obligations by Function for Operating Projects

CVP, Sacramento River Division

LOCATION: The Sacramento River Division (Division) is located in Colusa, Glenn, and Tehama Counties in northern California.

DESCRIPTION/JUSTIFICATION: This Division consists of the Red Bluff Diversion Dam, a concrete weir structure 52 feet high and 5,985 feet long; Red Bluff Diversion Dam Fish Bypass Facilities; Corning Pumping Plant, with six units and a total capacity of 477 cubic feet per second; Tehama-Colusa Canal system including Reaches 1 through 8A, canal-side pumping plants and distribution systems, approximately 114 miles long, with an initial capacity of 2,530 cubic feet per second, extending from Red Bluff Diversion Dam and terminating in Yolo County south of Dunnigan, California; Tehama-Colusa Fish Facilities; Corning Canal, 21 miles long with a diversion capacity of 500 cubic feet per second and terminating about four miles southwest of Corning, California. The Division provides full irrigation service to 34,319 acres and will supply supplemental irrigation service to 105,199 acres. Additional benefits include flood control, recreation, and fish and wildlife protection. Stony Creek, redirection of water from Black Butte Reservoir into the Tehama-Colusa Canal, has been essential as a temporary measure when gravity diversion of water at the Red Bluff Diversion Dam has been precluded by the Biological Opinion for the endangered Winter-Run Chinook salmon. It is now clear that redirections on Stony Creek are part of the alternatives package for the long-term solution to the fish passage problems at Red Bluff. The National Marine Fisheries Service issued a Biological Opinion with an incidental take permit that requires Reclamation to resolve the stranding of federally-listed Winter-Run Chinook salmon in East Sand Slough (Slough) when the gates are raised at the Red Bluff Diversion Dam. Reclamation reshaped the bottom of the lower end of the Slough in 1994 to provide uniform draining when the gates are seasonally raised at the Red Bluff Diversion Dam. Subsequent winter floods, however, have resulted in unstable conditions. No action has been taken in the upper end of the Slough where reconfiguring the bottom of the slough would be far more difficult and could impact established wetlands vegetation. Reclamation proposes to evaluate the use of berms to prevent the entry of fish into upper East Sand Slough before embarking upon a program of bottom reconfiguration.

AUTHORIZATION: P.L. 81-839, Sacramento Valley Canals, September 26, 1950; P.L. 90-65, Amend Sacramento Valley Canals Act, August 19, 1967; and P.L. 102-575, Central Valley Project Improvement Act of 1992, Title XXXIV, October 30, 1992.

COMPLETION DATA: Completed and operational major features include: Red Bluff Diversion Dam, Tehama-Colusa Canal system including Reaches 1 through 8A, canal side pumping plants and distribution systems, Corning Canal and facilities, Corning Water District Distribution System, Tehama-Colusa Fish Facilities, and the Red Bluff Diversion Dam Fish Bypass Facilities. All facilities of the Sacramento River Division were constructed and are operated by Reclamation except for the Corning Pumping Plant, Tehama-Colusa and Corning Canals, which were constructed by Reclamation and are operated by the Tehama-Colusa Canal Authority.

As of September 30, 2002, the Sacramento River Division was 89 percent complete.

SUMMARIZED FINANCIAL DATA**Program Financial Data**

Activity	FY 2003 ^{1/}	FY 2004
Water and Energy Management and Development	\$1,843,427	\$2,200,000
Land Management and Development	266,546	252,000
Fish and Wildlife Management and Development	2,893,415	1,763,000
Facility Operations	1,637,522	1,658,000
Facility Maintenance and Rehabilitation	178,958	150,000
Total Program	\$6,819,868	\$6,023,000
Prior Year Funds	(118,868)	0
Request	\$6,701,000	\$6,023,000
Underfinancing	TBD	0
Total Reclamation Allotment	\$6,701,000	\$6,023,000

^{1/} The FY 2003 column reflects the Presidents budget request level.

Total Construction Costs to be Allocated

	Total Estimated Cost	Total to 9/30/02	FY 2003	FY 2004	Balance to Complete
Reclamation	\$526,155,164	\$408,917,918	\$2,842,415	\$1,712,000	\$112,682,831
Adjustment ^{1/}	6,398,794	927,577	4,691,204	0	780,013
Total	\$532,553,958	\$409,845,495	\$7,533,619	\$1,712,000	\$113,462,844

^{1/} Includes Federal net property/transfer (\$101,206) and non-Federal contributions of \$6,500,000. FY 2003 includes undelivered orders.

Construction Cost Allocation and Methodology

Allocation	FY 2003	FY 2004
Irrigation	\$234,973,000	\$237,588,000
Power	65,482,000	65,777,000
Municipal and Industrial Water	36,735,000	35,825,000
Recreation	282,000	282,000
Fish and Wildlife	119,314,000	121,410,000
Flood Control	17,132,000	16,052,000
Navigation	1,260,000	1,155,000
Deferred Use ^{1/}	54,450,000	54,450,000
Archeological Resources	14,000	14,000
Total	\$529,642,000	\$532,553,000

^{1/} Incremental cost of providing extra capacity and elevation in Tehama-Colusa Canal (Reaches 5-8A) to enable future water service to the planned West Sacramento Canal Unit service area.

METHODOLOGY: The operational and financial integration provision of the Central Valley Project (CVP) authorization requires that the cost allocation, rate setting, and repayment studies be performed for the total project rather than for individual divisions and units. In response to congressional requests for information on individual divisions and units, pro rata shares of the cost allocation for the total authorized project are shown for the individual divisions and units. Thus, the pro rata share of the project cost allocation shown for this Division will change each time there is a change in the total estimated cost of the authorized CVP.

The net increase in the total cost to be allocated of \$2,911,000 includes an increase of \$2,095,877 in out-year requirements for the Glenn Colusa Irrigation District-Hamilton City Pumping Facility, \$1,461,019 in out-year requirements for the Stony Creek Constant Head Orifice, \$88,897 in non-contract cost requirements for the Captive Broodstock program; offset by a net decrease of \$654,000 for indexing to fiscal year 2003 project prices and \$80,653 for outyear requirements on the Pilot Research Pumping Plant, and \$140 for rounding.

WORK PROPOSED FOR FY 2004:

Water and Energy Management and Development

Sacramento River Contract Litigation Settlement - Continues to implement the Memorandum of Understanding between Sacramento River Settlement Contractors and the United States. Implementation includes the update and extension of the 1956 Cooperative Study, development of a basin-wide water management plan, preparation of a National Environmental Policy Act document, consultation as required by the Endangered Species Act and negotiation of water contracts. \$1,307,000

Water Quality Monitoring and Water Conservation - Continues water conservation efforts and maintaining satellite telemetry stations along the Sacramento River in compliance with a biological opinion. 368,000

Water service and repayment contracts - Continues administering and negotiating water service and repayment contracts. 294,000

Reservoir and River Operations - Continues monitoring and reporting on water operations on the Sacramento River and Stony Creek. 215,000

Groundwater Information and Reporting - Continues management of groundwater data. 16,000

Subtotal, Water and Energy Management and Development **\$2,200,000**

Land Management and Development - Continues hazardous materials management program, land disposals, encroachments, and outgrants. **252,000**

Fish and Wildlife Management and Development -

Fish Passage Program - Continues implementation of the selected solution to fish passage problems evaluated in the 6 year fish passage planning program, as required by the Central Valley Project Improvement Act, P.L. 102-575. The Red Bluff Diversion Dam impedes both upstream and downstream fish passage to the upper Sacramento River spawning grounds of nearly all the Chinook salmon. The objective of this program is to remove or mitigate those remaining impediments while delivering water, and if possible, preserving Lake Red Bluff. 1,000,000

Hamilton City Pumping Plant, Glenn Colusa Irrigation District - (GCID) - Continues effort on the GCID Fish Screen Replacement Project with joint-agency testing of the completed new works to determine if they meet the performance requirements of the three state and Federal biological opinions.

422,000

Deer Fencing - Continues purchase and installation of additional fencing as needed along the Tehama-Colusa Canal.

51,000

Stony Creek - Continues the fish monitoring evaluation at Stony Creek.

290,000

Subtotal, Fish and Wildlife Management and Development

1,763,000

Facility Operations - Continues operation and maintenance of Red Bluff Diversion Dam and associated facilities for delivery of irrigation and refuge water to Tehama Colusa and Corning Canals and installation and removal of temporary fish screens. Continues groundwater monitoring, report preparation, maintenance, and calibration of water meters and stream gages along the Sacramento River. Continues to operate and maintain the Research Pumping Plant for deliveries of irrigation and refuge water to Tehama-Colusa and Corning Canals, and maintain roads and drainage ditches in and around Tehama-Colusa Fish Facility.

1,606,000

Hydrilla Detection/Eradication Program and Aquatic Weed Research - Continues the program to control or eradicate aquatic weeds and hydrilla.

52,000

Subtotal, Facility Operations

1,658,000

Facility Maintenance and Rehabilitation - Continues ongoing life safety code deficiencies within the Sacramento River Division.

150,000

Reclamation Request

\$6,023,000

SEE APPENDIX FOR: Benefit Cost Ratios as of October 1, 2003

Land Certification

Obligations by Function for Operating Projects

Project Repayment FY 2004

Status of NEPA Compliance

Status of Water Service and Repayment Contracts

Summary of Irrigation Investment

CVP, San Felipe Division

LOCATION: The San Felipe Division (Division) is located in the central coastal area south of San Francisco, California, and encompasses the Santa Clara Valley in Santa Clara County, the northern portion of San Benito County, the southern portion of Santa Cruz County, and the northern edge of Monterey County.

DESCRIPTION/JUSTIFICATION: This Division consists of the Coyote Afterbay Dam and Reservoir, an earth and rockfill structure 46 feet high with a crest length of 880 feet and a reservoir capacity of 62 acre-feet; San Justo Dam and Reservoir, an earthfill structure 141 feet high, a crest length of 722 feet, a dike structure 66 feet high, with a crest length of 918 feet and a reservoir capacity of 9,906 acre-feet; Hollister Conduit, 14.3 miles long with a capacity of 83 cubic feet per second; Pacheco Conduit, 7.8 miles long with a capacity of 413 to 480 cubic feet per second; Santa Clara Tunnel and Conduit, 22.4 miles long with a capacity of 330 cubic feet per second; Pacheco Tunnel, 7.1 miles long with a capacity of 480 cubic feet per second; two pumping plants; two switchyards; and 41 miles of transmission line. Water from San Luis Reservoir is being transported to the service area through Pacheco Tunnel and other principal features. The Pacheco Tunnel Inlet was constructed under authority contained in the San Luis Authorization Act. An integral part of the Central Valley Project, this division delivers water supplies developed in the American River, Shasta, and Trinity River Divisions to users located in the Division service area.

AUTHORIZATION: P.L. 90-72, San Felipe Division, Central Valley Project, August 27, 1967.

COMPLETION DATA: As of September 30, 2002, this project was 91 percent complete.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2003 ^{1/}	FY 2004
Water and Energy Management and Development	\$211,648	\$252,000
Land Management and Development	315,523	468,000
Fish and Wildlife Management and Development	29,243	25,000
Total Program	\$556,414	\$745,000
Prior Year Funds	(37,414)	0
Request	\$519,000	\$745,000
Underfinancing	TBD	0
Total Reclamation Allotment	\$519,000	\$745,000

^{1/} The FY 2003 column reflects the President's budget request level.

Total Construction Costs to be Allocated

	Total Estimated Cost	Total to 9/30/02	FY 2003	FY 2004	Balance to Complete
Reclamation	\$380,854,240	\$311,852,041	\$908,202	\$586,000	\$67,507,997
Adjustments ^{1/}	9,029,410	8,918,706	0	0	110,704
Total	\$389,883,650	\$320,770,747	\$908,202	\$586,000	\$67,618,701

^{1/} Includes cash contributions of \$50,000 by the San Felipe Committee for preconstruction studies, \$397,381 by County of San Benito for non-Federal share of cost of public use/recreation facilities at San Justo Reservoir, \$8,382,000 for cost of the Pacheco Tunnel, \$200,029 for other Federal net property/transfers. FY 2003 includes undelivered orders.

