

**Bureau of Reclamation, Mid-Pacific Region Business Practice Guidelines**  
**for**  
**Accounting for Central Valley Project (CVP)**  
**Water Transfers**

### **1.0 Purpose**

The purpose of these guidelines is to define a step-by-step process for accounting for water transfers between Central Valley Project water contractors.

### **2.0 Scope**

These guidelines encompass CVP contractors under water service or repayment contracts, water right settlement contracts or exchange contracts. These guidelines are effective as of March 1, 2007.

### **3.0 Authorities and References**

- a. Central Valley Project Improvement Act (CVPIA)**
- b. Irrigation Water Ratesetting Policy, 1988**
- c. Municipal & Industrial (M&I) (Interim) Water Ratesetting Policy, 1993**
- d. Policy on Water Rates for Water Transfers from One CVP Contractor to Another CVP Contractor, April 28, 2005**
- e. Interim Water Transfers Procedure Guide**
- f. Crediting Policy for Water Transfers (needs to be put into writing, MP 3400)**
- g. Reclamation Reform Act (Full Cost Water Rates)**
- h. Reclamation Wide Transfer Policy (Reclamation Manual/Policy WTR P02)**

### **4.0 Expiration**

These guidelines supplement but do not replace related Department of the Interior and Reclamation-wide policies, directives, and standards. The guidelines supersede all previous regional administrative guidance on this subject and will remain in effect until formally revised or rescinded.

### **5.0 Contacts**

Financial Manager (Acting), 916-978-5551, [kathompson@mp.usbr.gov](mailto:kathompson@mp.usbr.gov)  
Ratesetting Services Manager, 916-978-5364, [lbauman@mp.usbr.gov](mailto:lbauman@mp.usbr.gov)  
Resources Manager, 916-978-5201, [rwoodley@mp.usbr.gov](mailto:rwoodley@mp.usbr.gov)  
All located at 2800 Cottage Way, Sacramento CA 95825

**6.0 Definitions:**

- a. **Ability-to-Pay:** Provision of Reclamation Law (authorized by the Act of June 17, 1902, as that statute has been amended and supplemented by among other statues, the Reclamation Project Act of August 4, 1939, as it relates to the repayment of the project construction costs allocated to irrigation and section 3407 (d)(2)(A) of the Central Valley Project Improvement Act (CVPIA), Title XXXIV of the Projects and Authorization Adjustment Act of October 30, 1992, as it relates to the payment of Restoration Fund (RF) charges) that permits irrigation contractors to apply for relief from their capital repayment obligations and restoration fund charges based upon an economic analysis of their ability to meet that obligation. The analysis determines the portion of the net farm income attributable to the off farm water supply (supplies) after allowances have been made for returns to farm investment, farm family labor, and management.
- b. **Conveyance Pumping Component:** The conveyance pumping capital cost components include the costs of the main Project pumping facilities used to move irrigation and M&I water through the Project: Corning Pumping Plant, Dos Amigos Pumping Plant, O’Neill Pumping-Generating Plant, and the Tracy Pumping Plant. Separate capital rates are computed for each of the pumping plants and those rates are assigned to contractors whose water is pumped through these pumping plants. As of 2006, there were no rates for O&M (including project use energy) as these costs are recovered by separate agreements with water authorities.
- c. **Direct Pumping Component:** The direct pumping O&M and capital cost components are based on the costs associated with re-lift pumping plants. These plants pump water exclusively for specific contractors. These facilities were constructed by Reclamation and are now operated and maintained by the local water districts whose water they pump. Project use energy is a component of both direct pumping O&M and capital rates.
- d. **Exchange Contractors:** After completion of the Friant Dam, the United States has been and is storing and diverting said reserved waters of the San Joaquin River for use within and without the watershed of said river by others than Central California Irrigation District, Columbia Canal Company, San Luis Canal Company, Firebaugh Canal Company (Exchange Contractors), and has been and is supplying the Exchange Contractors in lieu of such waters with substitute water from the Sacramento River, the Sacramento-San Joaquin Delta , and other sources through the Delta-Mendota Canal of said Project and by other means.
- e. **Renewed Contracts:** Contracts which have been renewed are referred to as “renewed contracts”. The rates and charges for water transfers are driven by whether or not the transferor’s water service or Sacramento River settlement contract has been renewed after the passage of the CVPIA. Renewed contracts, for purposes of these guidelines, also

include the four San Joaquin River settlement contracts and the Mendota Pool settlement contracts<sup>1</sup>.

- f. **Cost of Service Water Rates:** The term “cost of service water rates” means the annual rate for irrigation and M&I water established pursuant to the then applicable water ratesetting policies which will recover all costs assigned to the irrigation and M&I water supply functions, respectively, within the established repayment period. This includes recovery from each contractor, within the authorized repayment period, of: (1) annual O&M costs; (2) interest costs; (3) capital investment costs; and (4) O&M deficit balances.
- g. **Full Cost Lands:** Eligible nonexempt land directly or indirectly owned or leased that exceeds the non full-cost entitlement and may receive Reclamation irrigation water only at the full cost rate. Nonexempt land means either irrigation land or irrigable land that is subject to the acreage limitation provisions of the Reclamation Reform Act.

## **7.0 Roles and Responsibilities**

- a. **Resources Management. The Resources Management Office is responsible for:**
  - 1. Providing overall CVP policy on rates for water transfers.
  - 2. Promptly informing area and field offices, the Ratesetting Office, and Accounting Office of long-term transfer agreements.
- b. **Area and Field Offices. These offices are responsible for:**
  - 1. Calculating the appropriate water transfer rates and charges using these guidelines.
  - 2. Developing and retaining appropriate documentation supporting each transfer.
  - 3. Recording water transfers in the Bureau of Reclamation’s Water Operations and Recordkeeping System (BOR-WORKS) in the month after the transfer occurred.
  - 4. Using the regional CVP transfer form, Exhibit D, to identify rates and charges associated with the transfer. Copies must be provided to regional Resource Manager, Accounting Officer, and Ratesetting Manager within 5 business days of transfer approval.
  - 5. Ensuring that Resources Manager and Financial Manager are informed of short-term transfer agreements.

---

<sup>1</sup> Under the Interim Water Acquisition Program agreement between the United States (U.S.) and the Exchange Contractors, dated June 3, 2006, the transferor pays on behalf of the Exchange Contractors. Since the Exchange Contractors do not have a payment responsibility for their substitute water, the Exchange Contractor 5-year transfer activity agreement participants and Madera Irrigation District shall pay directly to Reclamation the applicable water rate(s) for any additional facility services required to effectuate the transfer.

- c. Ratesetting Services is responsible for:**
  - 1. Developing component water rates and ability-to-pay relief rates.
  - 2. Accounting for and applying water transfer revenues.
  - 3. Performing quality assurance reviews of water transfer rates to ensure they are accurate.
  - 4. Ensuring guidance for accounting for water transfers is complete and up-to-date.
- d. Accounting Services is responsible for:**

Accounting for payments for the water transfers.
- e. Contractors are responsible for:**

Requesting approval for and transferring water according to contract terms and conditions, and with terms and conditions delineated in the approval/or consent letter.

## **8.0 Principles**

These guidelines are intended to provide the area offices, field offices, and the Finance Office with the guidance necessary to consistently and accurately account for water transfers between CVP contractors water under water service, repayment, Settlement, and Exchange contracts. Concerns not addressed in these guidelines should be brought to the attention of the Financial Manager.

## **9.0 Process for Determining Rates and Charges:**

Water rates and charges are determined through these guidelines. These instructions further explain the *Final Policy on Water Rates for Water Transfers from One CVP Contractor to Another CVP Contractor*, dated April 28, 2005.

### **9.1 Determining Water Rates and Charges for Renewal Contractors**

Generally, the water transfer rate is the transferor's cost of service rate adjusted to reflect the additional services provided and reduced to reflect services not used.

- a. Determining additional services:** Additional services are costs incurred for use of Reclamation facilities and services that would not otherwise occur absent the transfer. They may include, but are not limited to, additional operations and maintenance costs for storage, direct pumping, conveyance (Folsom-South Canal only), and conveyance pumping (South of Delta transfers related to Dos Amigos pumping for Cross Valley Canal contractors and potentially Tracy pumping if the water is moved via Article 55), along with certain capital costs. Capital costs may include storage, conveyance, conveyance pumping, and direct pumping. Capital costs do not include San Luis drain capital.<sup>2</sup> Reclamation

---

<sup>2</sup> This is a revision from the April 28, 2005 policy on water rates for water transfers.

reserves the right to assess appropriate fees when there are special services that are not captured in standard transfer rate components.

