IMPERIAL IRRIGATION DISTRICT

OPERATING HEADQUARTERS • P. O. BOX 937 • IMPERIAL, CALIFORNIA 92251

October 9, 2009

Ms. Lorri Gray-Lee
Bureau of Reclamation
Lower Colorado Regional Office
Attn BC00-4200
P.O. Box 61470
Boulder City, NV 89006-1470

Subject: IID Estimates of Diversion – Colorado River 2010
(Ref. BCOO-4226/WTR 4.03)

Dear Ms. Gray-Lee:

This letter responds to the Bureau of Reclamation's (Reclamation's) request to the Imperial Irrigation District (IID) for an estimate of IID's 2010 expected water use. This estimate constitutes IID's water "order" for 2010. This letter utilizes the *Accounting Methodology for IID Canal Losses Key Terms of Agreement* dated October 3, 2007 between IID and Reclamation. Should there be any changes to this methodology, it may or may not require further revision to the 2010 water order.

This water order should be considered by Reclamation in the context of the signed Quantification Settlement Agreement (QSA) and the reservation of legal positions contained in the dismissal of IID v. USA, et al. As historically recognized by Reclamation and the position of many other Colorado River contractors, water orders submitted in advance of the water year are merely estimates of anticipated water use that may need adjustment based on a wide variety of variables that impact water use during the course of a year. No Colorado River contractor can predict exactly what it will need the following year; it can only make an educated guess. Thus, water orders may require subsequent revision and should not be perceived as a volume limitation on the annual exercise of the water right.

Similarly, the exact volume and proposed uses of conserved water cannot be determined or accurately predicted in advance of any water conservation program's startup and final contracting. The final calculation of actual conserved water yields are dependent on year-end crop water use, rainfall, and delivery records that are not available prior to the conclusion of the current calendar year. Contracting parameters and conserved water requirements for 2010 are also dependent on Reclamation's or third-party measurement, reporting, and calculation of IID's diversions, return flow credits, and consumptive uses for the current and previous water years. The accuracy and timeliness of these final measurement and Decree Accounting records are a significant factor in IID's estimates, such that they may require subsequent revision and

should not be considered a volume limitation for purposes of IID's annual consumptive use or diversion calculation.

Thus, IID submits this water order without limiting IID's 2010 water rights. However, IID acknowledges that the QSA itself provides an annual volume limitation. Pursuant to that agreement, IID quantified its Priority 3 consumptive use at a maximum of 3.1 million acre-feet per year during the term of the QSA. IID anticipates (but does not limit itself except by the terms of the QSA) a consumptive use need of 2,773,800 acre-feet for 2010. Pursuant to the QSA, and assuming implementation of the QSA as agreed to by all other parties without material changes or failure, IID's estimated water order for 2010 is as follows:

IID 2010 Estimated Consumptive Use[1] Table in Acre-Feet (October 8, 2009)	
Priority 3 Cap	3,100,000
Miscellaneous PPR's	(11,500)
1988 IID/MWD Agreement[2]	(105,000)
IID/SDCWA Transfer	(70,000)
Salton Sea Mitigation	(35,000)
AAC Lining	(67,700)
IID/CVWD Transfer	(12,000)
IOPP Payback – 2006[3]	0
IOPP Payback – 2007[4]	0
Estimate of Additional Conserved Water[5,6,7,8]	(25,000)
Total IID 2010 Consumptive Use[1] Estimate	**2,773,800**

1 Consumptive uses include uses for agricultural, municipal, industrial, and storage purposes.

2 In 2007 (by agreement between IID and MWD), the annual conservation yield of the 1988 IID/MWD Agreement was fixed at 105,000 AF. This value may decrease in 2010 if certain Tailwater Return Systems are not continuously operated decreasing the project's conservation yield.

3 IID's 2006 IOPP payback obligation was completed in 2008 (two years ahead of schedule).

4 IID's 2007 IOPP payback obligation was completed in 2008 (two years ahead of schedule).

5 Additional conserved water uses include Intentionally Created Surplus (ICS), inadvertent overrun payback (IOP), early IOP, payback on behalf of another Colorado River contractor, groundwater storage, groundwater recharge, storage in the Salton Sea, and/or other allowed uses of conserved water. This estimate will be adjusted and specific uses defined more appropriately as the year progresses.

6 The truing up of all 2009 and 2010 fallowing and main canal seepage interception program yields after year-end may require an adjustment to this volume, as would approval of any requested II(B)(6) water to reduce IID's 2010 overrun obligation should it exist.

7 Final contracting of IID's 2010-2011 Fallowing Program and a true-up of all 2010 IID fallowing and other conservation program yields at year end will require an adjustment to this volume.

8 Pursuant to Section 3.B.9 of the Interim Guidelines for the Operation of Lake Powell and Lake Mead, IID's estimated volume of ICS water may decrease in 2010 with the appropriate notifications.