Construction Cost Allocation and Methodology

Allocation	FY 2003	FY 2004
Irrigation	\$82,438,000	\$87,329,000
Municipal and Industrial Water	254,680,000	263,129,000
Recreation	18,989,000	19,738,000
Fish and Wildlife	18,747,000	19,489,000
Interest during Construction - Irrigation	199,000	199,000
Total ^{1/}	\$375,053,000	\$389,884,000

^{1/} Rounding adjustment of (\$350) made for allocation purposes.

METHODOLOGY: The operational and financial integration provision of the Central Valley Project authorization requires that the cost allocation, ratesetting, and repayment studies be performed for the total project rather than for individual divisions and units. In response to congressional requests for information on individual divisions and units, pro rata shares of the cost allocation for the total authorized project are shown for the individual divisions and units. Thus, the pro rata share of the project cost allocation shown for this division will change each time there is a change in the total estimated cost of the authorized Central Valley Project.

During a review of the cost allocation process, it was determined that Preconstruction Investigations represent investigations costs that are not directly related to or associated with plant-in-service facilities and have, therefore, been removed from the allocation table.

The net increase of \$14,831,000 includes \$12,500,000 for Watsonville Area Water Recycling Project outyear estimates; \$1,681,000 for indexing to October 2003 projected prices; \$502,565 for transfer stipulations, San Justo Dam and Reservoir/Watsonville Facilities; and \$147,192 for Wildlife Mitigation and \$243 for rounding.

APPROPRIATION CEILING: Appropriations authorized are \$359,608,000 (October 2003). The comparable Federal obligation, including \$19,400,000 for a Federal loan to San Benito County Water Conservation and Flood Control District to build a distribution system, is \$380,854,240 which does not exceed the ceiling by more than the amount of contingencies included in the obligation. This authorization may not be adequate to cover the project as currently proposed. Authorizing legislation may be required to increase the appropriation ceiling to complete the project as authorized. Estimating data on the Watsonville Facilities are not firm enough to determine if additional appropriation ceiling is necessary. The situation will be analyzed periodically as new and more precise data becomes available to determine the impact of the changes. Appropriate congressional committees will be advised of the ceiling status for this project at the time a firm commitment is made on the construction of the Watsonville Facilities. Current commitments will be held within the existing ceiling.

WORK PROPOSED FOR FY 2004:

Water and Energy Management and Development - Continues work on National Environmental Policy Act (NEPA) requirements for contract renewals. Continues water conservation activities including water conservation plans, technical assistance, demonstration projects, grants, cooperative agreements, partnerships, and irrigation efficiency improvements. Continues to mitigate adverse effects on wildlife, fisheries, water quality, and cultural resources for construction. **\$252,000**

Land Management and Development - Begins the continuing day-to-day land management activities required for the San Justo Reservoir and associated facilities. These activities include oversight and review of public and non-public land use requests, complying with and administering laws and regulations and protection of land resources. Continues work on transfer stipulations for the San Justo Dam and Reservoir. The San Benito County Water District is requesting these repairs be completed prior to the transfer of the Reservoir. **468,000**

Fish and Wildlife Management and Development - Continues monitoring of pest management activities to ensure compliance with Federal and state laws. **25,000**

Reclamation Request **\$745,000**

SEE APPENDIX FOR: Benefit Cost Ratios as of October 1, 2003
Land Certification
Obligations by Function for Operating Projects
Project Repayment FY 2004
Status of NEPA Compliance
Summary of Irrigation Investment

CVP, San Joaquin Division

LOCATION: The San Joaquin Division (Division) is located in the San Joaquin Valley of central California.

DESCRIPTION/JUSTIFICATION: The Division is an integral part of the Central Valley Project (CVP). The division was established for budgeting purposes to implement legislation enacted to protect, restore, and enhance fish, wildlife, and associated habitats in the Central Valley of California.

The Fish and Wildlife Management and Development activity funding request provides for continued construction of water delivery facilities to provide suitable reliable water supply to more than 65,000 acres of wetlands in the northern San Joaquin River Basin (Grasslands Basin) in order to meet water-specific requirements of the Central Valley Project Improvement Act (CVPIA). Work includes construction of new facilities, rehabilitation and enlargement of existing facilities, and evaluation of proposals submitted by willing sellers, including activities required by the National Environmental Policy Act, Endangered Species Act, Fish and Wildlife Coordination Act, and state water laws.

The San Joaquin Basin Action Plan (Plan) will implement management objectives to ensure permanent habitat preservation of lands that are of vital importance to Pacific Flyway ducks and geese, threatened and endangered species, other migratory birds, and resident species. The Plan will provide information for the creation of wetlands for waterfowl and other wetland dependent species on agricultural lands suitable for conversion, and protect adequate sanctuary to encourage wider distribution of waterfowls, and provide protection for endangered and threatened species.

Water Acquisition funding will be used to acquire additional water supplies to supplement the quantity of water dedicated to fish and wildlife purposes. The Anadromous Fish Restoration Program will identify specific restoration actions for both CVP and non-CVP controlled rivers and streams within the Central Valley of California.

Land Retirement funding will be used to acquire drainage impaired agricultural land, which is characterized by low productivity, poor drainage, and high selenium concentrations in the shallow groundwater and to establish wildlife habitats. This funding will also be used to continue implementation of the Land Retirement Demonstration Project (LRDP).

The goals of the LRDP are to study the impacts of land retirement upon groundwater levels, groundwater and surface water quality, soil chemistry, and biota. This project is needed to provide site-specific scientific data to guide any future implementation of the land retirement program and to develop tools for predicting potential benefits and impacts of retiring lands from irrigated agriculture in the Central Valley. The LRDP will evaluate habitat rehabilitation techniques to determine the most effective and economical means to provide safe upland habitats to aid in the recovery of threatened and endangered species in the San Joaquin Valley.

AUTHORIZATION: P.L. 102-575, Title XXXIV, Central Valley Project Improvement Act of 1992.

COMPLETION DATA: As of September 30, 2002, the San Joaquin Division was 14 percent complete. This is a decrease of 2 percent from last year, which is due to more current estimate of outyear requirements for the Water Acquisition Program.

SUMMARIZED FINANCIAL DATA**Program Financial Data**

Activity	FY 2003 ^{1/}		FY 2004	
	Restoration Fund	Water & Related Resources	Restoration Fund	Water & Related Resources
Water and Energy Management and Development	\$0	\$439	\$0	\$0
Fish and Wildlife Management and Development	11,380,415	250,067	10,860,000	383,000
Total Program	\$11,380,415	\$250,506	\$10,860,000	\$383,000
Prior Year Funds	(836,415)	(1,506)	0	0
Request	\$10,544,000	\$249,000	\$10,860,000	\$383,000
Underfinancing	N/A	TBD	0	0
Total Reclamation Allotment	\$10,544,000	\$249,000	\$10,860,000	\$383,000

^{1/} The FY 2003 Column reflects the President's budget request level.

Total Construction Costs to be Allocated

	Total Estimated Cost	Total to 9/30/02	FY 2003	FY 2004	Balance to Complete
Reclamation	\$827,328,970	\$118,022,780	\$11,668,298	\$11,243,000	\$686,394,892
Adjustments ^{1/}	5,953,388	(1,722,764)	7,677,837	0	(1,685)
Total	\$833,282,358	\$116,300,016	\$19,346,135	\$11,243,000	\$686,393,207

^{1/} Includes (\$21,419) for transfers, credits and other expenditures and \$5,974,807 for non-Federal cash contributions and FY 2003 includes undelivered orders.

Construction Cost Allocation and Methodology

Allocation	FY 2003	FY 2004
Fish and Wildlife	\$536,966,000	\$833,282,000
Total ^{1/}	\$536,966,000	\$833,282,000

^{1/} Rounding adjustment of (\$358) made for allocation purposes.

METHODOLOGY: Costs to be allocated are specific fish and wildlife costs. The increase of \$296,316,000 includes \$294,525,546 due to more current estimates of outyear requirements for the Water Acquisition Program for Level 4 refuge water supplies, \$1,791,076 for additional requirements on the San Joaquin Basin Action Plan; offset by a rounding adjustment of \$622.

APPROPRIATION CEILING: Not Applicable

WORK PROPOSED FOR FY 2004:

Fish and Wildlife Management and Development -

San Joaquin Basin Action Plan ^{1/}	\$1,383,000
Land Retirement ^{1/}	3,000,000
Water Acquisition Program ^{1/}	<u>6,860,000</u>
Fish and Wildlife Management and Development	11,243,000
Restoration Fund	<u>(10,860,000)</u>

Subtotal, Fish and Wildlife Management and Development **\$383,000**

^{1/} See Central Valley Project Restoration Fund, work proposed for description.

Reclamation Request \$383,000

SEE APPENDIX FOR: Benefit Cost Ratios as of October 1, 2003
Project Repayment FY 2004
Summary of Irrigation Investment

CVP, Shasta Division

LOCATION: The Shasta Division (Division) is located in Shasta County in northeastern California.

DESCRIPTION/JUSTIFICATION: As an integral part of the Central Valley Project (CVP), this Division develops water and power supplies for delivery to users located in the Shasta Division service area and elsewhere in the CVP service area. This Division consists of Shasta Dam and Lake, a curved concrete gravity structure 602 feet high, a crest length of 3,460 feet, and a lake capacity of 4,552,000 acre-feet; Shasta Powerplant, consisting of 5 main generating units and 2 station service units with a capacity of 652,000 kilowatts; Keswick Dam and Reservoir, a concrete gravity dam 157 feet high with a crest length of 1,046 feet and a capacity of 23,800 acre-feet; and Keswick Powerplant, consisting of 3 main generating units with a capacity of 117,000 kilowatts. The Clear Creek Restoration Project, impounded by Whiskeytown Dam, offers great potential for contributions to the doubling of anadromous fish populations required by the Central Valley Project Improvement Act, and has particular value for heading off further constraints on CVP operations by providing additional habitat for the spring-run salmon. Coleman National Fish Hatchery, operated by the Fish and Wildlife Service, provides for additional smolt survival and release sizes of anadromous fish. Under the Anderson-Cottonwood Irrigation District Diversion Dam Fish Passage Program, the Secretary is directed to develop and implement a program to resolve fish passage problems at the dam as well as upstream stranding problems related to dam operations. The Division provides supplemental irrigation service to 499,694 acres, 10,710 acre-feet annually for municipal and industrial use, and generation of 614,000 kilowatts of hydropower. The Division also provides fish and wildlife, and flood control benefits.

AUTHORIZATION: Emergency Relief Appropriations Act of 1935, April 8, 1935. The CVP was authorized by a finding of feasibility by the Secretary of the Interior, and approved by the President on December 1, 1935; P.L. 75-392, Rivers and Harbors Act of 1937, August 26, 1937; P.L. 76-868, Rivers and Harbors Act of 1940, October 17, 1940; P.L. 99-546, Coordinated Operations Agreement, Suisun Marsh Preservation Agreement and Small Reclamation Projects Act of 1986, October 27, 1986; and P.L. 102-575, Title XXXIV, Central Valley Project Improvement Act of 1992, October 30, 1992. (CVPIA).

COMPLETION DATA: As of September 30, 2002, the Shasta Division was 98 percent complete.