- b. **Identifying reduced services.** Reduced services are direct pumping operations and maintenance costs<sup>3</sup>. A reduction in the use of a capital facility will not constitute a reduction in service for the purposes of determining a water transfer rate as they are fixed costs to be recovered regardless of the transfer action.
- c. **Other factors.** Other factors that must be considered include whether or not: (1) the contractor has an ability-to-pay limitation; (2) tiered pricing applies; (3) the water to be transferred is being applied to lands subject to payment at the full cost rate; (4) a Friant surcharge is applicable; and (5) a Restoration Fund payment is applicable.

## **9.2 Determining Transfer Rate:**

Two decision trees have been created for use in determining the appropriate transfer rate. Exhibit A is the decision tree applicable to transferors who have entered into a renewal contract. Exhibit B is the decision tree applicable to transferors who have not executed a renewal contract.

Each exhibit is followed by a series of tables within which are the technical instructions for determining the appropriate transfer rate. Listed below is a summary of the tables.

Exhibit A – Transferor is a renewal contractor

<u>Table</u>	<u>Transferor</u>	<u>Transferee</u>
A-1	Irrigation	Irrigation
A-2	Irrigation	M&I
A-3	M&I	M&I
A-4	M&I	Irrigation

Exhibit B – Transferor is not a renewal contractor

<u>Table</u>	<u>Transferor</u>	<u>Transferee</u>
B-1	Irrigation or M&I	Irrigation
B-2	Irrigation or M&I	M&I

Exhibit C provides examples for calculating water transfer rates.

Exhibit D is the water transfer form.

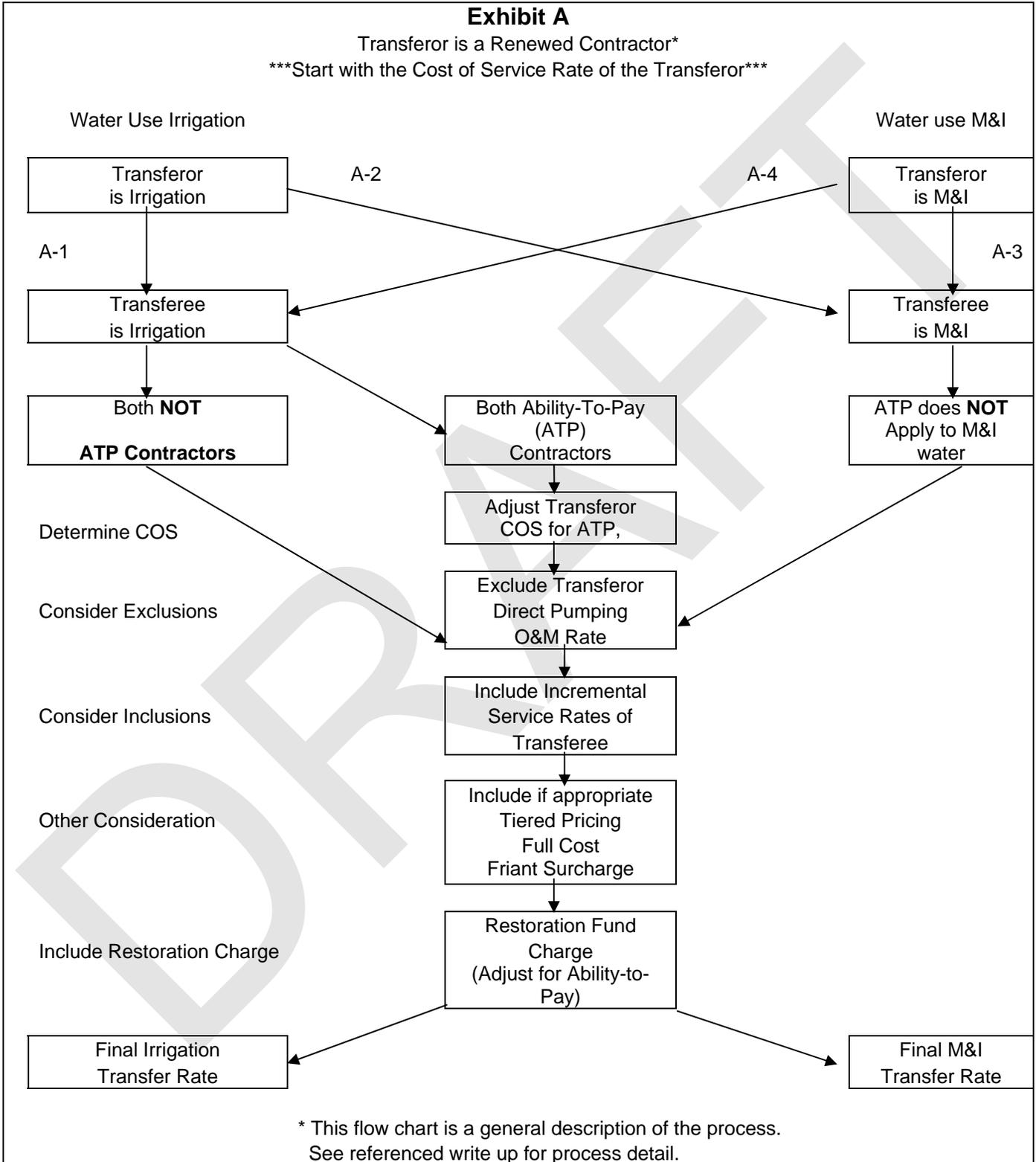
<sup>3</sup> Water authorities incur conveyance pumping O&M costs.

<sup>4</sup> Transfer may affect transferor's ability-to-pay relief (Policy Determination in process)

**Exhibit A**

Transferor is a Renewed Contractor\*

\*\*\*Start with the Cost of Service Rate of the Transferor\*\*\*



A-1

**Transferor: Irrigation, Renewed Contract**  
**Transfer Purpose: Irrigation**

**WORKSHEET DEVELOPMENT:** Develop a worksheet for the proposed transfer and list the components for the transferor's cost of service rate.

Do both the transferor and transferee have ability to pay relief?

Are both  
Contractors  
ATP?

1. Yes. Do steps a through g below (See Exhibit C, Examples 1 and 2). If No, go to number 2.

a. Capital – Calculate transferor's capital rate assuming transfer takes place.<sup>4</sup>

i. Apply the higher of the two ability to pay capital rates between the transferor and transferee.

ii. After applying the Ability To Pay capital rate, any remaining capital is relieved and should be identified to be paid by power users.

b. Does the transfer require additional CVP services?

i. No. Do not include rate components for additional services.

ii. Yes. Identify rate components for additional services used, and include an additional rate component for each identified additional facility used through Irrigation water ratebook schedule A-2Bb (Capital) and A-2A (Operation and Maintenance). Additional rate components should reflect rate components of the transferee.

(a) Do not include rate components for the San Luis Drain capital cost and Kesterson clean-up costs as additional services.

(b) Include direct pumping capital as an additional component (This component will also be reflected in the transferor's rate as it is a fixed cost to be recovered regardless of the transfer action).

c. Does the transfer require fewer CVP O&M services?

i. No.

(a) Do not deduct any components from the transferor's rate.

(b) Do not deduct San Luis Drain Kesterson cleanup costs.

ii. Yes. Deduct appropriate O&M services. Supporting documentation is needed to document actual financial savings realized by the United States as a result of the transfer.

