

RECLAMATION

Managing Water in the West

New Melones in the Cost Allocation Study

June 17, 2015



U.S. Department of the Interior
Bureau of Reclamation

Background: Authorization

- Flood Control Act of 1944
- Section 203 - Flood Control Act of 1962
 - Constructed by U.S. Army Corps of Engineers
 - Upon completion to be transferred to Reclamation to be operationally and financially integrated into CVP
 - Reclamation has used Corps' cost allocation since inception of New Melones Unit

Background: Allocation

- Original Corps allocation based on significant recreation development
- Reclamation has incorporated Corps' cost allocation into CVP allocation since inception of New Melones Unit
- Planned recreation development not realized

Background: Allocation (Cont.)

- Reclamation review: No legislative authority precludes developing and assigning new cost allocation factors to reflect actual construction and operation
 - Changed recreation development
 - Operational & financial integration into CVP

Operational & Financial Integration

- Reclamation has the authority necessary to develop and implement new cost allocation factors reflecting incorporation into CVP, consistent with existing law
- Transfer of facilities to Reclamation includes transfer of responsibility to achieve operational and financial integration into the CVP

Operational & Financial Integration (Cont.)

- Folsom Dam and Reservoir
- Public Law 89-161 (Section 2)
 - The Auburn-Folsom South Unit “shall be integrated and coordinated, from both a financial and an operational standpoint, with the operation of other features of the CVP”

Reclamation Decision

- Reclamation will develop and implement new cost allocation factors for New Melones reflecting:
 - Integration into CVP
 - Actual construction and operation
 - Consistency with existing law and policy

Questions?

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