SUMMARIZED FINANCIAL DATA**Program Financial Data**

Activity	FY 2003 ^{1/}		FY 2004	
	Restoration Fund	Water & Related Resources	Restoration Fund	Water & Related Resources
Water and Energy Management and Development	\$0	\$603,866	\$0	\$591,000
Land Management and Development	0	351,253	0	140,000
Fish and Wildlife Management and Development	500,000	948,742	500,000	100,000
Facility Operations	0	9,885,646	0	10,617,000
Facility Maintenance and Rehabilitation	0	279,946	0	550,000
Total Program	\$500,000	\$12,069,453	\$500,000	\$11,998,000
Prior Year Funds	N/A	(400,453)	0	0
Non-Federal	0	(2,084,000)	0	(4,033,000)
Request	\$500,000	\$9,585,000	\$500,000	\$7,965,000
Underfinancing	N/A	TBD	0	0
Total Reclamation Allotment	\$500,000	\$9,585,000	\$500,000	\$7,965,000

^{1/} The FY 2003 column reflects the President's budget request level.

Total Construction Costs to be Allocated

	Total Estimated Cost	Total to 9/30/02	FY 2003	FY 2004	Balance to Complete
Reclamation	\$302,539,563	\$289,815,018	\$706,781	\$600,000	\$11,417,764
Adjustments ^{1/}	10,057,641	8,136,539	1,747,978	0	173,124
Total ^{2/}	\$312,597,204	\$297,951,557	\$2,454,759	\$600,000	\$11,590,888

^{1/} Non-Federal State of California funding of \$9,864,717, and transfer of \$192,924. FY 2003 includes undelivered orders of \$1,747,978.

^{2/} Includes Restoration Funds of \$500,000 in FY 2003 and \$500,000 in FY 2004.

Construction Cost Allocation and Methodology

Allocation	FY 2003	FY 2004
Irrigation	\$117,627,000	\$113,897,000
Power	32,780,000	31,533,000
Municipal and Industrial Water	18,390,000	17,174,000
Fish and Wildlife	134,191,000	141,745,000
Flood Control	8,576,000	7,695,000
Navigation	631,000	554,000
Total	\$312,195,000	\$312,598,000

METHODOLOGY: The operational and financial integration provision of the CVP authorization requires that the cost allocation, ratesetting, and repayment studies be performed for the total project rather than for individual divisions and units. In response to congressional requests for information on individual divisions and units, pro rata shares of the cost allocation for the total authorized project are shown for the individual divisions and units. Thus, the pro rata share of the project cost allocation shown for this division will change each time there is a change in the total estimated cost of the authorized CVP.

The net increase in the total cost to be allocated of \$403,000 includes \$362,999 for the Seltzer Dam Removal Project; \$62,375 for Keswick and \$81,174 for Coleman Fish Hatchery to reflect a more current outyear estimate and \$432 for rounding; offset by a decrease of \$103,980 in contract costs following the reevaluation of the total estimated costs to restore spawning gravel.

APPROPRIATION CEILING: Not applicable.

WORK PROPOSED FOR FY 2004:

Water and Energy Management and Development - Continues the Reservoir Ecology and Water Modeling. Continues the Water Quality Monitoring Program. Continues administration of the Water Service and Repayment Contract Program, long-term contract renewals/National Environmental Policy Act compliance and conservation activities required by the Central Valley Project Improvement Act.

\$591,000

Land Management and Development - Continues the Hazardous Materials Management Program.
100,000

Continues land management services associated with Reclamation property in the Shasta Division. Activities include the issuance and administration of land use permits, routine inspections of Reclamation properties, title and boundary research, and administration of contracts for construction and maintenance activities on Reclamation land.
40,000

Subtotal, Land Management and Development **140,000**

Fish and Wildlife Management and Development -

Clear Creek Restoration Program - Continues ongoing program to increase salmon and steelhead fish production in the approximate 16 miles of Clear Creek, between Whiskeytown Dam and the Sacramento River.
600,000

Restoration Funds (see Restoration Fund work proposed narrative) (500,000)

Subtotal, Water and Related Resources 100,000

Subtotal, Fish and Wildlife Management and Development **100,000**

Facility Operations - Continues operation and maintenance of Shasta Dam and associated control and monitoring equipment and operation and maintenance of the Shasta Temperature Control Device; continue apprentice training. Central Valley Project Preference Power Customers are funding Keswick Dam and powerplant and Shasta powerplant in FY 2004.

6,412,000

Central Valley Project Power Customers (Non-Federal) (4,033,000)

2,379,000

Coleman Fish Hatchery - Continues operation and maintenance (O&M) of the Coleman Fish Hatchery and a proportional share of the California-Nevada Fish Health Center and the Northern Central Valley Fish and Wildlife Office, Red Bluff, California. Combined, these offices enable the Fish and Wildlife Service to meet the responsibilities outlined in the Interagency Agreement approved in March 1993. Funding will also be used for the O&M of the Salmon Rearing Facility.

4,200,000

Hydrilla Detection and Eradication - Continues to support the aquatic weed research and eradication programs in Shasta County. 5,000

Subtotal, Facility Operations **6,584,000**

Facility Maintenance and Rehabilitation - Continues ongoing life safety code deficiencies within the Shasta Division. 300,000

Accessibility Improvement - Continues facility modifications to meet Federal accessibility standards. 250,000

Subtotal, Facility Maintenance and Rehabilitation **550,000**

Reclamation Request **\$7,965,000**

SEE APPENDIX FOR: Benefit Cost Ratios as of October 1, 2003
Obligations by Function for Operating Projects
Project Repayment FY 2004
Status of NEPA Compliance
Status of Water Service and Repayment Contracts
Summary of Irrigation Investment

CVP, Trinity River Division

LOCATION: The Trinity River Division (Division) is located in Trinity and Humboldt Counties in northwestern California.

DESCRIPTION/JUSTIFICATION: This Division consists of Trinity Dam and Trinity Lake, an earthfill dam 538 feet high with a crest length of 2,450 feet and a storage capacity of 2,448,000 acre-feet; Trinity Powerplant, with two generators and a total capacity of 140,000 kilowatts; Lewiston Dam and Lake, an earthfill structure 91 feet high and 745 feet long with a capacity of 14,660 acre-feet; Lewiston Powerplant, with one unit and a capacity of 350 kilowatts; Trinity River Fish Hatchery; Clear Creek Tunnel, 10.7 miles long; Judge Francis Carr Powerhouse, with two generators and a total capacity of 154,400 kilowatts; Whiskeytown Dam and Lake, an earthfill structure 282 feet high and a crest length of 4,000 feet with a lake capacity of 241,100 acre-feet; Spring Creek Tunnel and Powerplant, 2.4 miles long with two generators and a total capacity of 180,000 kilowatts; Spring Creek Debris Dam and Reservoir, an earthfill structure 196 feet high, a crest length of 1,110 feet, and a capacity of 5,870 acre-feet; and related pumping and distribution facilities. An integral part of the Central Valley Project (CVP), the Division develops water and power supplies for delivery to users located in the Division service area and elsewhere in the CVP service area. Facilities constructed under the original Trinity River Act provide full irrigation to service 6,676 acres and supplemental water service to 7,121 acres, 4,810 acre-feet annually for municipal and industrial use, and generation of 397,350 kilowatt-hours of hydroelectric power. The purpose of the restoration program is to restore the fish and wildlife populations in the Trinity River to the levels approximating those which existed before construction of the original facilities to fulfill the Federal Government's trust responsibility to protect the Trinity River fishery.

The **Trinity River Flow Evaluation Study** was released in June 1999. The purpose of the study was to develop recommendations for restoration of the anadromous fish population in the Trinity River. The Final Trinity River Mainstem Fishery Restoration Environmental Impact Statement/Report, analyzing the Flow Evaluation recommendation along with five other alternatives, was released in November 2000 and the Record of Decision (ROD) was signed December 19, 2000. The decision calls for an increase from approximately 25 percent to 48 percent of the average annual inflow to Trinity Reservoir released to the river. A Trinity Management Council has been established to oversee and evaluate implementation of the preferred alternative. Water and Power Users successfully enjoined implementation of some flow related measures in the ROD. Non-flow restoration measures (e.g. mechanical restoration of the streambed, biological studies, etc.), however, are not affected by the litigation and will continue.

AUTHORIZATION: P.L. 84-386, Trinity River Division, CVP, August 12, 1955; P.L. 96-335, Trinity River Stream Rectification, September 4, 1980; P.L. 98-541, To Provide for the Restoration of the Fish and Wildlife in the Trinity River Basin, California, and for Other Purposes, October 24, 1984; P.L. 102-377, Making Appropriations for Energy and Water Development for the fiscal year ending September 30, 1993, October 2, 1992; P.L. 102-575, Title XXXIV, Central Valley Project Improvement Act, of 1992, October 30, 1992; and P.L. 104-143, signed May 15, 1996, Trinity River Basin Fish and Wildlife Management Reauthorization Act of 1995; these statutes provide adequate substantive and funding authority to operate the project and implement fish and wildlife restoration activities in FY 2004.

COMPLETION DATA: Grass Valley Creek (Buckhorn) Debris Dam was completed in FY 1990. Trinity River Hatchery Modifications were completed in FY 1991. Although fish habitat has improved, given the historic damage to the watershed, additional work is needed to achieve restoration goals. The TMC will continue to evaluate the program to monitor the restoration effort.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2003 ^{1/}		FY 2004	
	Restoration Fund	Water & Related Resources	Restoration Fund	Water & Related Resources
Water and Energy Management and Development	\$0	\$626,046	\$0	\$476,000
Land Management and Development	0	153,854	0	140,000
Fish and Wildlife Management and Development	3,636	7,093,834	0	7,000,000
Facility Operations	0	5,459,127	0	5,545,000
Facility Maintenance and Rehabilitation	0	154,050	0	200,000
Total Program	\$3,636	\$13,486,911	\$0	\$13,361,000
Prior-Year	(3,636)	(187,911)	0	0
Non-Federal	0	0	0	(2,775,000)
Request	\$0	\$13,299,000	\$0	\$10,586,000
Underfinancing	N/A	TBD	0	0
Total Reclamation Allotment	\$0	\$13,299,000	\$0	\$10,586,000

^{1/} The FY 2003 column reflects the President's budget request level.

Total Construction Costs to be Allocated

	Total Estimated Cost	Total to 9/30/02	FY 2003	FY 2004	Balance to Complete
Reclamation ^{1/}	\$373,945,264	\$339,930,884	\$5,432,470	\$5,335,000	\$23,246,910
Adjustments ^{2/}	1,359,365	(2,518,848)	3,878,213	0	0
Total	\$375,304,629	\$337,412,036	\$9,310,683	\$5,335,000	\$23,246,910

^{1/} Includes work done under authorization of P.L. 102-575, which is not applied against the appropriation ceiling.

^{2/} Includes Federal net property transfers of \$1,359,365 for other consolidated expenditures and credits. FY 2003 includes undelivered orders.

Construction Cost Allocation and Methodology

Allocation	FY 2003	FY 2004
Irrigation	\$160,593,000	\$162,009,000
Power	44,754,000	44,853,000
Municipal and Industrial Water	25,107,000	24,429,000
Recreation	611,000	611,000
Fish and Wildlife	122,999,000	131,670,000
Flood Control	11,709,000	10,945,000
Navigation	861,000	788,000
Total	\$366,634,000	\$375,305,000

METHODOLOGY: The operational and financial integration provision of the CVP authorization requires that the cost allocation, rate setting, and repayment studies be performed for the total project rather than for individual divisions and units. In response to congressional requests for information on individual divisions and units, pro rata shares of the cost allocation for the total authorized project are shown for the individual divisions and units. Thus, the pro rata share of the project cost allocation shown for this division will change each time there is a change in the total estimated cost of the authorized CVP.

The net increase in the total cost to be allocated of \$8,671,000 includes increases for reevaluation of long-term program requirements as follows: \$170,579 for Grass Valley Creek Sediment Control, \$2,000,000 for Institutional Organization, \$6,150,802 for Trinity Main River Rehabilitation, \$642,536 for Watershed Rehabilitation, \$182,854 for South Fork, \$1,530,837 Monitor Fishery, and \$128 for rounding; offset by a decrease of \$1,874,505 to Rehabilitate Tributaries, \$53,949 for Wildlife Habitat, and \$78,282 for Trinity River Bridges.