(a) Deduct direct pumping O&M rate component as identified on schedule A-2A of the Irrigation water ratebook

Additional  
Services

Fewer O&M  
Services

Fewer  
Capital  
Services

Tiered Water  
Rates

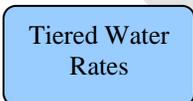
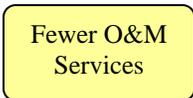
Water on  
Full Cost  
Lands

Restoration

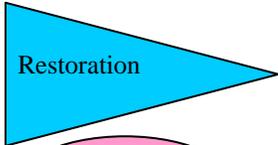
Friant  
Contractors

- d. Does the transfer require fewer CVP capital services?
  - i. No. No adjustments are made as these are fixed costs.
  - ii. Yes. No adjustments are made as these are fixed costs.
- e. Do tiered water rates apply to transferor? (tiered water rates are not applicable for Sacramento River Settlement Contractors).
  - i. No. Do not add interest.
  - ii. Yes. Add the appropriate interest, dependent upon the applicable tier (Consult the long-term contract, Exhibit B, for the applicable rate. This exhibit is updated annually. If uncertain whether tiered charges apply, the tiered rate will be included in approval letter and accounted for when water is transferred).
- f. Is the transferred water being delivered to full cost lands?
  - i. No. Full cost interest rates do not apply.
  - ii. Yes. In addition to the costs determined above, the transferee is required to pay interest on all capital. That interest amount shall equal the transferee's full cost rate less the payment requirements determined in steps a through e, above. These costs apply to the transferee.
- g. Apply Irrigation Restoration Fund Charge (to the extent of partial or full ATP for the transferee). (The Restoration Fund Charge is updated October 1 each year). Recalculate Transferor's Restoration Fund Charge inclusive of transfer. Compare transferor's and transferee's Restoration Fund Charge and select higher rate. Higher rate applies to transfer.
- h. Is the water being diverted from the Friant-Kern Canal, Madera Canal or Millerton Reservoir?
  - i. No. Friant surcharge does not apply.
  - ii. Yes. Friant surcharge applies. (There is no relief from the Friant surcharge based on legislative authority.)

Do both the transferor and transferee have ability to pay relief?



2. No. Do steps a through h below (See Exhibit C, Examples 3 through 5)
- a. Develop a worksheet for the proposed transfer and list the components for the transferor's cost of service rate.
  - b. Does the transfer require additional CVP services?
    - i. No. Do not include rate components for additional services.
    - ii. Yes. Identify rate components for additional services used, and include an additional rate component for each identified additional facility used through Irrigation water ratebook schedule A-2Bb (Capital) and A-2A (Operation and Maintenance). Additional rate components should reflect rate components of the transferee.
      - (a) Do not include a rate component for the San Luis Drain capital cost and Kesterson clean-up costs as additional services.
      - (b) Include direct pumping capital as an additional component (This component will also be reflected in the transferor's rate as it is a fixed cost to be recovered regardless of the transfer action.)
  - c. Does the transfer require fewer CVP O&M services?
    - i. No.
      - (a) Do not deduct any components from the transferor's rate.
      - (b) Do not deduct San Luis Drain Kesterson cleanup costs.
    - ii. Yes. Deduct appropriate O&M services. Supporting documentation is needed to document actual financial savings realized by the United States as a result of the transfer.
      - (a) Deduct direct pumping O&M rate component as identified on schedule A-2A of the Irrigation water ratebook.
  - d. Does the transfer require fewer CVP capital services?
    - i. No. No adjustments are made as these are fixed costs.
    - ii. Yes. No adjustments are made as these are fixed costs.
  - e. Do tiered water rates apply to transferor? (tiered water rates are not applicable for Sacramento River Settlement Contractors)
    - i. No. Do not add interest.
    - ii. Yes. Add the appropriate interest, dependent upon the applicable tier (Consult the long-term contract, Exhibit B, for the applicable rate. This exhibit is updated annually. If uncertain whether tiered charges apply, the tiered rate will be included in approval letter and accounted for when water is transferred).



- f. Is the transferred water being delivered to full cost lands?
  - i. No. Full cost interest rates do not apply.
  - ii. Yes. In addition to the costs determined above, the transferee is required to pay interest on all capital. That interest amount shall equal the transferee's full cost rate less the payment requirements determined in steps a through e, above. These costs apply to the transferee.
- g. Apply irrigation Restoration Fund charge (Updated October 1 each year).
- h. Is the water being diverted from the Friant-Kern Canal, Madera Canal, or Millerton Reservoir?
  - i. No. Friant surcharge does not apply.
  - ii. Yes. Friant surcharge applies.

**Transferor: Irrigation, Renewed Contract**

**Transfer Purpose: M&I**

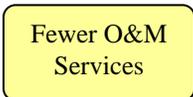
Does the transferor have an M&I cost of service water rate?



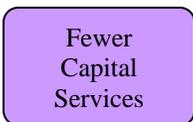
1. Yes. Start with the Transferor's M&I Cost of Service Water Rate from M&I Sch A-1 and do steps a through g below (See Exhibit C, Example 6). If No, go to number 2.



- a. Develop a worksheet for the proposed transfer and list the components for the transferor's cost of service rate.
- b. Does the transfer require additional CVP services?
  - i. No. Do not include rate components for additional services.
  - ii. Yes. Identify rate components for additional services used, and include an additional rate component for each identified additional facility used through the Special water ratebook, Schedule TR-1 (Capital) and temporary water rates (Operation and Maintenance). Additional rate components should reflect rate components of the transferee.
    - (a) Do not include a rate component for the San Luis Drain capital cost or Kesterson clean-up costs as additional services.
    - (b) Include direct pumping capital as an additional component (This component will also be reflected in the transferor's rate as it is a fixed cost to be recovered regardless of the transfer action).



- c. Does the transfer require fewer CVP O&M services?
  - i. No.
    - (a) Do not deduct any components from the transferor's rate.
    - (b) Do not deduct San Luis Drain Kesterson cleanup costs.
  - ii. Yes. Deduct appropriate O&M services. Supporting documentation is needed to document actual financial savings realized by the United States as a result of the transfer.
    - (a) Deduct direct pumping O&M component as identified on Schedule A-2A of the Irrigation water ratebook.



- d. Does the transfer require fewer CVP capital services?
  - i. No. No adjustments are made as these are fixed costs.
  - ii. Yes. No adjustments are made as these are fixed costs.

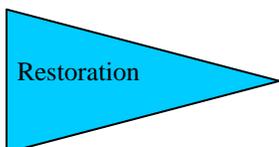
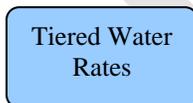
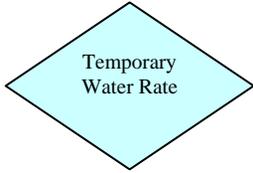
Tiered Water Rates

Restoration

Friant Contractors

- e. Do tiered water rates apply to transferor? (Tiered Water Rates are not applicable for Sacramento Settlement River Contractors)
  - i. No. Do not add interest.
  - ii. Yes. Add the appropriate M&I interest, dependent upon the applicable tier. (Consult the long-term contract, Exhibit B, for the applicable rate. This exhibit is updated annually.). If uncertain whether tiered charges apply, the tiered rate will be included in approval letter and accounted for when water is transferred.
- f. Apply M&I Restoration Fund Charge (Updated October 1 each year).
- g. Is the water being diverted from the Friant-Kern Canal, Madera Canal, or Millerton Reservoir?
  - i. No. Friant surcharge does not apply.
  - ii. Yes. The Friant surcharge applies.

Does the transferor have an M&I cost of service water rate?



2. No. Determine a temporary M&I water rate using the Special Water Ratebook that includes the same components as the transferor's irrigation water. Do steps a through g below (See Exhibit C, Example 7).
  - a. Develop a worksheet for the proposed transfer and list the components for the transferor's cost of service rate.
  - b. Does the transfer require additional CVP services?
    - i. No. Do not include rate components for additional services.
    - ii. Yes. Identify the rate components for additional services used, and include rate components for each identified additional facility used through the Special water ratebook, Schedule TR-1 (Capital) and temporary water rates (Operation and Maintenance). Additional rate components should reflect rate components of the transferee.
      - (a) Do not include a rate component for the San Luis Drain capital cost and Kesterson clean-up costs as additional services.
      - (b) Include direct pumping capital as an additional component (Direct pumping capital will also be reflected in the transferor's rate, as they are fixed costs to be recovered regardless of the transfer action).
  - c. Does the transfer require fewer CVP O&M services?
    - i. No.
      - (a) Do not deduct any components from the transferor's rate.
      - (b) Do not deduct San Luis Drain Kesterson cleanup costs
    - ii. Yes. Deduct appropriate O&M services. Supporting documentation is needed to document actual financial savings realized by the United States as a result of the transfer.
      - (a) Deduct direct pumping O&M rate component as identified on Schedule A-2Aa of the Irrigation water ratebook.
  - d. Does the transfer require fewer CVP capital services?
    - i. No. No adjustments are made as these are fixed costs.
    - ii. Yes. No adjustments are made as these are fixed costs.
  - e. Do tiered water rates apply to transferor? (Tiered water rates are not applicable for Sacramento Settlement River Contractors)
    - i. No. Do not add interest.
    - ii. Yes. Add the appropriate M&I interest, dependent upon the applicable tier. (Refer to the Special water rates, Schedule TR-2 for the applicable rate. This Schedule is updated annually.) If uncertain whether tiered charges apply, the tiered rate will be included in approval letter and accounted for when water is transferred.
  - f. Apply M&I Restoration Fund Charge (Updated October 1 each year)

**Katherine Thompson**  
**Financial Manager (Acting)**

**MP-BPG-05**  
**January 27, 2007**

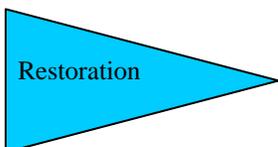
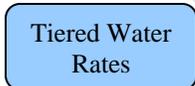
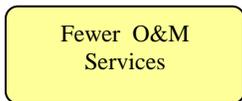
Friant  
Contractors

- g. Is the water being diverted from the Friant-Kern Canal, Madera Canal, or Millerton Reservoir?
  - i. No. Friant surcharge does not apply.
  - ii. Yes. Friant surcharge applies.

