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LC-4212
WTR-4.03

CERTIFIED - RETURN RECEIPT REQUESTED

Mr. David V. Modeer
General Manager
Central Arizona Water
Conservation District
P.O. Box 43020
Phoenix, AZ 85080-3020

Subject: 2009 Overrun of Colorado River Entitlement by the Central Arizona Water Conservation District (CAWCD)

Dear Mr. Modeer:

The Record of Decision for the Colorado River Water Delivery Agreement (CRWDA) was signed on October 10, 2003, by the Secretary of the Interior. The CRWDA adopted a policy regarding inadvertent overruns of Colorado River diversions (§ IX. A). Effective January 1, 2004, the Inadvertent Overrun and Payback (IOP) policy established requirements for payback of any overruns of Colorado River water by users in the Lower Division States.

In accordance with the IOP policy, this letter serves as formal notification to CAWCD that it inadvertently overran its 2009 Colorado River entitlement by 11,659 acre-feet. For calendar year 2009, CAWCD's approved diversion was 1,648,149 acre-feet. According to the 2009 Colorado River Accounting and Water Use Report, CAWCD diverted a total of 1,659,808 acre-feet.

In response to inadvertent overruns, the Bureau of Reclamation is required to ensure that a payback to the Colorado River system occurs in an amount equal to the overrun, and according to the repayment schedule established by the IOP policy.

The IOP policy repayment schedules are based on the elevation of Lake Mead at midnight on January 1 in the year in which the overrun has incurred. Based on the elevation of Lake Mead on January 1, 2009, all Colorado River overruns occurring in 2009 must be repaid in full within calendar year 2011.

An entitlement holder with an IOP obligation must submit a payback plan to Reclamation that demonstrates how the entitlement holder will intentionally forgo use of Colorado River water by extraordinary conservation measures. Extraordinary conservation measures must be sufficient to meet the payback obligation as well as demonstrate that the measures are an addition to those

implemented under the Reclamation-approved water conservation plan. For calendar year 2009 overruns, the payback plan is due to Reclamation by August 15, 2010.

The payback plan for CAWCD must include the following:

(a) The reason for the inadvertent overrun.
(b) The extraordinary conservation measures to be implemented to conserve Colorado River water or supplemental water sources that will be used in substitution of Colorado River water.
(c) How and why the conservation measures or supplemental water sources will conserve Colorado River water.
(d) The schedule and location of extraordinary conservation measures.
(e) How much Colorado River water will be conserved or replaced with supplemental water.
(f) The methods and schedules by which Reclamation will be able to confirm the payback.

If CAWCD has questions regarding the IOP policy, extraordinary conservation requirements, or assistance in developing a payback plan, please contact Mr. Paul Matuska, Water Accounting and Verification Group Manager, at 702-293-8164.

Sincerely,

STEVEN C. HVINDEN

Steven C. Hvinden
Director, Boulder Canyon Operations Office

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

Mr. George M. Caan
Director
Colorado River Commission of Nevada
555 East Washington Avenue, Suite 3100
Las Vegas, NV 89101-1065

Mr. Herb Guenther
Director
Arizona Department of Water Resources
3550 North Central Avenue
Phoenix, AZ 85012-2105

bc: Area Manager, Phoenix, Arizona
Attention: PXAO-1000 (Acting)
LC-1000 (Gray-Lee), LC-4200 (Matuska), LC-4600 (Williams)