



United States Department of the Interior

BUREAU OF RECLAMATION
Lower Colorado Regional Office
P.O. Box 61470
Boulder City, NV 89006-1470

IN REPLY REFER TO:

LC-4220
WTR-4.03

DEC 31 2012

CERTIFIED – RETURN RECEIPT REQUESTED

Mr. Jim Barrett
Acting General Manager
Coachella Valley Water District
P.O. Box 1058
Coachella, CA 92236-1058

Subject: Approval of Calendar Year 2013 Diversion for the Coachella Valley Water District (District)

Dear Mr. Barrett:

In accordance with Title 43, Code of Federal Regulations Part 417 (Part 417), this letter provides the District with notice of my determination regarding the District's proposed diversion and beneficial use of Colorado River water for calendar year 2013.

The Colorado River Water Delivery Agreement (CRWDA) quantifies Colorado River water use within the state of California. This letter serves as the approval of the diversion amount for the District.

By letter dated August 29, 2012, the District submitted a request to consumptively use up to 347,000 acre-feet of Colorado River water in calendar year 2013. Based upon a review of the District's request and the information gathered during the Bureau of Reclamation's annual Part 417 consultation process, I approve the consumptive use of up to 347,000 acre-feet of Colorado River water during calendar year 2013 for use in the District's service area. This consumptive use approval results in an estimated diversion of 361,165 acre-feet. The table below provides the details of the data used to develop the District's approved diversion for calendar year 2013.

Water Budget Item	Amount ¹
Priority 3a Consumptive Use Cap	330,000
Coachella Canal Lining Project Conserved Water	-30,850
Coachella Canal Lining Project Conserved Water for Mitigation ²	4,850
Present Perfected Right Holders and Others	-3,000
1988 Imperial Irrigation District (IID)/Metropolitan Water District of Southern California (MWD) Conservation Agreement	20,000
Intra-Priority Transfer to the District from IID (IID-District Acquisition Agreement)	26,000
District CRWDA Entitlement from the Colorado River	347,000
MWD/District State Water Project Water Exchange	-
Total Approved Consumptive Use	347,000
Returns	14,165
Total Approved Diversion	361,165

¹All values in acre-feet.

²Following the District's final mitigation water use report in December 2013, the District's approved diversion amount may be amended.

This water order approval is based upon the District's water entitlement under the terms of the CRWDA. Reclamation notes that under the terms of Exhibit B to the CRWDA, calendar year 2012 is identified as a benchmark year. This is a reference to the benchmarks first established in the Interim Surplus Guidelines adopted by the Secretary of the Interior (Secretary) in January 2001, and contained in the Colorado River Interim Guidelines for Lower Basin Shortages and the Coordinated Operations for Lake Powell and Lake Mead (Interim Guidelines), adopted by the Secretary in December 2007, which remain in effect. The benchmarks were put in place in 2001, and remain in place, as a means to take into account progress, or lack thereof, in California's efforts to bring its use of Colorado River water within the state's normal year apportionment of 4,400,000 acre-feet.

The water collectively ordered by California agricultural agencies for calendar year 2012, if taken, will exceed the 2012 benchmark in the Interim Guidelines and in Exhibit B of the CRWDA, and will also exceed the annual target for 2012 established in Exhibit B. Whether a benchmark or an annual target is actually exceeded will not be determined until the final *Colorado River Accounting and Water Use Report Arizona, California, and Nevada* (Water Accounting Report) for 2012 is prepared in the spring of 2013. Section 5.C of the Interim Guidelines and Article 8 of the CRWDA address the failure to meet a benchmark. Article 8 also addresses the failure to meet an annual target.

Whether the 2012 benchmark or annual target is met may be dependent in part on the IID transfer to MWD reflected in Column 9 of Exhibit B to the CRWDA. To date, Column 9 transfers have not occurred. Reclamation notes that the underlying circumstances relating to the lack of implementation of the Column 9 transfers, and the impact of these circumstances on the ability of the California agricultural agencies to achieve the 2012 benchmark and annual target, is a matter of continuing discussion among Reclamation, the California parties, and the Basin States.

Reclamation notes, for informational purposes, that the following two issues relating to California Colorado River accounting remain under review by Reclamation:

- (1) The 2010 Water Accounting Report, documented that, for the purpose of meeting Salton Sea mitigation requirements, IID conserved 33,736 acre-feet of Colorado River water in 2010 which was transferred to the San Diego County Water Authority (SDCWA) and exchanged with the District for non-Colorado River water. The 2010 Water Accounting Report also documented that, in 2010, IID delivered 46,546 acre-feet of Colorado River water to the Salton Sea with a stated intention to meet Salton Sea mitigation requirements for 2011 and half of 2012. The appropriate accounting for the 46,546 acre-feet is under review by Reclamation.
- (2) The 2011 Water Account Report documented in 2011 that IID did not conserve in 2011 the full 80,000 acre-feet necessary to meet the scheduled transfer of Colorado River water to SDCWA in 2011, as set forth in Column 5, Exhibit B, of the CRWDA. Reclamation appreciates CVWD's input on this issue, as outlined in CVWD's letter dated December 6, 2011. The appropriate accounting for this circumstance is under review by Reclamation.

Reclamation is committed to continuing to work with the CRWDA parties to resolve these important issues.

Reclamation will monitor and project diversions and consumptive use of Colorado River water during calendar year 2013 in an effort to ensure each entitlement holder's annual approval is not exceeded. Beginning in February 2013, these projections will be available to water users on a daily basis on Reclamation's website:

www.usbr.gov/lc/region/g4000/hourly/forecast13.pdf. It is expected that entitlement holders within the state of California will use this information to adjust diversions to remain within approved annual quantities or, as appropriate, seek modification of the approval.

Thank you for submitting the District's diversion estimate for calendar year 2013. If you have questions, please contact Mr. Paul Matuska, Water Accounting and Verification Group Manager, at 702-293-8164.

Sincerely,



Terrance J. Fulp, Ph.D.
Regional Director

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