



United States Department of the Interior

BUREAU OF RECLAMATION
Mid-Pacific Regional Office
2800 Cottage Way
Sacramento, CA 95825-1898

IN REPLY REFER TO:

APR 18 2014

MP-400
WTR-4.03

Mr. Thad Bettner
Glenn-Colusa Irrigation District
P.O. Box 150
Willows, California 95988-0150

Subject: Update to 2014 Notice of Water Supply Conditions and Availability, Critical Year Water Supply, Central Valley Project (CVP), California, Water Year (WY) 2014

Dear Mr. Thad Bettner,

This letter is a follow up to our February 15, 2014 letter, wherein the Bureau of Reclamation forecasted that it could only make available 40% of your Contract total due to drought and extreme hydrology in WY 2014. In that letter, we committed to provide status reports of the hydrology and updates on our operations.

The Central Valley has experienced improved hydrology since the February 15 letter, but the drought and poor hydrologic conditions continue. Based upon Reclamation's analysis of the most recent runoff forecasts, Reclamation has determined that the full natural inflow into Lake Shasta for the current water year remains well below 3.2 million acre-feet (MAF). Generally, when the natural inflow is below 3.2 MAF, your Contract total is reduced by 25% for WY 2014 water year.

However, the continued drought and unique hydrology has made meeting that diversion difficult and has forced Reclamation and the Sacramento River Settlement (SRS) contractors to explore creative solutions. In this regard, Reclamation's latest modeling, based on more recent run-off forecasts, supports provision of a 75% Contract supply, but only if the SRS contractors defer diversions of Base Supply in April and May 2014, to later in the water year.

If you immediately cease and defer a significant portion of diversions under your Contract in April and May 2014, for this water year and this year only, Reclamation will allow rescheduling of that amount of Base Supply not diverted in April and May, 2014 into the critical months defined in the contract. Reclamation will also, for this year and this year only, waive any charges for rescheduling Base Supply from April and May, 2014, into the critical months. Furthermore, for this year and this year only, Reclamation will waive the requirements of Article 8(a)(1) of your Contract, and you will only be charged for the quantity of Project Water that you actually divert this water year.

In support of this rescheduling plan please submit a diversion schedule to Reclamation, that is consistent with your Contract and the terms of this letter. Please be aware that any rescheduling must be consistent with Reclamation's modeling and forecasts that support the rescheduled diversions. We will promptly review your schedule and advise you of any need to adjust it. Absent this rescheduling of your Base Supply, due to the continued drought and hydrologic conditions this water year, Reclamation cannot guarantee that conditions will allow for the diversion of 75% of your Contract total.

Please continue to implement all required contingency plans and water conservation measures within your water service areas. We look forward to working with you over the next few weeks to finalize modified scheduling for the 2014 Water Year, and ask that you work through Mr. Rich Robertson at 530-934-1383 or rrobertson@usbr.gov.

Sincerely,

A handwritten signature in cursive script that reads "David G. Murillo". The ink is dark and the signature is fluid and legible.

David G. Murillo
Regional Director