DRAFT

**Transferor: M&I, Renewed Contract**  
**Transfer Purpose: M&I**

Start with the transferor's M&I cost of service water rate.



- a. Develop a worksheet for the proposed transfer and list the components for the transferor's M&I cost of service rate (See Exhibit C, Example 8).
- b. Does the transfer require additional CVP services?
  - i. No. Do not include rate components for additional services.
  - ii. Yes. Identify the rate components for additional services used, and include rate components for each identified additional facility used through the Special water ratebook, Schedule TR-1 (Capital) and M&I water ratebook Schedule A-2A (Operation and Maintenance). Additional rate components should reflect rate components of the transferee.
    - (a) Do not include rate components for the San Luis Drain capital cost or Kesterson clean-up costs as incremental charges.
    - (b) Include Direct Pumping capital as an additional component (Direct pumping capital will also be reflected in the transferor's rate as they are fixed costs to be recovered regardless of the transfer action.).
- c. Does the transferor require fewer CVP O&M services?
  - i. No. Do not deduct any components from the transferor's rate.
  - ii. Yes. Deduct appropriate O&M services. Supporting documentation is needed to document actual financial savings realized by the United States as a result of the transfer.
    - (a) Deduct direct pumping O&M rate component as identified on Schedule A-2A of the Irrigation water ratebook.
- d. Does the transfer require fewer CVP capital services?
  - i. No. No adjustments are made as these are fixed costs.
  - ii. Yes. No adjustments are made as these are fixed costs.
- e. Do tiered water rates apply to transferor?
  - i. No. Do not add interest.
  - ii. Yes. Add the appropriate interest, dependent upon the applicable tier. (Consult the long term contract, Exhibit B, for the applicable rate. This exhibit is updated annually.). If uncertain whether tiered charges apply, the tiered rate will be included in approval letter and accounted for when water is transferred.
- f. Apply M&I Restoration Fund Charge (Updated October 1 each year)

**Katherine Thompson**  
**Financial Manager (Acting)**

**MP-BPG-05**  
**January 27, 2007**

Friant  
Contractors

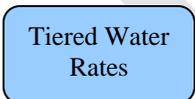
- g. Is the water being diverted from the Friant-Kern Canal, Madera Canal, or Millerton Reservoir?
  - i. No. Friant surcharge does not apply.
  - ii. Yes. Friant surcharge applies.

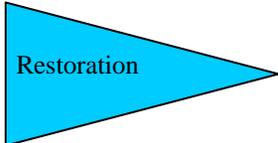
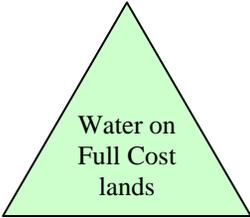
**Transferor: M&I, Renewed Contract**  
**Transfer Purpose: Irrigation Contractor**

Start with the transferor's M&I cost of service water rate.



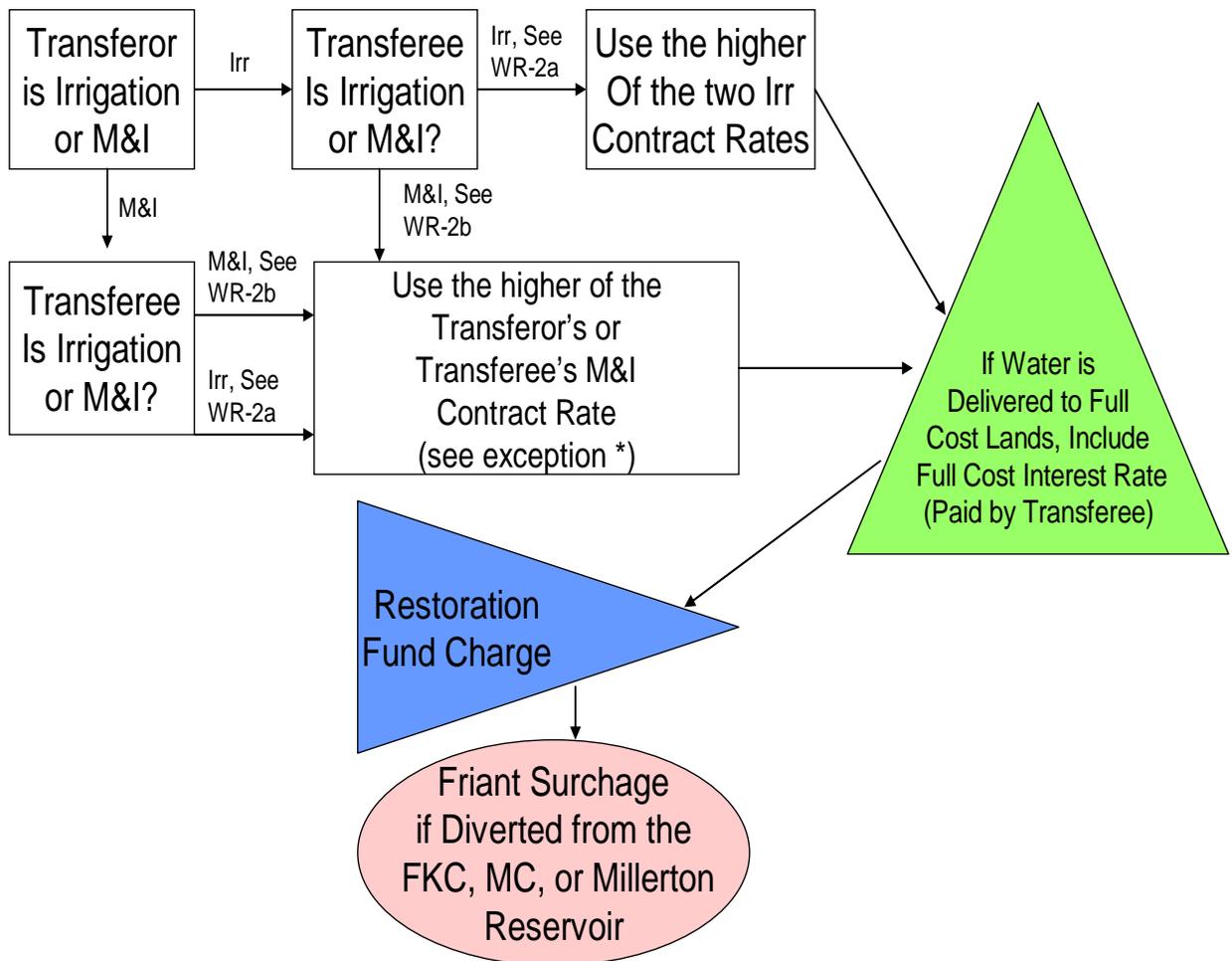
- a. Develop a worksheet for the proposed transfer and list the components for the transferor's cost of service rate (See Exhibit C, Example 9).
- b. Does the transfer require additional CVP services?
  - i. No. Do not include rate components for additional services.
  - ii. Yes. Identify rate components for additional services used, and include an additional rate component for each identified additional facility used through Irrigation water ratebook schedule A-2Bb (Capital) and A-2A (Operation and Maintenance). Additional rate components should reflect rate components of the transferee.
    - (a) Do not include rate components for the San Luis Drain capital cost or Kesterson clean-up costs as additional services.
    - (b) Include Direct Pumping capital as an additional component (This components will also be reflected in the transferor's rate, as they are fixed costs to be recovered regardless of the transfer action).
- c. Does the transfer require fewer CVP O&M services?
  - i. No. Do not deduct any components from the transferor's rate.
    - (a) Do not deduct San Luis Drain Kesterson cleanup costs.
  - ii. Yes. Deduct appropriate O&M services. Supporting documentation is needed to document actual financial savings realized by the United States as a result of the transfer.
    - (a) Deduct direct pumping O&M rate component as identified on Schedule A-2A of the M&I water ratebook.
- d. Does the transfer require fewer CVP capital services?
  - i. No. No adjustments are made as these are fixed costs.
  - ii. Yes. No adjustments are made as these are fixed costs.
- e. Do tiered water rates apply to transferor?
  - i. No. Do not add interest.
  - ii. Yes. Add the appropriate interest, dependent upon the applicable tier. (Consult the long term contract, Exhibit B, for the applicable M&I rate. This exhibit is updated annually.). If uncertain whether tiered charges apply, the tiered rate will be included in approval letter and accounted for when water is transferred.