IID 2010 Estimated River Diversion Table in Acre-Feet	
Total IID 2010 Consumptive Use[1] Estimate	2,773,800
2010 Estimated Consumptive Use[1] met by LCWSP[9]	(4,380)
Total IID 2010 Consumptive Use[1] Estimate at River	2,769,420
2010 Calculated Return Flow Credit[10]	67,039
Total IID 2010 Calculated River Diversion Estimate	**2,836,459**

This 2,773,800 AF of consumptive use would require diversions of approximately 2,836,459 AF from the Colorado River in 2009 (given a calculated return flow credit estimate of 67,039 AF and taking into account 4,380 AF of exchange water from the Lower Colorado Water Supply Project (LCWSP)).[11] Any changes to the actual 2010 LCWSP pumping will, of necessity, result in changes to IID's actual Colorado River diversion and the associated return flow credit estimate. This annual water order estimate is based upon average conditions for rainfall, salinity and likely 2009 cropping patterns, including multiple cropped acreage and normal economic conditions in crop markets. Actual diversions in 2010 will, of necessity, reflect changed circumstances as they evolve including the final contracting of the 2010-2011 Fallowing Program and the truing up all IID fallowing and other conservation program yields at year end.

Finally, please let this letter serve as a request by IID for any unused apportionment available to California in 2010 under Section II(B)(6) of the United States Supreme Court Decree, to be used for reducing any inadvertent Overrun of IID's in 2010. Reclamation has informed IID that requests for II(B)(6) water need to be made in the calendar year in which II(B)(6) water is available, however IID believes that informing Reclamation as early as possible of its desire for II(B)(6) water can only be helpful to Reclamation's administration of the Colorado River. As such, IID provides this *early* notice of its request with the understanding that, similar to its inability to exactly predict now how much IID will consumptively use in 2010 because of the number of variables that can affect IID's consumptive use, Reclamation cannot accurately predict how much or whether there will be any II(B)(6) water available to satisfy IID's request. We appreciate Reclamation's willingness to keep IID informed about this, and IID will reiterate its request for II(B)(6) water in 2010 for Reclamation's convenience.

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9 2010 order not yet received from LCWSP contractors. However, IID estimates that it will be requested to maximize this project's yield, which is estimated to be 4,380 acre-feet annually for the only currently operating (west) pump. Actual pumped volumes and projections should be updated by Reclamation throughout 2010.

10 Based on Reclamation's CY2002 monthly use/diversion ratios as provided by Rod Carson in an email to Tina Shields dated 11/12/03 and reconfirmed by Paul Matuska 9/16/09. IID reserves its right to dispute the return flow formula utilized by Reclamation, but accepts Reclamation's ratios solely for the purpose of making an estimate in this letter.

11 See attachment entitled Imperial Irrigation District Estimated 2008 Water Diversion Requirements for a monthly breakdown of estimated diversions.

If you have any questions regarding these issues, please contact me at 760-339-9287.

Sincerely,

MICHAEL L. KING
Water Manager

MLK/ceb
Attachments

IID Estimated 2010 Water Diversion Requirements in Acre-Feet (10/8/2009)				
Month	Estimated IID Consumptive Use from CR	2002 Monthly Use Ratios (use/diversion)[1]	Estimated Monthly Return Flow	Calculated Imperial Dam Diversion Estimate
January	144,827	0.97548	3,640	148,468
February	163,635	0.99151	1,401	165,036
March	264,560	0.99621	1,006	265,567
April	321,891	0.98758	4,048	325,939
May	305,783	0.97212	8,770	314,553
June	274,056	0.98221	4,964	279,020
July	311,125	0.98807	3,757	314,881
August	269,847	0.97402	7,198	277,045
September	230,860	0.96538	8,279	239,139
October	210,088	0.95033	10,980	221,068
November	159,464	0.96883	5,130	164,594
December	113,284	0.93508	7,865	121,149
Sub-Total	2,769,420		67,039	2,836,459

IID 2010 Consumptive Use Estimate Met by LCWSP[2]	4,380

IID 2010 Consumptive Use Estimate (CU from CR+ LCWSP)	2,773,800

[1] CY2002 Bureau of Reclamation monthly use/diversion ratios as provided by Reclamation's Rod Carson in an email to Tina Shields dated 11/12/03 and reconfirmed by Paul Matuska 9/16/09. IID reserves its right to dispute the return flow formula utilized by Reclamation but accepts Reclamation's ratios solely for the purpose of making an estimate in this letter.

[2] 2009 order not yet received from LCWSP contractors. However, IID estimates that it will be requested to maximize this project's yield, which is estimated to be 4,380 acre-feet annually for the only currently operating (west) pump. Actual pumped volumes and projections should be updated by Reclamation throughout 2010.