APPROPRIATION CEILING: Appropriations authorized are \$349,470,000 (October 2003). The comparable Federal obligation is \$323,507,432. Currently, the Division, Grass Valley Creek, and Trinity River Basin Fish and Wildlife Management Program are under separate appropriation ceilings. Expenditures for work related to the Division will not exceed its total authorized appropriation ceiling. The work authorized under the Grass Valley Creek ceiling has been completed. In addition, the Central Project Valley Improvement Act provides additional authority for restoring Trinity River fisheries, and authorizes such sums as are necessary to carry out those provisions.

WORK PROPOSED FOR FY 2004:

Water and Energy Management and Development -

Water Modeling/Water Quality Monitoring - Continues reservoir ecology and water modeling. Continues water quality monitoring at Spring Creek, Buckhorn, Grass Valley Creek, Whiskeytown, Clear Creek, Lewiston Reservoir, Trinity River, and Trinity Lake. \$436,000

Water Conservation - Continues administration of water conservation program as required by Reclamation Reform Act and Central Valley Project Improvement Act. 40,000

Subtotal, Water and Energy Management and Development **\$476,000**

Land Management and Development -

Hazardous Materials Management Program - Continues hazardous materials management program. 100,000

Land Management Activities - Continues land management services associated with Reclamation property in the Trinity River Division. Activities include the issuance and administration of land use permits, routine inspections of Reclamation properties, title and boundary research, administration of contracts for construction and maintenance activities on Reclamation land. 40,000

Subtotal, Land Management and Development **140,000**

Fish and Wildlife Management and Development -

Trinity River Restoration Program - Continues to implement the decisions of the Secretary, including development and implementation of a comprehensive monitoring and adaptive management program for fishery restoration. Continues monitoring and maintenance of fish habitat in Upper Grass Valley Creek, constructing river modification projects at various sites along the Trinity River. These projects will be designed to be consistent with desirable future river geomorphology that will improve fishery habitat conditions, increase rearing habitat, which is the limiting factor for river fishery production, and includes monitoring and NEPA compliance. Continues mainstem tributary rehabilitation, side channel and pool maintenance, and sand dredging. **7,000,000**

Facility Operations - Continues operation and maintenance (O&M) of Trinity, Whiskeytown, Spring Creek, and Buckhorn Dams, including outlet facilities and associated control and monitoring equipment. Continues stream gaging. Continues O&M of Whiskeytown Glory Hole log boom, Whiskeytown Temperature Curtain, and Oak Bottom Temperature Curtain. Central Valley Project Preference Power Customers are funding Trinity, Spring Creek, Lewiston and J.F. Carr powerplants and Lewiston Dam and Reservoir. 4,019,000
 Central Valley Project Power Customers (Non-Federal) (2,775,000)
1,244,000

Fish and Wildlife Facilities - Continues operation of the Trinity Fish Hatchery. 1,515,000

Hydrilla Detection and Eradication - Continues to support the aquatic weed research and eradication programs. 11,000

Subtotal, Facility Operations **2,770,000**

Facility Maintenance and Rehabilitation - Continues the abatement of Life Safety Code deficiencies. **200,000**

Reclamation Request **\$10,586,000**

SEE APPENDIX FOR: Benefit Cost Ratios as of October 1, 2003
 Land Certification
 Obligations by Function for Operating Projects
 Project Repayment FY 2004
 Status of NEPA Compliance
 Status of Water Service and Repayment Contracts
 Summary of Irrigation Investment

CVP, Water and Power Operations

LOCATION: The Central Valley Operations Office is located near the regional office in Sacramento County, California.

DESCRIPTION/JUSTIFICATION: The Central Valley Operations Office is responsible for annual water supply allocations for the Central Valley Project (CVP) with forecasted hydroelectric power generation capability. The program includes management of the water resources from the Central Valley Project including maintenance of daily water and power schedules, flood control, compliance with statutory requirements, the Coordinated Operating Agreement (P.L. 99-546), and needs of the Western Area Power Administration. The office implements compliance with the Endangered Species Act affecting system-wide operations, and implements compliance with the Bay-Delta water quality standards. Close coordination of operations with the State of California, U.S. Department of Energy, and other entities is also performed in order to deliver authorized project benefits. The office also operates and maintains a supervisory control and data acquisition system to control and monitor operations of project facilities at 16 dams and reservoirs, 11 hydroelectric power generating plants, 2 pump-storage power generating plants, and various remote data collection sites to comply with water permit and environmental requirements.

AUTHORIZATION: Emergency Relief Appropriation Act of 1935, April 8, 1935. The Central Valley Project was authorized by a finding of feasibility by the Secretary of the Interior, and approved by the President on December 2, 1935; P.L. 75-392, Rivers and Harbors Act of 1937, August 26, 1937; P.L. 76-868, Rivers and Harbors Act of 1940, October 17, 1940; P.L. 81-356, American River Division Authorization Act, October 14, 1949; P.L. 87-874, River and Harbors Act of 1962 (Flood Control Act), October 23, 1962; P.L. 91-502, Black Butte Integration Act, October 23, 1970; P.L. 94-423, Reclamation Authorization Act of 1976, September 28, 1976; P.L. 99-546, Coordinated Operations Agreement, Suisun Marsh Preservation Agreement, and Small Reclamation Projects Act of 1986, October 27, 1986; and P.L. 102-575, Title XXXIV, Central Valley Project Improvement Act of 1992, October 30, 1992.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2003 ^{1/}	FY 2004
Water and Energy Management and Development	\$1,816,736	\$1,800,000
Facility Operations	7,227,197	10,716,000
Facility Maintenance and Rehabilitation	415,601	360,000
Total Program	\$9,459,534	\$12,876,000
Prior Year Funds	(54,534)	0
Request	\$9,405,000	\$12,876,000
Underfinancing	TBD	0
Total Reclamation Allotment	\$9,405,000	\$12,876,000

^{1/} The FY 2003 column reflects the President's budget request level.

WORK PROPOSED FOR FY 2004:

Water and Energy Management and Development - Continues reviews, investigations, forecasts, and preparation of operations criteria essential to decisions for management of Central Valley Project water resources. This includes work leading to revisions of the Coordinated Operations Agreement (COA). Modifications to Bay-Delta water quality standards and other changes to hydrology in the Central Valley Basin will be analyzed to determine methods to share obligations of the Central Valley Project and state water project. The Central Valley Project Operations Criteria and Plan will be updated and revised to reflect policies and priorities guiding the multipurpose operation of the project. **\$1,800,000**

Facility Operations -

Central Valley Automated Control System (CVACS) - Continues operation and maintenance of the supervisory control and data acquisition equipment and software in the CVACS installed in power plants, dams, and control center located in northern and central California.

\$1,790,000

Power Operations - Continues to provide for the power program operational oversight and procedures required to standardize operational practices, to conform with sound safety practices, and to operate in accordance with applicable laws and agreements. The increase from FY 2003 is for implementation of new software for forecast, account generation, and load schedules. 3,605,000

Continues to review pumping plants, power plants, and attendant facilities to ensure facilities are operated and maintained in keeping with Reclamation standards. 893,000

Continues review of activities concerning power program coordination and structure. 402,000

Continues supervision and leadership of the Power Management Team. Continues program oversight of procedures required to standardize operational practices. 227,000

Continues accounting activities involving various power financial matters of which the most important is the power O&M Funding Agreement with the power customers. Continues energy accounting associated with supporting pumping operations for contractual water deliveries. 221,000

Continues review of other agency Federal Energy Regulatory Commission applications and licenses for compliance with regulations and distribution of water and energy of Reclamation Facilities. 7,000

Water Operations - Continues daily integrated operations scheduling for water deliveries from project facilities, flood control, water temperature control, and salinity control. Increase from FY 2003 reflects need for water wheeling through state water project facilities. 2,265,000

Continues administration of cooperative agreement with State's California Data Exchange Center, California Department of Water Resources for maintaining the Hydromet system. Continues snow surveys in central valley watersheds. 393,000

Continues support to the National Weather Services Forecast Center to monitor precipitation forecast activities for flood control operations. 215,000

Office Security Program - Continues security program for physical security measures, security guard contract costs, and video surveillance system maintenance. 698,000

Subtotal, Facility Operations **10,716,000**

Facility Maintenance and Rehabilitation - Continues equipment replacement and service of the supervisory control and data acquisition equipment and software in the Central Valley Automated Control System and Reclamation Modular Supervisory Control and Data Acquisition program. Central Valley Automated Control System provides remote and local plant control for the generators, gates, outlet valves, and auxiliary equipment of the Central Valley Project power plants, dams, and temperature control devices. Central Valley Automated Control System equipment is located at the power plants, major dams, Joint Operations Center, and Area Offices in the Central Valley of California. Functions of Central Valley Automated Control System include flood control monitoring, water quality monitoring, automatic generation control, water and power scheduling, water and power dispatches, a historical operations database, web server for customer, partner, and public data access and data exchange, and a secure network for control of Central Valley Project facilities. **360,000**

Reclamation Request **\$12,876,000**

SEE APPENDIX FOR: Obligations by Function for Operating Projects

CVP, West San Joaquin Division San Luis Unit

LOCATION: The West San Joaquin Division (Division) is located near Los Banos on the west side of the San Joaquin Valley, west of Fresno, California, in Fresno, Kings, and Merced Counties.

DESCRIPTION/JUSTIFICATION: This Division includes San Luis joint state-Federal facilities consisting of O'Neill Dam and Forebay, a zoned earthfill structure with a height of 87 feet, a crest length of 14,300 feet, and a capacity of 56,400 acre-feet of water; San Luis Dam and Reservoir, a zoned earthfill structure 382 feet high, a crest length of 18,600 feet, and a reservoir capacity of 2,041,000 acre-feet; San Luis Pumping-Generating Plant, with 8 pumping-generating units each with a capacity of 63,000 horsepower as a motor and 53,000 kilowatts as a generator; Dos Amigos Pumping Plant, containing 6 pumping units, each capable of delivering 2,200 cubic feet per second; Los Banos and Little Panoche Reservoirs; and the San Luis Canal from O'Neill Forebay to Kettleman City, a concrete-lined canal 101.3 miles long with a capacity ranging from 8,350 to 13,100 cubic feet per second; and necessary switchyard facilities. The Federal-only portion consists of O'Neill Pumping Plant and Intake Canal, 6 units with a discharge capacity of 700 cubic feet per second, a rating of 6,000 horsepower, and a generating capacity of 4,200 kilowatts; Coalinga Canal, 11.6 miles long with an initial capacity of 1,100 cubic feet per second; Pleasant Valley Pumping Plant, three 7,000-, three 3,500-, and three 1,250-horsepower units are used to deliver 1,135 cubic feet per second into the Coalinga Canal and 50 cubic feet per second to a distribution lateral; and the San Luis Drain, of which 85 miles has been completed. An integral part of the Central Valley Project, the unit delivers water and power supplies developed in the American River, Shasta, and Trinity River divisions to users located in the unit service area. The unit provides fish and wildlife benefits, recreation, and supplemental irrigation water to 651,000 acres, 26,500 acre-feet annually for municipal and industrial use, and generates 227,200 kilowatts of hydroelectric power.

Reclamation constructed and owns a 104-mile section of the California Aqueduct, known as the San Luis Canal. It is operated and maintained by the California Department of Water Resources according to joint-use facilities, Joint Operating Agreement. The capital and annual costs are shared by Reclamation and California Department of Water Resources, 45 and 55 percent, respectively. The San Luis Canal crosses several drainages, running from the Diablo Range eastward to the San Joaquin Valley bottom. The major drainages are being addressed by other studies and actions. However, there are approximately 40 other drainages that enter the San Luis Canal via inlets and culverts. Approximately a dozen or more areas of drainage, and local sheet flow from ephemeral storms, pond against the San Luis Canal.

AUTHORIZATION: P.L. 86-488, San Luis Unit, Central Valley Project, June 3, 1960; and P.L. 95-46, San Luis Unit Study, June 15, 1977.