- f. Is the transferred water being delivered to Full Cost lands?
  - i. No. Full Cost interest rates do not apply.
  - ii. Yes. In addition to the costs determined above, the transferee is required to pay interest on all capital. That interest amount shall equal the transferee's full cost rate less the payment requirements determined in steps a through e, above. These costs apply to the transferee.
- g. Apply Irrigation Restoration Fund Charge (Updated October 1 each year).
- h. Is the water being diverted from the Friant-Kern Canal, Madera Canal, or Millerton Reservoir?
  - i. No. Friant surcharge does not apply.
  - ii. Yes. Friant surcharge applies.

**Exhibit B**  
Transferor is Not a Long-term Renewal Contractor



If the transferor's water is irrigation, and the irrigation rate is higher than the M&I rates, use the irrigation rate. Further, for the contractor that does not have an M&I rate, use the M&I temporary rate with the same components as its irrigation Water

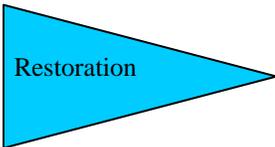
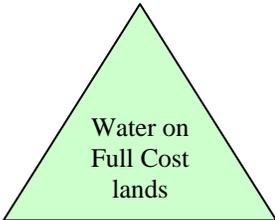
**B-1**

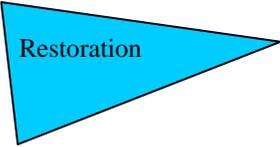
**Transferor: Irrigation or M&I - Not a Long Term Contractor**  
**(For Exchange Contractors, Use Exhibit A)**

**Transfer Purpose: Irrigation**

Is the Transferor an irrigation or M&I Contractor? If irrigation, proceed to the following steps below (See Exhibit C, Example 10). If M&I, go to number 2.

1. Transferor is an Irrigation contractor.
  - a. Use the higher of the two irrigation contract rates.
  - b. Is the transferee putting the water on Full Cost Lands?
    - i. No. Full cost interest rates do not apply.
    - ii. Yes. Transferee is subject to transferee's full cost rate. (Irrigation Schedule A-3A). The transferee must pay the increment between transferee's full cost rate and the rate identified in step 1.a. above. If the Full Cost Water rate is less than the water rate in step 1.a., there is no incremental charge.
  - c. Apply Irrigation Restoration Fund Charge (Updated October 1 each year).
  - d. Is the water being diverted from the Friant-Kern Canal, Madera Canal, or Millerton Reservoir?
    - i. No. Friant surcharge does not apply.
    - ii. Yes. Friant surcharge applies.





Restoration

c. Apply Irrigation Restoration Fund Charge (Updated October 1 each year).



Friant  
Contractors

d. Is the water being diverted from the Friant-Kern Canal, Madera Canal, or Millerton Reservoir?

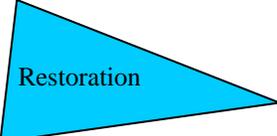
- i. No. Friant surcharge does not apply.
- ii. Yes. Friant surcharge applies.

**Transferor:** Irrigation or M&I - Not a Long Term Contractor  
(For Exchange Contractors, Use Exhibit A)

**Transfer Purpose:** M&I

Is the Transferor an irrigation or M&I Contractor? If irrigation, proceed to the following steps below (See Exhibit C, Example 12). If M&I, go to number 2.

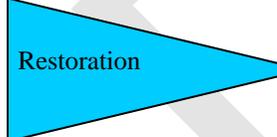
1. Transferor is an irrigation contractor.
  - a. Does the transferor have an M&I Rate?
    - i. Yes. Choose the higher of the transferor's irrigation or M&I contract rates. Compare this rate to the transferee's M&I contract rate and use the higher rate.
    - ii. No. Choose the higher of the transferor's irrigation contract rate or temporary M&I rate (*Temporary water ratebook, schedule T-1*). Compare this rate to the transferee's M&I contract rate and use the higher rate.
  - b. Apply the M&I Restoration Fund charge (updated October 1 each year).
  - c. Is the water being diverted from the Friant-Kern Canal, Madera Canal, or Millerton Reservoir?
    - i. No. Friant surcharge does not apply.
    - ii. Yes. Friant surcharge applies.
2. Transferor is an M&I contractor (See Exhibit C, Example 13).
  - a. Does the transferee have a calculated M&I Rate?
    - i. Yes. Use the higher of the transferor's and transferee's M&I rates.
    - ii. No. Choose the higher of the transferor's M&I or temporary M&I contract rates. Compare this rate to the transferee's M&I or temporary M&I contract rate and use the higher rate. (*Temporary water ratebook, schedule T-1*).
  - b. Apply the M&I Restoration Fund Charge (Updated October 1 each year).
  - c. Is the water being diverted from the Friant-Kern Canal, Madera Canal, or Millerton Reservoir?
    - i. No. Friant surcharge does not apply.
    - ii. Yes. Friant surcharge applies.



Restoration



Friant  
Contractors



Restoration



Friant  
Contractors

**EXHIBIT C**

**EXAMPLES 1 THROUGH 13**

- Example 1: Transferor is an Irrigation CVP Contractor with a Renewed Contract, transferring water to an Irrigation CVP Contractor. Both the Transferor and Transferee have Ability-to-Pay Relief Status.
- Example 2: Transferor is an Irrigation CVP Settlement Contractor with a Renewed Contract, transferring water to an Irrigation CVP Settlement Contractor. Both the Transferor and Transferee are in Ability-to-Pay Relief Status.
- Example 3: Transferor is an Irrigation CVP Contractor with a Renewed Contract, transferring water to an Irrigation CVP Contractor. One or Both the Transferor and Transferee do not have Ability-to-Pay Relief Status.
- Example 4: Transferor is an Irrigation CVP Contractor with a Renewed Contract, transferring water to an Irrigation CVP Contractor. One or Both the Transferor and Transferee do not have Ability-to-Pay Relief Status.
- Example 5: Transferor is an Irrigation CVP Settlement Contractor with a Renewed Contract, transferring water to an Irrigation CVP Contractor. One or Both the Transferor and Transferee do not have Ability-to-Pay Relief Status.
- Example 6: Transferor is an Irrigation CVP Contractor with a Renewed Contract, transferring water to an M&I CVP Contractor. Transferor has an M&I Water Rate.
- Example 7: Transferor is an Irrigation CVP Contractor with a Renewed Contract, transferring water to an M&I CVP Contractor. Transferor does not have an M&I Water Rate.
- Example 8: Transferor is an M&I CVP Contractor with a Renewed Contract, transferring water to an M&I CVP Contractor.
- Example 9: Transferor is an M&I CVP Contractor with a Renewed Contract, transferring water to an Irrigation CVP Contractor.
- Example 10: Transferor is an Irrigation CVP Contractor without a Renewed Contract, transferring water to an Irrigation CVP Contractor.

Example 11: Transferor is an M&I CVP Contractor without a Renewed Contract, transferring water to an Irrigation CVP Contractor.

Example 12: Transferor is an Irrigation CVP Contractor without a Renewed Contract, transferring water to an M&I CVP Contractor.

Example 13: Transferor is an M&I CVP Contractor without a Renewed Contract, transferring water to an M&I CVP Contractor.

