



United States Department of the Interior

BUREAU OF RECLAMATION
Lower Colorado Regional Office
P.O. Box 61470
Boulder City, NV 89006-1470
MAR 29 2012

IN REPLY REFER TO:
LC-4220
WTR-4.03

CERTIFIED - RETURN RECEIPT REQUESTED

Mr. Roger K. Patterson
Assistant General Manager
Metropolitan Water District
of Southern California
P.O. Box 54153
Los Angeles, CA 90054-0153

Subject: Approval of the Metropolitan Water District of Southern California's (MWD) 2012 Plan for the Creation of Extraordinary Conservation Intentionally Created Surplus (ICS)

Dear Mr. Patterson:

MWD submitted its 2012 Plan for the Creation of Extraordinary Conservation ICS (ICS Plan) by letter dated July 25, 2011. MWD's ICS Plan describes three separate activities from which MWD intends to create Extraordinary Conservation ICS, including the Metropolitan Funded Palo Verde Irrigation District Forbearance and Fallowing Program, the Metropolitan Funded Imperial Irrigation District Water Conservation Program, and the Metropolitan Funded Water Supply from Desalination. From the yields of these extraordinary conservation activities, MWD plans to create up to 200,000 acre-feet (af) of ICS during calendar year 2012.

The Bureau of Reclamation has reviewed MWD's ICS Plan and confirms that it contains all necessary information required by Section 3.B of the Colorado River Interim Guidelines for Lower Basin Shortages and the Coordinated Operations for Lake Powell and Lake Mead (Interim Guidelines). Reclamation has also verified that the amount of ICS MWD plans to create during 2012 is within the limits established in the California Agreement for the Creation and Delivery of Extraordinary Conservation ICS. Pursuant to Section 7.B.5 of the Interim Guidelines, Reclamation has consulted with the Basin States regarding MWD's ICS Plan.

Based upon Reclamation's review of MWD's ICS Plan and the completion of the consultation process, I approve MWD's 2012 ICS Plan for the creation of up to 200,000 af of Extraordinary Conservation ICS as provided in the table below.

Metropolitan Funded Palo Verde Irrigation District Forbearance and Fallowing Program	up to 116,000 af
Metropolitan Funded Imperial Irrigation District Water Conservation Program	up to 105,000 af
Metropolitan Funded Water Supply from Desalination	up to 56,300 af
Total Extraordinary Conservation ICS for Calendar Year 2012	Not to exceed 200,000 af

Section 3.B.1 of the Interim Guidelines provides that, subject to approval by Reclamation, a contractor may modify its approved ICS plan during the year of creation. Section 3.D.1 of the Interim Guidelines requires a contractor to submit a Certification Report containing appropriate information to demonstrate the amount of ICS created and that the method of creation was consistent with the approved ICS plan, a Forbearance Agreement, and a Delivery Agreement.

In accordance with Section 3.D.2 of the Interim Guidelines and Section VII of the Delivery Agreement between the United States and MWD (Delivery Agreement), Reclamation will verify the information in MWD's Certification Report and provide a final written decision to MWD regarding the amount of ICS created. If Reclamation determines that the information provided in MWD's Certification Report is insufficient to verify the amount of ICS created, or to verify that the creation was consistent with the Delivery Agreement and the corresponding exhibit to the Forbearance Agreement, Reclamation will request additional information from MWD. Such information may include, but is not limited to, records demonstrating MWD's financial contribution to its member agencies or other agencies performing the extraordinary conservation activities approved in this ICS Plan and records demonstrating the amount of water conserved by each activity and/or by each project thereof.

If you have questions, please contact Mr. Paul Matuska, Water Accounting and Verification Group Manager, at 702-293-8164.

Sincerely,



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Acting Regional Director

cc: Mr. Christopher Harris
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