COMPLETION DATA: As of September 30, 2002, the project was 73 percent complete.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2003 ^{1/}	FY 2004
Water and Energy Management and Development	\$42,637,095	\$39,753,000
Land Management and Development	280,447	285,000
Fish and Wildlife Management and Development	260,986	399,000
Facility Operations	6,037,244	6,530,000
Facility Maintenance and Rehabilitation	13,000	8,000
Total Program	\$49,228,772	\$46,975,000
Prior Year Funds	(4,921,772)	0
Request	\$44,307,000	\$46,975,000
Underfinancing	TBD	0
Total Reclamation Allotment	\$44,307,000	\$46,975,000

^{1/} The FY 2003 column reflects the President's budget request level as adjusted by the FY 2003 Budget Amendments transmitted to Congress on January 7, 2003. The original FY 2003 request amount of \$12,007,000 has been adjusted to \$44,307,000 to reflect the expenses related to the settlement of the "Summer Peck Ranch, Inc. v. Bureau of Reclamation".

Total Construction Costs to be Allocated

	Total Estimated Cost	Total to 9/30/02	FY 2003	FY 2004	Balance to Complete
Reclamation	\$1,688,471,890	\$588,500,497	\$9,273,054	\$34,546,000	\$1,056,152,339
Adjustments ^{1/}	265,779,536	206,864,010	931,186	0	57,984,340
Total	\$1,954,251,426	\$795,364,507	\$10,204,240	\$34,546,000	\$1,114,136,679

^{1/} Includes \$225,096,627 from the State of California for their share of the cost of the San Luis joint state-Federal water supply facilities. Costs of the joint state-Federal facilities are funded 55 percent state and 45 percent Federal. Also includes \$8,109,487 for construction charges payable by Westlands Water District for that portion of the Westlands Distribution System used to deliver project water supplies to the LeMoore Naval Air Station. As provided for by Section 2 of the Act of August 10, 1972 (P.L. 92-378), agricultural and grazing lease revenues from lands of the LeMoore Naval Air Station are being used to provide repayment to the United States of construction charges attributable to such lands, which would have been applicable if the Federal government did not own such lands. Also includes \$34,358,259 for the State of California, Department of Water Resources, toward the state share of the cost of the joint state-Federal water supply facilities; \$581,719 for the State of California, Department of Water Resources, for the San Luis Dam Slide repairs; and \$1,641,741 for the State of California, Department of Parks and Recreation, for recreation facilities at the B.F. Sisk San Luis Reservoir, Los Banos Creek Detention Dam, San Luis Canal, and O'Neill Forebay recreation sites. Includes a decrease of \$4,008,297 for adjustments to consolidated expenditures and credits. FY 2003 includes undelivered orders.

Construction Cost Allocation and Methodology

Allocation	FY 2003	FY 2004
Irrigation	\$1,234,582,000	\$1,250,205,000
Municipal and Industrial Water	193,011,000	188,513,000
Recreation	7,169,000	7,169,000
Fish and Wildlife	173,284,000	177,575,000
Flood Control	90,012,000	84,465,000
Navigation	6,619,000	6,078,000
State of California Share	224,549,000	234,089,000
Archaeological Resources	7,000	7,000
Highway Improvements	1,383,000	1,383,000
Safety of Dams	4,612,000	4,767,000
Total ^{1/}	\$1,935,228,000	\$1,954,251,000

^{1/} Rounding adjustment of (\$426) made for allocation purposes.

METHODOLOGY: The operational and financial integration provision of the Central Valley Project authorization requires that the cost allocation, ratesetting, and repayment studies be performed for the total project rather than for individual divisions and units. In response to congressional requests for information on individual divisions and units, pro rata shares of the cost allocation for the total authorized project are shown for the individual divisions and units. Thus, the pro rata share of the project cost allocation shown for this division will change each time there is a change in the total estimated cost of the authorized Central Valley Project.

The net increase of \$19,023,000, includes \$8,100,429 for indexing to October 1, 2003, project prices; \$5,655,000 for Arroyo Pasajero Design reevaluation of outyear construction requirements for proposed corrective action; \$4,928,311 for reevaluation of outyear contract and contractual support for the drainage management program; \$731,212 to provide Reclamation support of the Federal share of operation and maintenance construction activities for the San Luis Joint-Use Facilities, as agreed to in the Joint-Use agreement with the California State Department of Water Resources; and \$454,000 for reevaluation of outyear requirements for contractual support for Cantua Creek Stream Group; \$125,099 for the Arroyo Pasajero Study because contract costs were slightly higher than anticipated; offset by a decrease of \$971,000 for the Arroyo Pasajero Watershed Management Plan due to reevaluation of outyear estimate; and \$51 for minor adjustments.

APPROPRIATION CEILING: Appropriations authorized for the Federal and joint-use facilities are \$662,121,000 (October 2003). The comparable Federal obligation is \$1,684,471,890, which exceeds the ceiling by more than the amount of contingencies included in the obligation. Appropriate congressional committees will be advised of the ceiling status for this portion of the project. Legislation to provide additional appropriation ceiling will be needed to complete the project as authorized. Current commitments will be held within the existing ceiling.

Appropriations authorized for the San Luis Unit Distribution and Drainage System are \$252,970,311. The comparable Federal obligation is \$404,908,238 (including \$13,640,951 Loan Program funds provided to the San Luis Water District), which exceeds the ceiling by more than the amount of contingencies included in the obligation. Appropriate congressional committees have been advised of the ceiling status for this portion of the project. Legislation to provide additional appropriation ceiling will be needed to complete the project as authorized. Current commitments will be held within the existing ceiling.

WORK PROPOSED FOR 2004:

Water and Energy Management and Development -

Settlement Costs - Continues payment of proposed settlement costs for *Sumner Peck Ranch, Inc. v. Bureau of Reclamation*". This funding is for the second year of three year funding requirement as part of the settlement. \$34,000,000

Drainage Management Program - Continues Reclamation's efforts to develop a solution to address outstanding Federal drainage obligations under the 1960 San Luis Act, including efforts outlined in the Plan of Action for Drainage to the San Luis Unit submitted to the District Court in April 2001, in compliance with the Court's order. 4,000,000

San Luis Joint-Use Facilities (Construction) - Continues to provide Reclamation support of the Federal share of construction type activities (which may include studies, land purchase or rights-of-way) for the San Luis joint-use facilities, which includes the San Luis Dam and Reservoir, Gianelli Pumping/Generating Plant and switchyard, as agreed to in the Joint-Use Agreement with the California State Department of Water Resources. 546,000

Water Conservation/Contract Renewal/Marketing - Continues water resource management, development, and utilization of water supplies, administration and negotiation for the renewal of long-term water service contracts, and other arrangements related to the allocation, use, and distribution of water. 439,000

Groundwater/Water Quality Monitoring and Reports - Continues the measurement and data collection of groundwater wells within various irrigation districts for use in preparation of an annual report which will be used to track the beneficial use of project water: analysis of impacts due to groundwater conjunctive use; and groundwater modeling efforts. 332,000

National Environmental Policy Act (NEPA) Compliance - Continues the administration and monitoring of the NEPA process as it pertains to the West San Joaquin Division, in adherence to the all-federally mandated requirements. 272,000

San Luis Canal Cross Drainage Management Inventory - Continues Reclamation's efforts as determined by the outcome of the appraisal level study, which is anticipated to complete in FY 2003. The appraisal level study will determine whether a feasibility study/Environmental Impact Statement/Environmental Impact Report is required to justify correction action. 124,000

Arroyo Pasajero Watershed Management Plan - Continues Reclamation's support of the watershed improvement and management program initiated in 1995 by the local Stewards of the Arroyo Pasajero Watershed Coordinated Resource Management Program (CRMP). (The CRMP estimates 24 percent long-term sediment reduction and recommends \$11.2 million over 10 years in ranch and farm improvements.) The CRMP will complement a flood management project under investigation by the Corps of Engineers, California Department of Water Resources, and Reclamation. Reclamation's role in the program includes providing technical advise, review, and significant documentation and presentation support. 40,000

Subtotal, Water and Energy Management and Development **\$39,753,000**

Land Management and Development - Continues day-to-day land management activities, complying with and administering laws and regulations, execution of agreements, contracts, outgrants or other agreements for the use and management of lands, and the protection of recreation facilities and land resources. Continues land management activities associated with the hazardous materials program, which includes handling, storage, and disposal. **285,000**

Fish and Wildlife Management and Development - Continues the endangered species conservation program to meet the habitat needs of special status species. Continues implementation of Biological Opinions for interim and long-term contract renewal, to ensure compliance with the Endangered Species Act of 1973, as amended. Continues pest management activities performed on, in or around the San Luis Canal. **399,000**

Facility Operations -

San Luis Joint-Use Facilities (O&M) - Continues operation and maintenance activities for the San Luis joint-use facilities, which includes the San Luis Dam and Reservoir, Gianelli Pumping/Generating Plant and switchyard, as agreed to in the Joint-Use Agreement with the California State Department of Water Resources. **5,838,000**

Kesterson Reservoir - Continues the monitoring and evaluation at Kesterson Reservoir, complying with applicable state and regional board orders relative to the former reservoir. **341,000**

Deficiencies in Cost Recovery for Authorities - Continues Reclamation's obligation to assure cost for the operation, maintenance and replacement of the conveyance pumping facilities on the San Luis and Delta-Mendota Canals; Tracy Pumping and O'Neill Forebay, Los Banos Creek Detention and Little Panoche Creek Detention Dams are reimbursed to the San Luis Delta-Mendota Water Authority (Authority) in accordance with Service Contract between the Authority and Reclamation. This activity was not included in the FY 2003 request; however, it is not a new activity but rather a delay in Reclamation's plan for off-budget funding. **339,000**

Weed Control - Continues the program to control or eradicate aquatic weeds, including hydrilla. **12,000**

Subtotal, Facility Operations **6,530,000**

Facility Maintenance and Rehabilitation - Continues structural monitoring in order to maintain the reliability and integrity of the O'Neill Pumping/Generating Plant. **8,000**

Reclamation Request **\$46,975,000**

SEE APPENDIX FOR: Benefit Cost Ratios as of October 1, 2003
Land Certification
Obligations by Function for Operating Projects
Project Repayment FY 2004
Status of NEPA Compliance
Status of Water Service and Repayment Contracts
Summary of Irrigation Investment

CVP, Yield Feasibility Investigation

LOCATION: Central Valley, Sacramento and San Joaquin River Basins.

DESCRIPTION/JUSTIFICATION: The Least-Cost CVP Yield Increase Plan submitted to Congress in July 1996 identifies options to increase the yield of the CVP. These water supply and demand reduction options include land fallowing, conservation, modified operations, conjunctive use, water reuse, surface storage, conveyance, and other options. Because of the effects of dedicated CVP yield for fish and wildlife purposes under the CVP Improvement Act, San Francisco Bay-Delta water quality standards, and Endangered Species Act requirements, there is a need to improve water supply flexibility north and south of the Delta, and the water quality and water supply needs of the Delta. This includes water supply replacement, conservation, transfers, and other efficiency measures, which will minimize adverse effects upon the existing CVP water contractors incurred as the result of the dedication of the 800,000 acre-feet of Project yield as required by the CVPIA. In collaboration with CALFED's Bay-Delta activities, alternatives will be developed and evaluated.

AUTHORIZATION: P.L. 102-575, Title XXXIV, Sec. 3408(j), Central Valley Project Improvement Act of 1992, October 30, 1992 (CVPIA).

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2003 ^{1/}	FY 2004
Water and Energy Management and Development	\$1,037,079	\$1,000,000
Total Program	\$1,037,079	\$1,000,000
Prior Year Funds	(37,079)	0
Request	\$1,000,000	\$1,000,000
Underfinancing	TBD	0
Total Reclamation Allotment	\$1,000,000	\$1,000,000

Initiation: FY 1999

Completion: FY 2005

^{1/} The FY 2003 column reflects the President's budget request level.