Use the Business Practice Guidelines for Accounting for CVP Water Transfers, Exhibit A, Section 1

Transferor: Irrigation, Renewed Contract      Water Contractor: Colusa County WD - TCC  
 Transfer Purpose: Irrigation                      Water Contractor: 4-M WD - TCC

Rates

Identify the Transferor's Cost of Service Rate **40.89**

Do both the transferor and transferee have ability to pay (ATPR) relief?

Yes. Do steps a through h of A-1(1).

Steps a through d

Reduce Rate for Transferor's Direct Pumping O&M?

**-4.12**

Add Additional Services to Transferee that Apply:

Storage Capital

San Felipe Unit?

All Others?

Conveyance Pumping Capital?

Corning PP

Dos Amigos PP

O'Neill PGP

Tracy PP

FK/Madera Exchange

All Other Contractors

Conveyance Capital?

Direct Ppg Capital?

Ability to Pay Capital Relief (Cost to Power)

Storage O&M

Direct Pumping O&M?

**(22.23) Determination in Progress**

**Effective Transfer Rate**

**14.54**

Steps e through h

e. Identify Transferor's Tiered Water Rates (Begin with the Transferor's Full Cost 202(3) Rate)

Full Cost==> **55.81** \*

Tier 2: Applicable to > 81 <= 90% of transferor's entitlement 7.46

Tier 3: Applicable to > 90% of transferor's entitlement 14.92

f. Identify Applicable Full Cost (FC) Interest Water Rate for Transferee.

Full Cost  
Water Rate

Additional Interest from  
Eff. Rate Tier 2 Tier 3

202(3) Interest Rate? Total FC Rate==> **35.06** <==Total FC Rate - - -

205(a)(3) Interest Rate? Total FC Rate==> **42.25** <==Total FC Rate **5.48** - -

g. Irrigation Restoration Fund Charge **8.24**  
 Ability to Pay Restoration Fund Charge Relief (Cost to Power) **(8.24) Determination in Progress**  
 Applicable Restoration Fund Charge for Transfer Water -

h. Is the Water being diverted from the Friant-Kern Canal or Millerton Reservoir?

If Yes, Friant Surcharge Applies.

Check Box after Verification of Above Rates in Ratebook

\* Excludes Distribution System Interest Identified on Irrigation water ratebook, Schedule A-3A

**Use the Business Practice Guidelines for Accounting for CVP Water Transfers, Exhibit A, Section 1**

Transferor: Irrigation, Renewed Contract      Water Contractor: Lewis Ranch  
 Transfer Purpose: Irrigation                      Water Contractor: MCM Properties

Rates

Identify the Transferor's Cost of Service Rate **25.67**

Do both the transferor and transferee have ability to pay (ATPR) relief?

Yes. Do steps a through h of A-1(1).

Steps a through d

Reduce Rate for Transferor's Direct Pumping O&M?

Add Additional Services to Transferee that Apply:

- Storage Capital
  - San Felipe Unit?
  - All Others?
- Conveyance Pumping Capital?
  - Corning PP
  - Dos Amigos PP
  - O'Neill PGP
  - Tracy PP
  - FK/Madera Exchange
  - All Other Contractors

- Conveyance Capital?
- Direct Ppg Capital?
- Ability to Pay Capital Relief (Cost to Power)      **Determination in Progress**      **(1.75)**
- Storage O&M
- Direct Pumping O&M?

**Effective Transfer Rate** **23.92**

Steps e through h

e. Identify Transferor's Tiered Water Rates (Begin with the Transferor's Full Cost 202(3) Rate)  
 Full Cost==> **27.16** <==Full Cost

Tier 2: Applicable to > 81 <= 90% of transferor's entitlement      0.75

Tier 3: Applicable to > 90% of transferor's entitlement      1.49

f. Identify Applicable Full Cost (FC) Interest Water Rate for Transferee.

	Full Cost Water Rate	Total FC Rate==>	Total FC Rate <==	Additional Interest from		
				Eff. Rate	Tier 2	Tier 3
202(3) Interest Rate?		<b>29.17</b>	<==Total FC Rate	<b>3.50</b>	<b>2.76</b>	<b>2.01</b>
205(a)(3) Interest Rate?		<b>31.72</b>	<==Total FC Rate	<b>6.05</b>	<b>5.30</b>	<b>4.56</b>

g. Irrigation Restoration Fund Charge      **8.24**  
 Ability to Pay Restoration Fund Charge Relief (Cost to Power)      **(8.24) Determination in Progress**  
 Applicable Restoration Fund Charge for Transfer Water      -

h. Is the Water being diverted from the Friant-Kern Canal or Millerton Reservoir?

If Yes, Friant Surcharge Applies.

Check Box after Verification of Above Rates in Ratebook

**Use the Business Practice Guidelines for Accounting for CVP Water Transfers, Exhibit A, Section 1**

Transferor: Irrigation, Renewed Contract      Water Contractor: Del Puerto WD - DMC  
 Transfer Purpose: Irrigation                      Water Contractor: Westlands WD - SLC

Rates

Identify the Transferor's Cost of Service Rate **24.64**

Do both the transferor and transferee have ability to pay (ATPR) relief?

No. Do steps a through h of A-1(2).

Steps a through d

Reduce Rate for Transferor's Direct Pumping O&M?

Add Additional Services to Transferee that Apply:

Storage Capital	
San Felipe Unit?	
All Others?	
Conveyance Pumping Capital?	
Corning PP	
Dos Amigos PP	<b>0.65</b>
O'Neill PGP	<b>0.40</b>
Tracy PP	
FK/Madera Exchange	
All Other Contractors	
Conveyance Capital?	
Direct Ppg Capital?	<b>1.43</b>
Storage O&M	
Direct Pumping O&M?	<b>2.54</b>

**Effective Transfer Rate** **29.65**

Steps e through h

e. Identify Transferor's Tiered Water Rates (Begin with the Transferor's Full Cost 202(3) Rate)  
 Full Cost==> **34.94** <==Full Cost

Tier 2: Applicable to > 81 <= 90% of transferor's entitlement	5.15
Tier 3: Applicable to > 90% of transferor's entitlement	10.30

f. Identify Applicable Full Cost (FC) Interest Water Rate for Transferee.

		Full Cost Water Rate	Additional Interest from			
			Eff. Rate	Tier 2	Tier 3	
202(3) Interest Rate?	Total FC Rate==>	<b>56.24</b>	<==Total FC Rate	<b>26.59</b>	<b>21.44</b>	<b>16.29</b>
205(a)(3) Interest Rate?	Total FC Rate==>	<b>71.24</b>	<==Total FC Rate	<b>41.59</b>	<b>36.43</b>	<b>31.28</b>

g. Irrigation Restoration Fund Charge **8.24**

h. Is the Water being diverted from the Friant-Kern Canal or Millerton Reservoir?

If Yes, Friant Surcharge Applies.

Check Box after Verification of Above Rates in Ratebook

**Use the Business Practice Guidelines for Accounting for CVP Water Transfers, Exhibit A, Section 1**

Transferor: Irrigation, Renewed Contract      Water Contractor: Westlands WD - SLC  
 Transfer Purpose: Irrigation                      Water Contractor: Del Puerto WD - DMC

Rates

Identify the Transferor's Cost of Service Rate **34.07**

Do both the transferor and transferee have ability to pay (ATPR) relief?

No. Do steps a through h of A-1(2).

Steps a through d

Reduce Rate for Transferor's Direct Pumping O&M? (2.54)

Add Additional Services to Transferee that Apply:

- Storage Capital
  - San Felipe Unit?
  - All Others?
- Conveyance Pumping Capital?
  - Corning PP
  - Dos Amigos PP
  - O'Neill PGP
  - Tracy PP
  - FK/Madera Exchange
  - All Other Contractors
- Conveyance Capital?
- Direct Ppg Capital?
- Storage O&M
- Direct Pumping O&M?

**Effective Transfer Rate**

**31.53**

Steps e through h

e. Identify Transferor's Tiered Water Rates (Begin with the Transferor's Full Cost 202(3) Rate)  
 Full Cost==> **56.24** <==Full Cost

Tier 2: Applicable to > 81 <= 90% of transferor's entitlement 11.09

Tier 3: Applicable to > 90% of transferor's entitlement 22.17

f. Identify Applicable Full Cost (FC) Interest Water Rate for Transferee.

