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CENTRAL ARIZONA PROJECT

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May 12, 2006

Mr. Robert Johnson
Regional Director
Bureau of Reclamation, LCR
P.O. Box 61470
Boulder City NV 89006-1470

Dear Mr. Johnson:

Central Arizona Water Conservation District (CAWCD) has participated in the process of developing a pilot program for intentionally created surplus (ICS) for Metropolitan Water District of Southern California (MWDSC) and Imperial Irrigation District (IID) in 2006 and 2007. MWDSC and IID have proposed to do limited amounts of extraordinary conservation to lower California demands below 4.4 maf and receive recognition for ICS. CAWCD recognizes that learning experience can be provided by the proposed pilot program and will support the pilot program.

To add certainty to the process, CAWCD will not request the Secretary to make California unused apportionment arising from the pilot program in 2006 and 2007 available for use by CAWCD.

Sincerely,

David S. "Sid" Wilson, Jr.
General Manager

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cc: Larry Dozier

December 13, 2006

Mr. Larry Walkoviak
Acting Regional Director
Bureau of Reclamation
Lower Colorado Region
P.O. Box 61470
Boulder City, Nevada 89006-1470

Mr. Charles J. Hosken
General Manager
Imperial Irrigation District
P. O. Box 937
Imperial, California 92251

Dear Messrs. Walkoviak and Hosken:

Agreement between IID and Reclamation to Implement a Demonstration Program to Create Intentionally Created Surplus

The undersigned Palo Verde Irrigation District (PVID), Coachella Valley Water District (CVWD), and The Metropolitan Water District of Southern California (Metropolitan) provide this consent to Imperial Irrigation District (IID) and U. S. Bureau of Reclamation (Reclamation) with respect to the agreement entered into between IID and Reclamation on July 6, 2006 to create Intentionally Created Surplus (ICS) in 2006 and 2007 as a demonstration program.

PVID, CVWD, and Metropolitan have participated in the process of developing the demonstration program for creation of ICS in 2006 and 2007. Each of these agencies recognizes the benefits of the demonstration program and supports its implementation.

Notwithstanding any provision of the Quantification Settlement Agreement, including Section 4.3 thereof, or any other agreement previously entered into by PVID, CVWD, or Metropolitan, each of these agencies hereby consent and agree as follows:

(a) IID will conserve Colorado River water by means of extraordinary conservation measures undertaken in accordance with its July 6, 2006 agreement with Reclamation;

(b) IID will forbear ordering, diverting, or using the conserved Colorado River water in 2006 and 2007 for purposes of creating ICS in accordance with its July 6, 2006 agreement with Reclamation;

(c) the conserved Colorado River water will not be available for use by, and will not be included in the amount of Colorado River water available to, PVID, CVWD, and Metropolitan under California's apportionment of Colorado River water; and

(d) PVID, CVWD, and Metropolitan will not, directly or indirectly, claim, pump, divert, use or demand any Colorado River water that is conserved by extraordinary measures implemented by IID for purposes of creating ICS pursuant to the terms of the July 6, 2006 agreement between IID and Reclamation.

This consent is given based upon the terms of the July 6, 2006 Agreement between IID and Reclamation to Implement a Demonstration Program to Create Intentionally Created Surplus Water.

PALO VERDE IRRIGATION DISTRICT

By: _____
Edward W. Smith
General Manager

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

By: _____
Jeffrey Kightlinger
General Manager

COACHELLA VALLEY WATER DISTRICT

By: _____
Steve Robbins
General Manager-Chief Engineer

December 13, 2006

Mr. Larry Walkoviak
Acting Regional Director
Bureau of Reclamation
Lower Colorado Region
P.O. Box 61470
Boulder City, Nevada 89006-1470

Mr. Jeffrey Kightlinger
The Metropolitan Water District
of Southern California
P. O. Box 54153
Los Angeles, California 90054-0153

Dear Messrs. Walkoviak and Kightlinger:

Agreement between Metropolitan and Reclamation to Implement a Demonstration Program to Create Intentionally Created Surplus

The undersigned Palo Verde Irrigation District (PVID), Imperial Irrigation District (IID), and Coachella Valley Water District (CVWD) provide this consent to the Metropolitan Water District of Southern California (Metropolitan) and U. S. Bureau of Reclamation (Reclamation) with respect to the agreement entered into between Metropolitan and Reclamation on May 26, 2006 to create Intentionally Created Surplus (ICS) in 2006 and 2007 as a demonstration program.