COST-SHARING: Federal funding of the investigation would be 100 percent. Should projects be constructed, we anticipate that costs of the study will be part of the overall cost-share package subject to repayment by beneficiaries. The results of the investigation will include recommendations on appropriate cost-sharing by non-federal partners for implementation.

WORK PROPOSED FOR FY 2004:

Water and Energy Management and Development - Continues work on a water supply benefit and cost allocation strategy for water supply projects considered under the CVP Yield Program and other initiatives. Continues Reclamation's participation in conjunctive use and groundwater banking opportunities, and investigation of other options for improving water supply reliability through coordination with Federal and state agencies, water and irrigation districts, municipalities, environmental groups, and other stakeholders. The outcome will be planning reports and environmental compliance documents to support congressional authorization and/or appropriations. **\$1,000,000**

Reclamation Request

\$1,000,000

Endangered Species Recovery Implementation

LOCATION: Central Valley, Sacramento and San Joaquin River Basins.

DESCRIPTION/JUSTIFICATION: This program provides for the Central Valley Project Conservation Program. This Program is one of a number of programs initiated as part of an effort by the Bureau of Reclamation and the Fish and Wildlife Service to address impacts on listed species which have resulted from past and continuing actions related to the operation and maintenance of the Central Valley Project, implementation of the Central Valley Project Improvement Act, Endangered Species Act-Section 7(a)(1) activities, and other related issues. The Program uses a pro-active approach to develop and implement measures that directly address conservation needs of endangered and threatened species and critical habitat. Since its inception in FY 1999, various units and divisions of the Central Valley Project have funded the Program. Inclusion of the Program in the Endangered Species Recovery Implementation program provides a single source of funding as well as a single, comprehensive point of reference for the entire program.

AUTHORIZATION: P. L. 93-205, Endangered Species Act of 1973, Section 7(a)(1), December 28, 1973, as amended; P.L. 102-575, Title XXXIV, Central Valley Project Improvement Act of 1992, October 30, 1992 (CVPIA).

COMPLETION DATA: Not applicable. This is an ongoing program that will continue as long as conservation measures are needed.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2003 ^{1/}	FY 2004
Fish and Wildlife Management and Development	\$0	\$1,584,000
Total Program	\$0	\$1,584,000
Prior Year Funds	0	0
Request	\$0	\$1,584,000
Underfinancing	TBD	0
Total Reclamation Allotment	\$0	\$1,584,000

^{1/}The FY 2003 column reflects the President's budget request level. In FY 2003 funding requested for the Endangered Species Conservation Program totals \$1,836,000 and is requested in the following CVP divisions: American River Division, \$512,000; Delta Division, \$479,000; Friant Division, \$236,000; and Shasta Division, \$609,000.

WORK PROPOSED FOR FY 2004:

Fish and Wildlife Management and Development - Continues restoration, management, and various surveys for endangered species and critical habitat in areas affected by the CVP. Continues acquisition of fee title or conservation easement of riparian, vernal pool, chaparral, and alkali scrub habitat. Continues a captive reproduction facility to breed and reintroduce riparian brush rabbits. **\$1,584,000**

Reclamation Request **\$1,584,000**

Klamath Project

LOCATION: The Klamath Project (Project) is located on the Oregon-California border in Oregon's Klamath County and California's Siskiyou and Modoc Counties.

DESCRIPTION/JUSTIFICATION: This project includes: Clear Lake Dam and Reservoir, an earth and rockfill structure with a height of 42 feet, a crest length of 840 feet, and a capacity of 527,000 acre-feet; Gerber Dam and Reservoir, a concrete arch structure 84.5 feet in height, a crest length of 485 feet, and a capacity of 94,000 acre-feet; Link River Dam, a reinforced concrete slab structure 22-feet high, a crest length of 435 feet, and a capacity of 873,000 acre-feet; Lost River Diversion Dam, a horseshoe shaped, multiple-arch concrete structure 42-feet high, and a crest length of 675 feet; Anderson-Rose Dam, a reinforced concrete slab and buttress structure with a height of 23 feet and a crest length of 324 feet; Malone Diversion Dam, an earth embankment with a concrete gate structure with a height of 32 feet and a crest length of 515 feet; Miller Diversion Dam, a concrete weir, removable crest, and earth embankment wing structure with a height of 10 feet and a crest length of 290 feet; and the eight-mile-long Lost River Diversion Channel which carries excess water to the Klamath River and supplies additional irrigation water for the reclaimed lake bed of Tule Lake by reverse flow from the Klamath River; two tunnels; 37 pumping plants; 185 miles of canals; and over 728 miles of drains, including the Klamath Straits Drain, which provides irrigation water to approximately 225,000 acres and reduces flows into the reclaimed portions of Tule Lake and the restricted Tule Lake sumps in the Tule Lake National Wildlife Refuge.

The Department of the Interior has multiple objectives in the Klamath Basin, including providing water for irrigation and wildlife refuges, protecting endangered and threatened species, and meeting tribal trust obligations.

AUTHORIZATION: The Reclamation Act of 1902, (32 Stat. 388) dated June 17, 1902; P.L.104-208, Oregon Resource Conservation Act of 1996, September 30, 1996; and P.L. 106-498, Klamath Basin Water Supply Enhancement Act of 2000, November 9, 2000.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2003 ^{1/}	FY 2004
Water and Energy Management and Development	\$5,408,815	\$7,505,000
Land Management and Development	513,924	646,000
Fish and Wildlife Management and Development	7,736,292	11,890,000
Facility Operations	797,534	911,000
Total Program	\$14,456,565	\$20,952,000
Prior Year Funds	(54,565)	0
Non-Federal	(135,000)	(135,000)
Request	\$14,267,000	\$20,817,000
Underfinancing	TBD	0
Total Reclamation Allotment	\$14,267,000	\$20,817,000

^{1/} The FY 2003 column reflects the President's budget request level.

WORK PROPOSED FOR FY 2004:

Water and Energy Management and Development -

Water Resources Initiatives - Begins to implement measures to establish and use a water bank for operation of the Klamath Project. Continues evaluating options to improve water supply and water quality in the Klamath River Basin to maintain economic and environmental health, meet Indian Trust responsibilities, protect wildlife refuges, and restore threatened and endangered species. Also continues implementation of P.L. 106-498 (Water Supply Enhancement Act of 2000) in identifying options for increasing water supplies and improving water quality through feasibility studies for increasing storage at Gerber Reservoir, in Upper Klamath Lake, and in other areas where surplus winter flows can be stored such as Swan Lake Valley; and through continuation of hydrologic studies in Oregon portions of the Basin and development of groundwater programs in the lower Klamath Basin.

\$6,402,000

Water Conservation - Continues coordination and assistance to water users to improve on farm and delivery systems efficiencies. These studies will identify water distribution problems and identify opportunities for water savings.

415,000

Klamath Project Operations Planning - Continues development of an operations plan to guide the project until the adjudication of water rights are completed by the State of Oregon. The plan will include guiding principles for water uses, Endangered Species Act and National Environmental Policy Act Compliance, furthering Indian Trust obligations and meeting irrigation contracts.

315,000

Water Rights Administration - Continues participation in the adjudication. The State of Oregon is adjudicating the Klamath River in Oregon.

300,000

Fish Passage and Fish Screening - Continues science and technology development activities to ensure reliable water deliveries by improving methods to protect water related natural resources.

50,000

Water Quality Monitoring - Continues water quality monitoring and quality assurance programs. Programs include coordination of laboratory services, preparation of samples, data validation, data management, and summary reports.

23,000

Subtotal, Water and Energy Management and Development

\$7,505,000

Land Management and Development -

Land Management/Inventory/Disposal - Continues Reclamation's management of nearly 30,000 acres of land. Approximately 1,200 miles of federally owned rights-of-way are managed to control trespass and usage. The land which includes farmland is leased and generates nearly \$2 million of income that is returned to the Reclamation Fund. Also continues to review lands owned by the United States for trespass and compliance with hazardous materials law and regulations. Increase is the result of grants to Fish and Wildlife Service to assist in the administration of pesticide and wildlife use issues.

Subtotal, Land Management and Development

646,000

Fish and Wildlife Management and Development -

Endangered Species Act Implementation - Begins the incorporation of the "Fish Entrainment and Passage" and the "Ecosystem Restoration" projects. All the fish entrainment and passage and ecosystem restoration projects impact endangered species, and are now included in this implementation activity. These activities are the outcome of past ESA consultations. Primary work to be accomplished is the

Klamath Project

design work for Link River Dam Fish Ladder and initiation of the Link River Dam Fish Ladder construction contract. Other requirements under the terms of previous consultations include assessment and design work on entrainment of larval suckers, and implementation of the Fish Entrainment and Passage Program. Implementation of this last program will include installation of multiple fish screens and other entrainment devices at a variety of locations within the Klamath Project.

7,021,000

Endangered Species Act (ESA) Compliance Research, Monitoring and Evaluation - Continues research and monitoring studies within the Klamath Basin for the ESA compliance activities required or recommended by Biological and Conference Opinions (suckers, lease lands, bald eagle, coho, Mt. Province steelhead). The Reasonable and Prudent Measures and Alternatives (RPMs and RPAs) with which Reclamation is complying include monitoring of both adult and juvenile sucker populations, assessment of sucker habitat needs, monitoring and reporting of water quality in the Klamath Project, assessment and management of water quality in Upper Klamath Lake related to sucker refugia studies, and analysis of juvenile sucker distribution in Upper Klamath Lake.

4,780,000

Native American Affairs - Continues government-to-government coordination to meet Reclamation trust responsibilities.

89,000

Subtotal, Fish and Wildlife Management and Development

11,890,000

Facility Operations -

Agency Lake Ranch Operation and Maintenance - Begins operation and maintenance of the facility.

60,000

Reserved Works - Continues routine operation of Gerber Dam, Clear Lake Dam, Link River Dam, Lost River Improved Channels, Wilson - Lost River Diversion Dam and Channel, P-Canal System, and the Klamath Straits Drain System. Also continues preventative maintenance and repairs.

410,000

Lease Land Operations - Continues operations for the delivery of irrigation water and maintenance of systems. Reclamation manages 1,200 miles of federally-owned rights-of-way. The land is leased for farming and generates nearly \$2 million dollars of income that is returned to the Reclamation Fund. Previous budget cuts in prior years have resulted in the need for an increase in funding levels.

441,000

Non-Federal

(135,000)

306,000

Subtotal, Facility Operations

776,000

Reclamation Request

\$20,817,000

SEE APPENDIX FOR: Obligations by Function for Operating Projects

Lahontan Basin Project (Humboldt, Newlands and Washoe Projects)

LOCATION: The Lahontan Basin Project (Project) is located in western Nevada, in the counties of Churchill, Washoe, Storey, Douglas and Lyon and in east-central California in Alpine, Sierra, Nevada, Placer, and El Dorado Counties.

DESCRIPTION/JUSTIFICATION: This project includes the Humboldt, Newlands, and Washoe Projects. The Lahontan Basin Project includes: Lahontan Dam and Reservoir, a zoned earthfill structure 162 feet high and a storage capacity of 295,000 acre-feet; Lake Tahoe Dam, a 18-foot-high concrete slab and buttress structure with 17 vertical gates and a reservoir capacity of 732,000 acre feet; Derby Diversion Dam, a concrete structure 31 feet high; Lahontan Powerplant, with a capacity of 1,920 kilowatts; a Canal, Distribution and Drainage System, 68.5 miles of canals with a combined diversion capacity of 2,000 cubic feet per second, 312 miles of laterals, and a drainage system of about 345 miles of deep, open drains; and Rye Patch Dam and Reservoir, an earthfill, rock-faced embankment with a structural height of 78 feet and a crest length of 1,074 feet. The dam was complete and began storing water in 1936. The reservoir is 21 miles long and has a capacity of 213,000 acre-feet.