	Full Cost Water Rate	Additional Interest from		
		Eff. Rate	Tier 2	Tier 3
202(3) Interest Rate? Total FC Rate==>	<b>34.94</b> <==Total FC Rate	<b>3.41</b>	-	-
205(a)(3) Interest Rate? Total FC Rate==>	<b>42.00</b> <==Total FC Rate	<b>10.47</b>	-	-

g. Irrigation Restoration Fund Charge **8.24**

h. Is the Water being diverted from the Friant-Kern Canal or Millerton Reservoir?

If Yes, Friant Surcharge Applies.

Check Box after Verification of Above Rates in Ratebook

**EXAMPLE 5**

**Use the Business Practice Guidelines for Accounting for CVP Water Transfers, Exhibit A, Section 1**

Transferor: Irrigation, Renewed Contract      Water Contractor: Glenn Colusa ID - Sac River  
 Transfer Purpose: Irrigation                      Water Contractor: Colusa County WD - TCC

Rates

Identify the Transferor's Cost of Service Rate **18.80**

Do both the transferor and transferee have ability to pay (ATPR) relief?

No. Do steps a through h of A-1(2).

Steps a through d

Reduce Rate for Transferor's Direct Pumping O&M?

Add Additional Services to Transferee that Apply:

Storage Capital

San Felipe Unit?

All Others?

Conveyance Pumping Capital?

Corning PP

Dos Amigos PP

O'Neill PGP

Tracy PP

FK/Madera Exchange

All Other Contractors

Conveyance Capital? **2.95**

Direct Ppg Capital? **6.27**

Storage O&M

Direct Pumping O&M? **4.12**

**Effective Transfer Rate**

**32.15**

Steps e through h

e. Identify Transferor's Tiered Water Rates (Begin with the Transferor's Full Cost 202(3) Rate)  
 Full Cost==> **21.75** <==Full Cost

Tier 2: Applicable to > 81 <= 90% of transferor's entitlement 1.48

Tier 3: Applicable to > 90% of transferor's entitlement 2.95

f. Identify Applicable Full Cost (FC) Interest Water Rate for Transferee.

		Full Cost Water Rate	Additional Interest from		
			Eff. Rate	Tier 2	Tier 3
202(3) Interest Rate?	Total FC Rate==>	<b>76.84</b> <==Total FC Rate	<b>44.69</b>	<b>43.22</b>	<b>41.74</b>
205(a)(3) Interest Rate?	Total FC Rate==>	<b>102.13</b> <==Total FC Rate	<b>69.98</b>	<b>68.50</b>	<b>67.03</b>

g. Irrigation Restoration Fund Charge **8.24**

h. Is the Water being diverted from the Friant-Kern Canal or Millerton Reservoir?

If Yes, Friant Surcharge Applies.

Check Box after Verification of Above Rates in Ratebook

**Use the Business Practice Guidelines for Accounting for CVP Water Transfers, Exhibit A, Section 2**

Transferor: Irrigation, Renewed Contract      Water Contractor: Del Puerto WD  
 Transfer Purpose: M&I                              Water Contractor: Westlands WD

Rates

Transferor has an M&I Cost of Service Rate so start with this rate 19.11

Do Steps a through g of A-2(1).

Steps a through d

What additional Services does the transfer require?

O'Neill PGP Capital (from Schedule TR-1)	0.84
Dos Amigos PP Capital (from Schedule TR-1)	1.38
Direct Pumping Capital (from Schedule TR-1)	5.76
Direct Pumping O&M (M&I Schedule A-2a)	2.31
Effective Transfer Rate	<b>29.40</b>

Steps e through g

e.	Tiered Pricing Interest (M&I Schedule FC-1)		
		Full Cost	24.11
	Tier 2: Applicable to > 81 <= 90% of transferor's entitlement		<b>2.50</b>
	Tier 3: Applicable to > 90% of transferor's entitlement		<b>5.00</b>
f.	M&I Restoration Fund Charge		<b>16.49</b>
g.	Is the Water being diverted from the Friant-Kern Canal or Millerton Reservoir?		
	If Yes, Friant Surcharge Applies.		

**Check Box after Verification of Above Rates in Ratebook**

**Use the Business Practice Guidelines for Accounting for CVP Water Transfers, Exhibit A, Section 2**

Transferor: Irrigation, Renewed Contract      Water Contractor: Patterson WD  
 Transfer Purpose: M&I                              Water Contractor: Westlands WD

	Rates
Transferor does not have an M&I Cost of Service Rate, Use a Temporary Water Rate	25.44

Do Steps a through g of A-2(2).

Steps a through d

What additional Services does the transfer require?

O'Neill PGP Capital (from Schedule TR-1)	0.84
Dos Amigos PP Capital (from Schedule TR-1)	1.38
Direct Pumping Capital (from Schedule TR-1)	5.76
Direct Pumping O&M (M&I Schedule A-2a)	2.31
Effective Transfer Rate	<b>35.73</b>

Steps e through g

e.	Tiered Pricing Interest *	Full Cost	35.03
	Tier 2: Applicable to > 81 <= 90% of transferor's entitlement		<b>4.80</b>
	Tier 3: Applicable to > 90% of transferor's entitlement		<b>9.59</b>
f.	M&I Restoration Fund Charge		<b>16.49</b>
g.	Is the Water being diverted from the Friant-Kern Canal or Millerton Reservoir?		
	If Yes, Friant Surcharge Applies.		

**Check Box after Verification of Above Rates in Ratebook**

\* Used Irrigation Full Cost Rate as the M&I Full Cost Rates were not available for this example.

**Use the Business Practice Guidelines for Accounting for CVP Water Transfers, Exhibit A, Section 3**

Transferor: M&I, Renewed Contract  
 Transfer Purpose: M&I

Water Contractor: Del Puerto WD  
 Water Contractor: Westlands WD

Rates

Use the Transferor's M&I Cost of Service Water Rate 19.11

Do Steps a through g of A-3.

Steps a through d

What additional Services does the transfer require?

O'Neill PGP Capital (from Schedule TR-1)	0.84
Dos Amigos PP Capital (from Schedule TR-1)	1.38
Direct Pumping Capital (from Schedule TR-1)	5.76
Direct Pumping O&M (M&I Schedule A-2a)	2.31
Effective Transfer Rate	<b>29.40</b>

Steps e through g

e.	Tiered Pricing Interest (M&I, Schedule FC-1)	Full Cost	24.11
	Tier 2: Applicable to > 81 <= 90% of transferor's entitlement		<b>2.50</b>
	Tier 3: Applicable to > 90% of transferor's entitlement		<b>5.00</b>
f.	M&I Restoration Fund Charge		<b>16.49</b>
g.	Is the Water being diverted from the Friant-Kern Canal or Millerton Reservoir?		
	If Yes, Friant Surcharge Applies.		

**Check Box after Verification of Above Rates in Ratebook**

**Use the Business Practice Guidelines for Accounting for CVP Water Transfers, Exhibit A, Section 4**

Transferor: M&I, Renewed Contract  
 Transfer Purpose: Irrigation

Water Contractor: Del Puerto WD  
 Water Contractor: Westlands WD - SLC

Rates

Use the Transferor's M&I Cost of Service Water Rate 19.11

Do Steps a through h of A-4.

Steps a through d

What additional Services does the transfer require?

O'Neill PGP Capital (from Schedule TR-1)	0.40
Dos Amigos PP Capital (from Schedule TR-1)	0.65
Direct Pumping Capital (from Schedule TR-1)	1.43
Direct Pumping O&M (M&I Schedule A-2a)	2.54
Effective Transfer Rate	<b>24.13</b>

Steps e through h

e.	Tiered Pricing Interest (M&I, Schedule FC-1)	Full Cost	34.94
	Tier 2: Applicable to > 81 <= 90% of transferor's entitlement		<b>7.92</b>
	Tier 3: Applicable to > 90% of transferor's entitlement		<b>15.83</b>

f. Identify Applicable Full Cost (FC) Interest Water Rate for Transferee.

		Full Cost Water Rate		Additional Interest from		
				Eff. Rate	Tier 2	Tier 3
202(3) Interest Rate?	Total FC Rate==>	<b>56.24</b>	<==Total FC Rate	<b>32.11</b>	<b>24.19</b>	<b>16.28</b>
205(a)(3) Interest Rate?	Total FC Rate==>	<b>71.24</b>	<==Total FC Rate	<b>47.11</b>	<b>39.19</b>	<b>31.28</b>

g. Irrigation Restoration Fund Charge **8.24**

h. Is the Water being diverted from the Friant-Kern Canal or Millerton Reservoir?