PVID, IID, and CVWD have participated in the process of developing the demonstration program for creation of ICS in 2006 and 2007. Each of these agencies recognizes the benefits of the demonstration program and supports its implementation.

Notwithstanding any provision of the Quantification Settlement Agreement, including Section 4.3 thereof, or any other agreement previously entered into by PVID, IID, or CVWD, each of these agencies hereby consent and agree as follows:

(a) Metropolitan will conserve Colorado River water by means of extraordinary conservation measures undertaken in accordance with its May 26, 2006 agreement with Reclamation;

(b) Metropolitan will forbear ordering, diverting, or using the conserved Colorado River water in 2006 and 2007 for purposes of creating ICS in accordance with its May 26, 2006 agreement with Reclamation;

(c) the conserved Colorado River water will not be available for use by, and will not be included in the amount of Colorado River water available to, PVID, IID, and CVWD under California's apportionment of Colorado River water; and

(d) PVID, IID, and CVWD will not, directly or indirectly, claim, pump, divert, use or demand any Colorado River water that is conserved by extraordinary measures implemented by Metropolitan for purposes of creating ICS pursuant to the terms of the May 26, 2006 agreement between Metropolitan and Reclamation.

This consent is given based upon the terms of the May 26, 2006 Agreement between Metropolitan and Reclamation to Implement a Demonstration Program to Create Intentionally Created Surplus Water.

PALO VERDE IRRIGATION DISTRICT

By: _____
Edward W. Smith
General Manager

IMPERIAL IRRIGATION DISTRICT

By: Charles Hosken
Charles Hosken
General Manager

COACHELLA VALLEY WATER DISTRICT

By: _____
Steve Robbins
General Manager-Chief Engineer

Southern Nevada
Water Authority

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snwa.com

July 28, 2006

Mr. Robert Johnson
Regional Director
Bureau of Reclamation, LCR
P.O. Box 61470
Boulder City, Nevada 89006-1470

Dear Mr. Johnson:

SUBJECT: PILOT PROGRAMS FOR INTENTIONALLY CREATED SURPLUS AND SYSTEM CONSERVATION

The Southern Nevada Water Authority (SNWA) has participated with other stakeholders in developing a proposal to the Secretary of Interior regarding Colorado River Interim Operations. This proposal includes a program for intentionally created surplus (ICS) through extraordinary conservation and system efficiency projects.

The Metropolitan Water District of Southern California (MWD) and Imperial Irrigation District (IID) have signed letters of agreement with the Bureau of Reclamation (Reclamation) to institute two pilot programs during 2006 and 2007. Under the pilot programs, MWD and IID have proposed to do limited amounts of extraordinary conservation to reduce California's demands below 4.4 maf. The MWD and IID would receive recognition for ICS created through both of these pilot programs.

The SNWA recognizes that valuable experience can be garnered through the proposed pilot programs and will support these programs. To add certainty to the process, SNWA will not in the future request the Secretary of Interior make California's unused apportionment arising from the pilot programs in 2006 and 2007 available for use by SNWA.

The MWD and Reclamation have also signed an Agreement to Implement a Demonstration Program for System Conservation of Colorado River Water. The SNWA will not request the Secretary of Interior make California's unused apportionment arising from this program during 2006 and 2007 available for use by SNWA.

Sincerely,

Patricia Mulroy
General Manager

PM:JJE:pcd

c: Mike King, Manager, Imperial Irrigation District Water Department
Jeff Kightlinger, General Manager, Metropolitan Water District