The Project also includes Prosser Creek Dam and Reservoir, a zoned earthfill structure 163 feet high and 1,830 feet long with a storage capacity of 30,000 acre-feet; Marble Bluff Dam, a zoned earthfill diversion dam with a height of 35 feet and a crest length of 1,622 feet; Pyramid Lake Fishway, extending from Marble Bluff Dam about 3 miles to Pyramid Lake; Stampede Dam, Reservoir, and Powerplant, a zoned-earthfill structure with a height of 239 feet, a crest length of 1,511 feet, storage capacity of 226,500 acre-feet, and a generating capacity of 3,650 kilowatts and annual generation of 6.2 gigawatt-hours; and Boca Dam and Reservoir, a zoned-earthfill structure with a height of 116 feet and a crest length of 1,629 feet, and a storage capacity of 41,000 acre-feet.

As a result of threatened and endangered species, the principal storage reservoir, Stampede Dam, is being operated to meet flood control and instream flow requirements to protect fish in the lower Truckee River and Pyramid Lake. The Washoe Project was designed to improve the regulation of runoff of the Truckee River system and to provide supplemental irrigation and drainage for presently irrigated lands, as well as water for municipal and industrial use, flood protection, fish and wildlife benefits, and recreation. Flows are also regulated for such purposes as power production and fishery improvement.

AUTHORIZATION: The Reclamation Act of 1902, June 17, 1902 (authorized by the Secretary of the Interior on March 14, 1903); P.L. 69-284, The Omnibus Adjustment Act, May 25, 1926; P.L. 84-858, The Washoe Project Act, August 1, 1956, as amended by P.L. 85-706, August 21, 1958; and P.L. 101-618, The Fallon-Paiute Shoshone Indian Tribes Water Rights Settlement Act of 1990, Title I and Title II, Truckee-Carlson-Pyramid Lake and Water Rights Settlement Act, November 16, 1990 (Authority to construct facilities of the Watasheamu Division was deauthorized by P.L. 101-618).

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2003 ^{1/}	FY 2004
Water and Energy Management and Development	\$3,841,667	\$3,717,000
Land Management and Development	1,344,175	1,740,000
Fish and Wildlife Management and Development	1,066,999	1,010,000
Facility Operations	1,909,914	1,769,000
Facility Maintenance and Rehabilitation	529,972	677,000
Total Program	\$8,692,727	\$8,913,000
Prior Year Funds	(138,727)	0
Request	\$8,554,000	\$8,913,000
Underfinancing	TBD	0
Total Reclamation Allotment	\$8,554,000	\$8,913,000

^{1/} The FY 2003 column reflects the Presidents budget request level.

WORK PROPOSED FOR FY 2004:**Water and Energy Management and Development -**

Operating Criteria and Procedures (OCAP) Compliance - Continues OCAP for the Newlands Project to minimize the use of the Truckee River and maximize the use of the Carson River. Implementation includes: verifying that only water-righted lands are irrigated, confirming that water rights acquired for the wetlands are eligible for transfer, and determining when the Truckee-Carson Irrigation District is eligible to divert Truckee River water to the Project. This water conservation effort provides substantial benefits for the threatened and endangered fish species in the lower Truckee River and Pyramid Lake, which is located within the Pyramid Lake Indian Reservation.

\$1,412,000

Truckee River Operating Agreement (TROA) - Continues to implement TROA for storage of nonproject water in Reclamation reservoirs conditional upon dam safety and flood control requirements, enhanced spawning flows on the Truckee River, implementation of the Preliminary Settlement Agreement and mitigation plan, satisfaction of existing water rights, and minimize operation and maintenance costs for Stampede Reservoir.

1,096,000

Water Conservation Field Services Program - Continues cost sharing and grant programs to encourage water conservation efforts on Newlands, Truckee, and Humboldt projects.

543,000

Rural Water Supply - Continues studies to assure safe and dependable water supplies for communities in Churchill and Lyon counties.

300,000

Contract Administration - Continues to provide contract administration for the United States of America and Truckee-Carson Irrigation District.

200,000

Fallon Indian Reservation Isolation and Assistance/Bench and Bottom Appeal - Continues the investigation of all facilities on the Fallon Paiute-Shoshone Tribe Reservation, and inventory of facilities, to improve conveyance efficiency on the reservation. Continues to provide recommendations to the Federal Water Master on appeals, filed by landowners, for maximum application of irrigation water.

166,000

Subtotal, Water and Energy Management and Development

\$3,717,000

Land Management and Development -

Site Assessment-Old Reservoir Range - Begins and completes a site assessment on Reclamation withdrawn land near Old Reservoir within the Newlands Project. This activity involves characterization of the site and preparation of a report detailing the extent of the contamination present on the land. Lead contamination is a problem associated with this site, and if found contaminated, all local and Federal laws will be followed in the cleanup. 225,000

Hazardous Waste Management/Lands Inventory/Removal and Disposal - Continues to inventory Newlands Project lands and rights-of-way to assure project lands are in compliance with Federal, State, and local hazardous waste laws and regulations, and removal/disposal activities of Reclamation withdrawn land. 575,000

Land Management - Continues the administration of land use agreements including monitoring and establishing storage contracts, grazing leases, and utility crossings. Funds will also be used to identify Reclamation lands that are determined to be in trespass and undertake activities necessary to restore withdrawn lands to public domain. 400,000

Geographic Information System (GIS) - Continues to update maps and records of Reclamation facilities, lands and rights-of-way in a GIS database. 300,000

Humboldt Project Resource Management - Completes a Resource Management Plan/Environmental Impact Study (RMP/EIS) for the Humboldt Project. RMP/EIS will establish guidelines for the use, development, protection, enhancement and management of the lands and associated water resources. Areas to be addressed include 32,000 acres of withdrawn land in the Humboldt Sink and 18,000 acres along the perimeter of and under Rye Patch Reservoir. 240,000

Subtotal, Land Management and Development **1,740,000**

Fish and Wildlife Management and Development -

Fish Conveyance Derby Dam - Completes construction of fish passage facilities around Derby Diversion Dam, and restore access to spawning areas and habitat in the Truckee River upstream from the dam.

1,010,000

Facility Operations -

Oversight of Water Conveyance - Continues oversight of the Newlands Project water conveyance system to insure compliance with the operation and maintenance (O&M) agreement with the Truckee-Carson Irrigation District, oversight of water conveyance systems, O&M of irrigation systems and drainage systems, and oversight of delivery and drainage system for the Fallon Indian Reservation. 350,000

Stampede Dam and Reservoir - Continues operation and maintenance of the dam. Provides storage of fisheries water dedicated to recovering the endangered Cui-ui fish and the threatened Lahontan Cutthroat trout. Also, provide flood control storage, storage of municipal and industrial drought protection water for Reno and Sparks, and reservoir-based fisheries and recreation benefits. 300,000

Stampede Powerplant - Continues operation and maintenance of the powerplant. Also, provides power for the operation of project works including the Lahontan National Fish Hatchery and Marble Bluff Dam and Fishway. 210,000

Lake Tahoe Dam - Continues operation and maintenance of the dam. The dam regulates the outflow of Lake Tahoe to the Truckee River. 190,000

Prosser Creek Dam - Continues operation and maintenance of the dam. Also, provide flood control storage, storage of water for the benefit of the endangered Cui-ui fish and Lahontan Cutthroat trout, and reservoir based fisheries and recreation benefits. 190,000

Water Measurement and Gaging Program - Continues to operate and maintain water-gaging stations and make current meter measurements in support of the Adjusted Operating Criteria and Procedures for Newlands Project. The program had been previously funded under Water and Energy Management and Development. 189,000

Marble Bluff Fish Facility - Continues operations and annual maintenance of the Marble Bluff Fish Facility located adjacent to Marble Bluff Dam. 125,000

Security - Continues designs and implementation of the security improvements identified for Newlands, Humboldt, Truckee Storage and Washoe Projects. 110,000

Marble Bluff Dam - Continues operation and maintenance of Marble Bluff Dam. Also, to provide spawning passage for the endangered Cui-ui fish and threatened Lahontan Cutthroat trout residing in Pyramid Lake. Increase is due to additional equipment for operation and maintenance of the dam. 105,000

Subtotal, Facility Operations **1,769,000**

Facilities Maintenance and Rehabilitation - Begins Stampede Dam Bypass Modification. This activity modifies the existing powerplant bypass piping and control system at Stampede Dam allowing necessary water release to be maintained at all times. 500,000

Tahoe Dam Automation - Begins and completes automation design of Tahoe Dam slide gates and weather station at Lake Tahoe Dam. This automation will reduce labor costs, allow greater flexibility to change gate positions, improve gate operations and provide real time data and documentation. 162,000

Review and Guidance - Continues examination of facilities and appurtenances, bridge inspection, dam operator training, underwater inspections, instrumentation of facilities and post earthquake inspections. 15,000

Subtotal, Facilities Maintenance and Rehabilitation **677,000**

Reclamation Request **\$8,913,000**

SEE APPENDIX FOR: Obligations by Function for Operating Projects

Lake Tahoe Regional Wetlands Development

LOCATION: This project is located at Lake Tahoe between the Carson and Sierra Nevada Mountain Ranges on the California/Nevada border.

DESCRIPTION/JUSTIFICATION: Lake Tahoe is one of the largest (192 square miles), deepest (1,645 feet), and clearest mountain lakes in the world. Declines in water quality, forest health, and wildlife diversity are threatening the unique natural values of the area that give the Lake Tahoe Basin its national significance. The Upper Truckee River is the single largest source of nutrients and sediment into Lake Tahoe. The river has been highly disturbed and altered adjacent to the Lake Tahoe airport. Restoration of this river stretch has multiple threshold benefits. Reclamation owns the top 6 feet of the surface of Lake Tahoe and operates the Tahoe dam outlet. This activity is part of the Lake Tahoe Environmental Improvement Program to prevent degradation of the quality of lake water and to provide benefits to fish and wildlife.

AUTHORIZATION: P.L. 85-624, Fish and Wildlife Coordination Act of 1958; P.L. 101-233, North American Wetlands Conservation Act, December 13, 1989; and P.L. 106-506, Lake Tahoe Restoration Act, December 13, 2000.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2003 ^{1/}	FY 2004
Fish and Wildlife Management and Development	\$206,169	\$200,000
Total Program	\$206,169	\$200,000
Prior Year Funds	(6,169)	0
Request	\$200,000	\$200,000
Underfinancing	TBD	0
Total Reclamation Allotment	\$200,000	\$200,000

^{1/} The FY 2003 column reflects the President's budget request level.

WORK PROPOSED FOR FY 2004:

Fish and Wildlife Management and Development - Continues environmental restoration projects in the Lake Tahoe Basin, including the construction of watershed improvements in the Upper Truckee River watershed. **\$200,000**

Reclamation Request **\$200,000**

Orland Project

LOCATION: The Orland Project is located in north-central California, approximately 100 miles north of Sacramento in Colusa, Glenn, and Tehama Counties.

DESCRIPTION/JUSTIFICATION: This project includes East Park Dam and Reservoir, a concrete thick-arch structure with a height of 139 feet, a crest length of 266 feet, and a storage capacity of 51,000 acre-feet; Stony Gorge Dam and Reservoir, a concrete slab and buttress structure, 139 feet high, a crest length of 868 feet, and a storage capacity of 50,000 acre-feet; Rainbow Diversion Dam and Feeder Canal, a concrete arch structure with a height of 44 feet and a crest length of 271 feet; Northside Diversion Dam, a concrete gravity structure with a height of 15 feet and a crest length of 375 feet; and a Canal and Distribution System, including 16.9 miles of canals and 139 miles of laterals. Project irrigation works are operated and maintained by the Orland Unit Water Users Association. The Bureau of Reclamation operates and maintains recreational facilities at Stony Gorge and East Park Reservoirs. This project provides full irrigation service to approximately 20,000 acres with supplemental recreational benefits.

AUTHORIZATION: The Reclamation Act of 1902, June 17, 1902 (authorized by the Secretary of the Interior on October 5, 1907).