If Yes, Friant Surcharge Applies.

**Check Box after Verification of Above Rates in Ratebook**





**EXAMPLE 12**

**Use the Business Practice Guidelines for Accounting for CVP Water Transfers, Exhibit B, Section 2**

Transferor: Irrigation, Not a Renewed Contract  
Transfer Purpose: M&I

Water Contractor:  
Water Contractor:

San Luis WD - SLC  
Shasta CSD

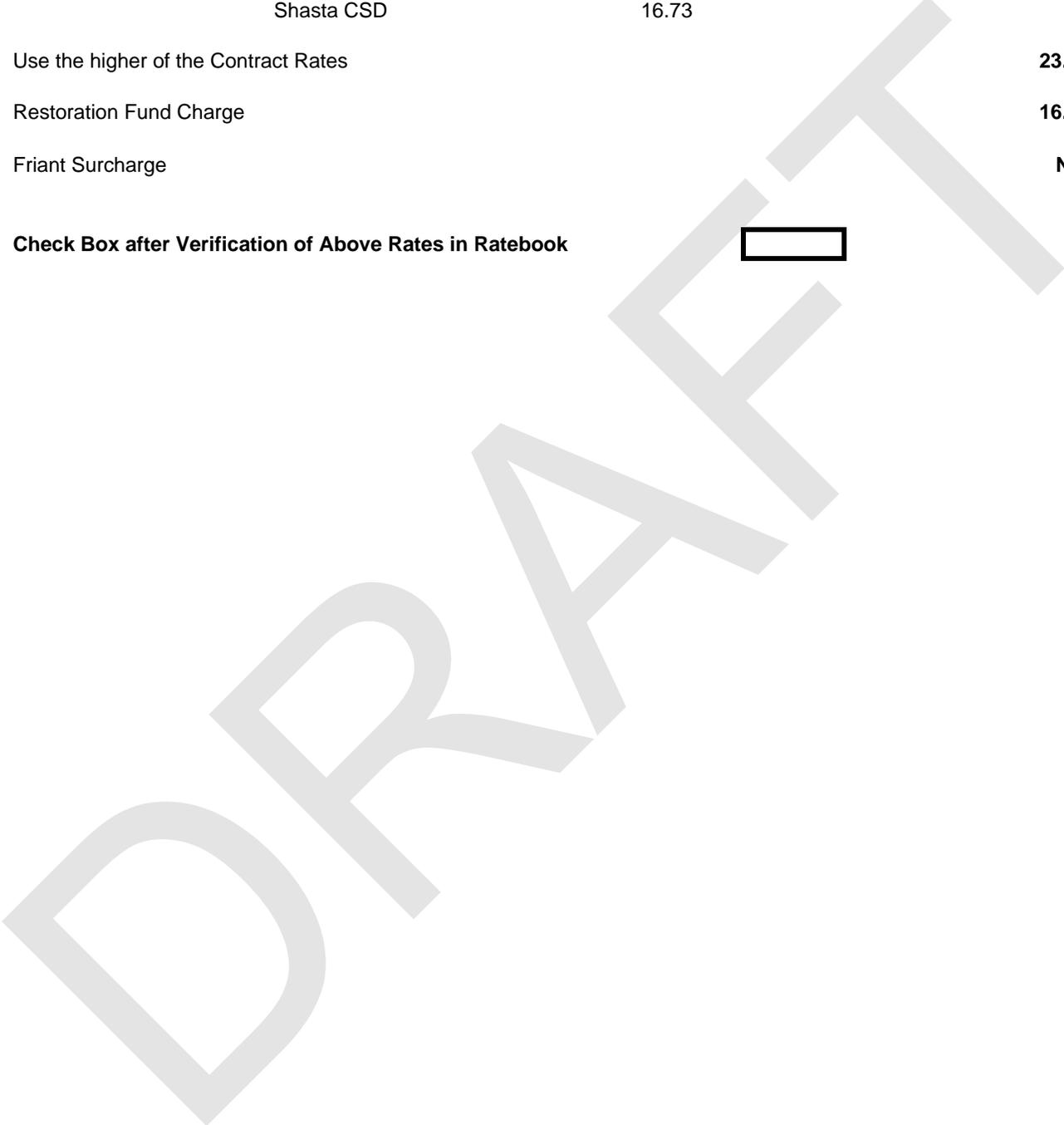
Contract Rates	San Luis WD - SLC	M&I	23.47	Irrigation	8.00	Rates
	Shasta CSD		16.73			

Use the higher of the Contract Rates **23.47**

Restoration Fund Charge **16.49**

Friant Surcharge **N/A**

**Check Box after Verification of Above Rates in Ratebook**



**EXAMPLE 13**

**Use the Business Practice Guidelines for Accounting for CVP Water Transfers, Exhibit B, Section 2**

Transferor: M&I, Not a Renewed Contract  
Transfer Purpose: M&I

Water Contractor:  
Water Contractor:

San Luis WD - SLC  
Shasta CSD

			Rates
Contract Rates:	San Luis WD - SLC	23.47	
	Shasta CSD	16.73	
Use the higher of the Contract Rates			<b>23.47</b>
Restoration Fund Charge			<b>16.49</b>
Friant Surcharge			<b>N/A</b>

**Check Box after Verification of Above Rates in Ratebook**

DRAFT

**EXHIBIT D**

**Transfer Form**

**DRAFT**

Central Valley Project  
Transfer Form

Transferor, Renewed Contract

**Use the Business Practice Guidelines for Accounting for CVP Water Transfers, Exhibits A and C.**

Transferor: \_\_\_\_\_ Water Contractor: \_\_\_\_\_  
 Transfer Purpose: \_\_\_\_\_ Water Contractor: \_\_\_\_\_

Identify the Transferor's Cost of Service Rate

Rates

Reduce Rate for Transferor's Direct Pumping O&M

Add Additional Services to Transferee that Apply

Storage Capital

San Felipe Unit

All Others

Conveyance Pumping Capital

Corning PP

Dos Amigos PP

O'Neill PGP

Tracy PP

FK/Madera Exchange

All Other Contractors

Conveyance Capital

Direct Ppg Capital

Ability to Pay Capital Relief (Cost to Power)

Storage O&M

Direct Pumping O&M

**Effective Transfer Rate**

Identify Transferor's Tiered Water Rates (Begin with the Transferor's Full Cost 202(3) Rate)

Full Cost==> \_\_\_\_\_ \*

Tier 2: Applicable to > 81 <= 90% of transferor's entitlement

Tier 3: Applicable to > 90% of transferor's entitlement

Identify Applicable Full Cost (FC) Interest Water Rate for Transferee.

	Full Cost Water Rate	Additional Interest from		
		Eff. Rate	Tier 2	Tier 3
202(3) Interest Rate?	Total FC Rate==> _____ <==Total FC Rate	_____	_____	_____
205(a)(3) Interest Rate?	Total FC Rate==> _____ <==Total FC Rate	_____	_____	_____

Irrigation Restoration Fund Charge

Restoration Fund Charge

Ability to Pay Restoration Fund Charge Relief (Cost to Power)

Applicable Restoration Fund Charge for Transfer Water

Friant Surcharge: Water being diverted from the Friant-Kern Canal or Millerton Reservoir

**Check Box after Verification of Above Rates in Ratebook**

\* If Applicable, Distribution System interest identified on Irrigation water ratebook, Schedule A-3A is excluded.

### Central Valley Project Transfer Form

#### Transferor, Not a Renewed Contract

Use the Business Practice Guidelines for Accounting for CVP Water Transfers, Exhibits B and C.

Transferor: \_\_\_\_\_

Water Contractor: \_\_\_\_\_

Transfer Purpose: \_\_\_\_\_

Water Contractor: \_\_\_\_\_

Rates

Contract Rates:    Transferor  
                                 Transferee

Irrigation  
\_\_\_\_\_  
\_\_\_\_\_

M&I  
\_\_\_\_\_  
\_\_\_\_\_

Use the higher of the Contract Rates

\_\_\_\_\_

If the Water is put on Full Cost Lands, Transferee is subject to transferee's full cost incremental rate

Transferee's Full Cost  
Water Rate

\_\_\_\_\_

Incremental Full Cost Rate

\_\_\_\_\_

Restoration Fund Charge

\_\_\_\_\_

Friant Surcharge

\_\_\_\_\_

Check Box after Verification of Above Rates in Ratebook