

JUL 12 2004

BCOO-4230
WTR-4.03

CERTIFIED - RETURN RECEIPT REQUESTED

Mr. Ronald R. Gastelum
President
The Metropolitan Water District of Southern California
700 North Alameda Street
Los Angeles, CA 90054

Subject: Approval of Revised Annual Diversion From the Colorado River for
Calendar Year 2004

Dear Mr. Gastelum:

We have received your letter dated February 10, 2004, requesting that the Bureau of Reclamation approve the revision of the calendar year 2004 diversion estimates for Metropolitan Water District of Southern California (MWD) from the approved 509,635 acre-feet (af) to 518,573 af. You cite several items in your letter that affect the original diversion approval. This letter addresses those items and serves as a revised diversion approval.

Revised Request for Diversions

Payback of 2001 and 2002 Overruns - Reclamation was informed through your October 24, 2002 letter that it was the intent of MWD to take appropriate actions to reduce its diversion and that the reduced diversion by MWD in 2002 from the original approved amount be credited toward the 2001 and 2002 overruns. Reclamation will accept 11,000 af of the reduced MWD diversion in 2002 in satisfaction of Exhibit C of the Colorado River Water Delivery Agreement (CRWDA). The Note to Exhibit C of the CRWDA expressly allows for repayment of 2001 and 2002 overruns in advance of the schedule in Exhibit C.

Diversion of Water for Tijuana - In our December 31, 2003 approval letter we assumed that Mexico would request a diversion of 2,764 af at Parker Dam for emergency delivery to Tijuana, which includes 200 af for losses associated with the delivery. The United States Section of the International Boundary and Water Commission has since informed Reclamation that Mexico is requesting a diversion of 702 af at Parker Dam to effect Tijuana emergency deliveries of 652 af. We agree that this Tijuana adjustment will reduce MWD's approved diversion by 2,062 af.

Reports and Changing Conditions

Estimated Use by Holders of Priorities 1, 2, and 3(b) – The entitlement holders of priorities 1, 2 and 3(b) have a combined consumptive use of 552,507 af approved by Reclamation for 2004. In accordance with Section 4.d of the CRWDA, MWD is therefore to reduce MWD's 2004 consumptive use entitlement by 132,507 af, the amount by which Priorities 1, 2, and 3(b) use exceeds 420,000 af. This may change as the year progresses. We are monitoring consumptive use of Colorado River water on a daily basis. These consumptive use projections are available on our web site: www.usbr.gov/lc/region and are intended to assist all California contractors to stay within their approved water orders. Reclamation will monitor use and make additional water available to the lower priority users if and when water becomes available from entitlement holders in Priorities 1, 2, and 3(b).

Part 417 Administration – In accordance with your request, we have attached the approval letters and Part 417 consultation data relating to 2004 water order approvals for Priorities 1, 2, and 3(b), excluding the Quechan Tribe. We are also enclosing the diversion request received from the Bureau of Indian Affairs pertaining to the 2004 diversions for each Indian reservation.

Uses in Dispute

Reclamation recognizes that MWD does not support Reclamation's accounting for the Yuma Island pumpers, disputed lands on the Fort Yuma Reservation, and Ranch 5 as part of Priority 2. We are working to resolve the Parker Dam/Government Camp water use issue. We are committed to continuing our discussion with your organization and other Colorado River water users regarding the resolution of these disputes.

Conclusion

<u>Item</u>	<u>December 31, 2003</u> <u>(acre-feet)</u>	<u>Revised</u> <u>(acre-feet)</u>
Basic Entitlement	550,000	550,000
Present Perfected Rights and Others	(4,808)	(4,808)
1988 Conservation Agreement	81,900	81,900
Payback of 2001 and 2002	(11,000)	(11,000)
Credit for 2002 Payback		11,000
Adjustment for Priorities 1, 2, and 3b	(132,507)	(132,507)
Consumptive Use	483,585	494,585

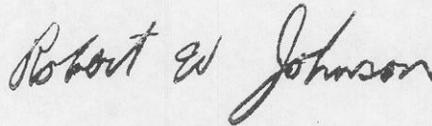
Water for San Diego County Water Authority	20,000	20,000
Water for Tijuana emergency delivery	2,764	702
Returns	3,285	3,285
Diversion	509,634	518,572

In accordance with Part 417 of Title 43, Code of Federal Regulations and the CRWDA it is the determination of this office that the total diversion of 518,572 af for calendar year 2004 is approved.

Please submit a revised schedule reflecting the above diversion limit no later than July 15, 2004. The timely receipt of your revised diversion schedule is extremely important to our ability to provide an accurate forecast of Californias 2004 water use.

If you have any questions, please contact Ms. Ruth M. Thayer at 702-293-8426.

Sincerely,



Robert W. Johnson
Regional Director

Enclosure

cc: Mr. Gerald Zimmerman
Executive Director
Colorado River Board of California
770 Fairmont Avenue, Suite 100
Glendale, CA 91203-1035

Mr. Herb R. Guenther
Director
Arizona Department of Water Resources
500 North Third Street
Phoenix, AZ 85004-3903

Mr. James H. Davenport
Chief, Water Division
Colorado River Commission of
Nevada
555 E. Washington Avenue, Suite 3100
Las Vegas, NV 89101

Ms. Maureen A. Stapleton
General Manager
San Diego County
Water Authority
4677 Overland Avenue
San Diego, CA 92123-1233

bc: Area Manager, Boulder City, NV

Attention: BCOO-1000, BCOO-4200, BCOO-4222, BCOO-4622

Area Manager, Yuma, AZ

Attention: YAO-1000

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