

BCOO-4230  
WTR-4.03

APR 13 2005

CERTIFIED - RETURN RECEIPT REQUESTED

Mr. Steven B. Robbins  
General Manager-Chief Engineer  
Coachella Valley Water District  
P.O. Box 1058  
Coachella, CA 92236

Subject: Payback Verification for 2004

Dear Mr. Robbins:

In 2004, the Bureau of Reclamation instituted a process to implement the Inadvertent Overrun and Payback Policy (IOPP). This implementation process specifically addresses the payback requirements contained in Exhibit C of the Colorado River Water Delivery Agreement, signed October 10, 2003. Exhibit C is a payback schedule for overruns incurred in calendar years 2001 and 2002.

In accordance with the IOPP, the Coachella Valley Water District (CVWD) prepared an extraordinary water conservation plan that detailed a water management program to payback 19,100 acre-feet of the overrun during calendar year 2004. The Inadvertent Overrun and Payback Technical Committee (IOPTC) reviewed the plan and recommended its adequacy to Reclamation on May 18, 2004.

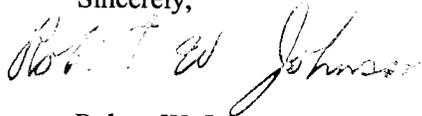
The IOPP obligates Reclamation to monitor the implementation of the extraordinary conservation measures contained in the payback plan. The IOPTC recommended that Reclamation spot check 5 percent of the acres receiving water management assistance to validate that the measures were applied according to the 2004 CVWD Extraordinary Water Conservation Plan. Validation included interviewing the water user, examining water use data, observations from field visits, and reviewing consultant implementation reports.

Of the 47,546 acres under water management assistance, 21 fields totaling approximately 2,204 acres were randomly selected to verify the implementation of the conservation measures.

Enclosed for your information is the resulting report that validates the implementation of the planned water conservation measures. Reclamation accredits 19,100 acre-feet to the payback of 2001 and 2002 overruns in calendar year 2004.

If you have any questions, please contact Mr. Steve Jones at 702-293-8186.

Sincerely,



Robert W. Johnson  
Regional Director

Enclosure

cc: Mr. Gerald Zimmerman  
Executive Director  
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Mr. Herb R. Guenther  
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(w/cy encl to ea)

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Attention: BCOO-4200, BCOO-4222, BCOO-4622  
Area Manager, Yuma, AZ  
Attention: YAO-1000

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Such delay would continue the previously approved water order, effectively holding Senior's (or Junior's) water order hostage pending resolution of potentially unrelated matters

So far, third party protest has been absent, and Reclamation has been prompt in its approval of water order changes. However in the future, as the year draws to a close, timing of water orders and deliveries will become critical. Seniors requesting increases in diversions have a responsibility and obligation to their customers to deliver water as requested by their customers. In the event that Seniors are faced with an inadvertent overrun at the end of the year, Seniors will face substantial liability if Reclamation fails to provide timely approval of water orders.

Suggested wording follows:

## II OVERRUN

(1) Occurrence of an Overrun. An overrun governed by the IOPP occurs when an entitlement holder inadvertently diverts, pumps, or receives Colorado River water in excess of contract entitlement. In the event an initial determination under Part 417 is modified later in the year, an overrun shall occur to the extent an entitlement holder inadvertently diverts, pumps or receives Colorado River water in excess of contract entitlement.

- c. Payback Plan, item (e): When and how Reclamation will be able to confirm the payback.

In outlining a plan for confirming payback, the entitlement holder may suggest, but only Reclamation can commit its own funding and resources in the confirmation of a particular payback. Moreover, the Contractor likely will not offer Reclamation suggested methods or actions that run counter to the Contractor's position.

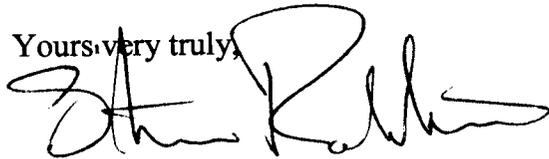
- d. Technical Committee General: The payback plan approval process integrates an implicit "approval" of payback plans within the Part 417 approval process.

In rejecting an unacceptable plan, Reclamation must approve a higher than requested diversion schedule. Approval of higher numbers is counter intuitive to a 417 process which seeks to limit diversions to no more than reasonably required.

The District suggests Reclamation separate the approval of payback plans from the approval of water orders on the Colorado system. In the event public comment holds up approval of any one payback plan, Reclamation can proceed with approval of the remaining water orders on the system.

- e. **Technical Committee General:** Many of the extraordinary conservation projects involve physical, financial or contractual commitments by local water agencies that span multiple years. Suggest IOPP draft procedures include wording that enables Technical Committee recommendations to span multiple years.

If you have any questions, please call me.

Yours very truly,  


Steve Robbins  
General Manager-Chief Engineer

Enclosure/1/as

cc: Elston Grubaugh  
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