



Westlands Water District

3130 N. Fresno Street, P.O. Box 6056, Fresno, California 93703-6056, (559) 224-1523, FAX (559) 241-6277

July 23, 2014

Bureau of Reclamation Mid-Pacific Region
Ms. Autumn Wolfe
Acting Regional Financial Manager, MP-3000
2800 Cottage Way
Sacramento, CA 95825

Dear Ms. Wolfe,

Westlands Water District (District) attended Reclamation's June 23, 2014 workshop on Municipal and Industrial (M&I) Ratesetting Policy. The workshop covered proposed policy revisions and policy finalization schedule.

The District submitted comments to Reclamation's May 21, 2012 workshop on the same topic in July 2012. The District appreciates Reclamation's consideration of its several points discussed at the June 23, 2014 workshop. Most notable are the omission of the \$15.00 minimum rate, the clarified definition of a Long Term Contractor and repayment order revised to be consistent with the Irrigation Ratesetting Policy.

The following comments pertain to the Draft M&I Ratesetting Policy distributed at the June 23, 2014 workshop.

1. The District understands from discussions occurring during the June 23, 2014 workshop that the revised M&I Ratesetting Policy attempts to be "in line with the Irrigation Ratesetting Policy (1988) as much as possible" (Mr. J. Reynoso). It is further understood that no changes to the Irrigation Ratesetting Policy will occur as a carry over from this revision and finalization process to the M&I Ratesetting Policy.
2. In the first paragraph of the Description of Water Rate Components section on page 6 it is noted that there is to be included a general description of each of the M&I water rate components, computational mechanics and other specifics. However, on page 7, in the conveyance paragraph the computational mechanics appear to have been omitted. The District requests that this be corrected in the final version and that it be kept "in line with the Irrigation Ratesetting Policy."
3. Grammatical errors include: (1.) Page 3 first paragraph includes a repeated word "the the," (2.) Page 4 third paragraph has a misspelled word "rateseting" should be "ratesetting," (3.) Page 12 Water Rate or Rate(s) definition has two misspelled words: "cocument" should be "document" and "workds" should be "words."
4. The Draft M&I Ratesetting Policy interchangeably uses the words or phrases: investment, plant-in-service investment, plant investment; construction costs,

Ms. Autumn Wolfe
Page 2
July 23, 2014

capital, and M&I plant cost. Keeping in line with the migration away from reference to "capital" to the phrase "construction cost" Reclamation could update this policy accordingly. Adding a definition for "Construction Cost" to the glossary would add clarity to this term.

5. The initial reference to "O&M" is at the top of page 4, "as well as allocable operation and maintenance expenses." This should be revised to "as well as allocable operating and maintenance (O&M) expenses" and further references to operating cost, operating expenses or operating and maintenance costs or expenses should be revised to simply "O&M."

The District values the opportunity to review and comment on the Draft M&I Ratesetting Policy and anticipates that the opportunity to review and comment continues throughout the finalization process. Please contact Mr. Steve Farmer for assistance in this matter at (559) 241-6240 or sfarmer@westlandswater.org.

Sincerely,



Bobbie Ormonde
Director of Finance and Administration

Attachment

cc: Jesus Reynoso
MP Region Acting Ratesetting Supervisor