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2003 ^{1/}	FY 2004
Water and Energy Management and Development	\$39,000	\$41,000
Facility Operations	382,021	375,000
Facility Maintenance and Rehabilitation	104,433	70,000
Total Program	\$525,454	\$486,000
Prior Year Funds	(56,454)	0
Request	\$469,000	\$486,000
Underfinancing	TBD	0
Total Reclamation Allotment	\$469,000	\$486,000

^{1/} The FY 2003 column reflects the President's budget request level.

WORK PROPOSED FOR FY 2004:

Water and Energy Management and Development - Continues efforts under the Water Conservation Field Services Program. **\$41,000**

Facility Operations - Continues day-to-day management of recreation facilities, wildlife refuges, and delivery of water for irrigation at Stony Gorge and East Park Reservoirs **375,000**

Facility Maintenance and Rehabilitation - Continues to provide for replacement of picnic tables, buoy lines, vehicle barriers, and road gravel on an as-needed basis. **70,000**

Reclamation Request **\$486,000**

SEE APPENDIX FOR: Obligations by Function for Operating Projects

San Jose Area Water Reclamation and Reuse Program

LOCATION: This program encompasses the San Jose, California, metropolitan service area.

DESCRIPTION/JUSTIFICATION: This program calls for the planning, design, and construction of demonstration and permanent facilities to reclaim and/or reuse up to 36,000 acre-feet per year of wastewater treatment plant effluent, primarily for irrigation in the Santa Clara Valley, California. The project includes construction of 300 miles of pipe over a 150-square-mile area in 6 cities providing reclaimed water to the San Jose metropolitan service area. Phase I includes 60 miles of pipeline and supporting infrastructure.

The project will enable the City of San Jose to meet federally-mandated water quality standards and to reduce pressure on area surface and groundwater supplies. The project will meet the requirements of the Environmental Protection Agency by preventing conversion of endangered salt marsh habitat caused by fresh water effluent entering San Francisco Bay. The project will also reduce the discharge of trace level pollutants, and provide a reliable source of non-potable water to offset potable demands.

AUTHORIZATION: P.L. 102-575, Title XVI, Water Reclamation and Reuse Act, October 30, 1992; P.L. 104-266, Reclamation Recycling and Water Conservation Act, October 9, 1996.

COMPLETION DATA: As of September 30, 2002, the project is 28 percent complete. San Jose Area Water Reclamation and Reuse Program, Phase I, is complete. The Federal funds payout schedule for Phase I would continue through FY 2007.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2003 ^{1/}	FY2004
Water and Energy Management and Development	\$1,018,133	\$1,000,000
Total Program	\$1,018,133	\$1,000,000
Prior Year Funds	(18,133)	0
Request	\$1,000,000	\$1,000,000
Underfinancing	TBD	0
Total Reclamation Allotment	\$1,000,000	\$1,000,000

^{1/} The FY 2003 column reflects the President's budget request level as adjusted by the FY 2003 Budget Amendments transmitted to Congress on January 7, 2003. The original FY 2003 request amount of \$2,000,000 has been adjusted to \$1,000,000 to reflect the expenses related to the settlement of the "*Sumner Peck Ranch, Inc. v. Bureau of Reclamation*".

Total Construction Costs to be Allocated

	Total Estimated Cost	Total to 9/30/02	FY 2003	FY 2004	Balance to Complete
Reclamation	\$109,959,000	\$21,932,867	\$1,018,133	\$1,000,000	\$86,008,000
Adjustments ^{2/}	370,041,000	102,148,937	2,851,063	0	265,041,000
Total	\$480,000,000	\$124,081,804	\$3,869,196	\$1,000,000	\$351,049,000

^{2/} Non-cash contributions by San Jose and Santa Clara Valley Water Districts are complete for Phase I of the project. FY 2003 includes undelivered orders.

Construction Cost Allocation and Methodology

Allocation	FY 2003	FY 2004
Municipal and Industrial Water	\$480,000,000	\$480,000,000
Total	\$480,000,000	\$480,000,000

METHODOLOGY: The cost allocation has not been modified from last year.

APPROPRIATION CEILING: An appropriation ceiling was not included in the original authorizing legislation. P.L. 104-266, Reclamation Recycling and Water Conservation Act of 1996, imposed a Federal appropriation ceiling of \$109,959,000 for all phases of the project. The comparable Federal obligation is \$109,959,000, which does not exceed the appropriation ceiling.

WORK PROPOSED FOR FY 2004:

Water and Energy Management and Development - Continues reimbursement to the City of San Jose for Federal participation in Phase I construction activities of the San Jose Water Reclamation and Reuse Program. Phase I construction was completed in 1998. The Federal share of Phase I construction cost is \$35 million. Through FY 2002, Reclamation has provided about \$22 million to the City of San Jose. Phase I reimbursement is schedule for completion in FY 2007. The total Program cost for all project phases is \$480 million, with the Federal contribution capped at \$109 million.

\$1,000,000

Reclamation Request

\$1,000,000

Please refer to the discussion in the Water & Related Resources Overview concerning the Title XVI Program, including the Program Assessment Rating Tool (PART) results for Title XVI.

SEE APPENDIX FOR: Benefit Cost Ratios as of October 1, 2003
Status of NEPA Compliance

Solano Project

LOCATION: The Solano Project is located in north-central California, approximately 30 miles west of Sacramento, in Napa and Solano counties.

DESCRIPTION/JUSTIFICATION: The principal features and facilities of this project include Monticello Dam and Reservoir (Lake Berryessa), a concrete structure with a height of 304 feet above the foundation, a crest length of 1,023 feet, and a storage capacity of 1,602,000 acre-feet; Putah Diversion Dam, a gated concrete weir structure with an earthfill embankment wing 29 feet high and a crest length of 910 feet; the 32.3-mile Putah South Canal with a diversion capacity of 956 cubic feet per second and a terminal capacity of 116 cubic feet per second; Terminal Dam and Reservoir, a compacted earthfill structure 24 feet high and a crest length of 870 feet with a capacity of 119 acre-feet; Green Valley Conduit, a high-pressure concrete pipeline ranging in size from 27 inches down to 18 inches in diameter that extends 8,400 feet from the Putah South Canal into Green Valley; and various Distribution Systems built by local districts. The canals and pipelines are operated and maintained by the Solano Irrigation District with funding provided by Reclamation. All other facilities are operated and maintained by Reclamation. The project was designed to irrigate approximately 96,000 acres of land. The project also furnishes municipal and industrial water to the principal cities of Solano County. Recreational opportunities are available at seven resorts operated by private entities.

AUTHORIZATION: P.L. 76-260, Reclamation Project Act of 1939.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2003 ^{1/}	FY 2004
Water and Energy Management and Development	\$359,796	\$363,000
Land Management and Development	753,318	963,000
Fish and Wildlife Management and Development	218,024	196,000
Facility Operations	1,162,199	1,552,000
Facility Maintenance and Rehabilitation	377,484	1,141,000
Total Program	\$2,870,821	\$4,215,000
Prior Year Funds	(109,821)	0
Request	\$2,761,000	\$4,215,000
Underfinancing	TBD	0
Total Reclamation Allotment	\$2,761,000	\$4,215,000

^{1/} The FY 2003 Column reflects the President's budget request level.

WORK PROPOSED FOR FY 2004:

Water and Energy Management and Development - Continues administration of water rights and water marketing activities such as administering contracts, agreements, developing standards, and National Environmental Policy Act compliance. Continues water quality monitoring, water conservation activities, and energy conservation planning. **\$363,000**

Land Management and Development - Continues management of the recreation area at Lake Berryessa, compliance to hazardous materials handling and clean-up laws, realty actions, unauthorized use of land activities, land management and planning, structures inventory, and concession oversight. **963,000**

Fish and Wildlife Management and Development - Continues the management, protection, and habitat enhancement for terrestrial and aquatic wildlife species, and provides protective measures for special status species. Continues funding for Endangered Species Act compliance. **196,000**

Facility Operations - Continues ongoing infrastructure support, service contract renewals, and resource management of the Lake Berryessa recreation facilities, and management oversight of Monticello Dam, Putah Diversion Dam, Putah South Canal, and Terminal Dam and Reservoir. **1,552,000**

Facility Maintenance and Rehabilitation -

Visitor Center Remodel - Begins remodeling of the existing Lake Berryessa visitor center/park ranger offices to provide quality visitor services. **\$95,000**

Oak Shores Rehab and Sewage Lift Stations - Begins replacement of Oak Shores and the Admin compound 9 sewage lift stations, rehabilitation of Oak Shores restrooms, and retrofitting restrooms to meet the Americans Disability Act compliance initiatives. **430,000**

Accessibility Corrective Maintenance - Continues facility modifications to meet Federal accessibility standards. **250,000**

Facility Examinations - Continues periodic facility examinations. **18,000**

Capell Launch Site Rehabilitation - Completes repair and/or upgrade of several items at the Capell Cove boat launch site. Includes upgrades to the water system to provide potable water to public, addition of a second launch ramp and repairs to the parking lot. **318,000**

Lake Berryessa Water Treatment Plant Replacement - Completes replacement of the existing water treatment plant at Lake Berryessa. **30,000**

Subtotal, Facility Maintenance and Rehabilitation **1,141,000**

Reclamation Request **\$4,215,000**

SEE APPENDIX FOR: Obligations by Function for Operating Projects

Ventura River Project

LOCATION: The Ventura River Project (Project) is located in southern California about 60 miles northwest of Los Angeles.

DESCRIPTION/JUSTIFICATION: The Project comprises a storage reservoir on Coyote Creek, a diversion dam on the Ventura River, a canal to carry water from the diversion dam to the reservoir, and a high-pressure pipeline distribution system. The distribution system has pumping plants and balancing reservoirs to distribute the water from Lake Casitas to the various areas within the project for irrigation, municipal and industrial uses. Use of waters from Matilija Dam built by Ventura County and placed in operation in 1948, is incorporated in the overall plan for operation of the project.

The principal Project works are Robles Diversion Dam on the Ventura River and Robles-Casitas Canal leading into Casitas Reservoir and Dam. The Casitas Dam is located on Coyote Creek about 2 miles above its junction with the Ventura River. The reservoir has a storage capacity of 252,000 acre-feet of water, which is used for irrigation and municipal and industrial water in areas of Ventura County. The Project is exclusively a water supply project and is not authorized to serve other purposes as flood control or power generation. Casitas Dam and Reservoir are operated and maintained by Casitas Municipal Water District. Project facilities also are operated to provide recreation benefits.

AUTHORIZATION: The Project was authorized by act of Congress (P. L. 423, 84th Congress, 2nd session) approved March 1, 1956.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2003 ^{1/}	FY 2004
Water and Energy Management and Development	\$0	\$18,000
Land Management and Development	300,221	511,000
Total Program	\$300,221	\$529,000
Prior Year Funds	(300,221)	0
Request	\$0	\$529,000
Underfinancing	TBD	0
Total Reclamation Allotment	\$0	\$529,000

^{1/} The FY 2003 column reflects the President's budget request level.

WORK PROPOSED FOR 2004:

Water and Energy Management and Development - Continues Reclamation's responsibility for the administration of water service, repayment, exchange, and water rights settlement contracts, and the equitable allocation and distribution of water for completing uses. **\$18,000**

Land Management and Development - Continues Reclamation's responsibility to acquire and administer the Casitas Open Space Lands for the protection of the watershed and water quality; manage project lands for recreation, wildlife habitat, and other land use compliance activities. **\$11,000**

Reclamation Request **\$529,000**

SEE APPENDIX FOR: Obligations by Function for Operating Projects

Note: Previously the efforts for these activities were minimal and the costs were included under a bureauwide program. However, it was recognized that the full scope of the Land Use Compliance activities required for the Ventura River Project have increased and require a single project request. This is partially due to the expiration of 25-year leases, which require Reclamation to complete and implement the resource management plan.