

CENTRAL VALLEY PROJECT
SCHEDULE OF MUNICIPAL AND INDUSTRIAL (M&I) OPERATION, MAINTENANCE AND REPLACEMENT COSTS
BY FACILITY AND/OR COMPONENT FOR FY 2008

	A	B	C
Component/Facility	O&M & Corps Expense 1/	Project Use Energy Costs 1b/	Total
Ref	<F/S>	<Meter Costs>	(A+B)

COST TO BE ALLOCATED

Storage

American River	\$ 12,987.32	\$ -	\$ 12,987.32
Black Butte O&M COE	\$ 36,395.16	\$ -	\$ 36,395.16
Clear Creek Tunnel	\$ 2,820.99	\$ -	\$ 2,820.99
ClairHill, CA Whiskeytown Dam	\$ 50,649.99	\$ -	\$ 50,649.99
Coleman Fish Hatchery	\$ 487,514.51	\$ -	\$ 487,514.51
Columbia-Mowry System	\$ 23,204.39	\$ 1,511.47	\$ 24,715.86
Delta Cross Channel	\$ 7,220.12	\$ -	\$ 7,220.12
Folsom Complex	\$ 110,544.39	\$ -	\$ 110,544.39
Folsom Dam & Reservoir	\$ 73,397.57	\$ -	\$ 73,397.57
Folsom Garage	\$ 13,921.40	\$ -	\$ 13,921.40
Folsom Pipeline	\$ 15,726.23	\$ -	\$ 15,726.23
Folsom Plant Maintenance Draw	\$ 48,629.37	\$ -	\$ 48,629.37
Folsom Pumping Plant	\$ 52,445.43	\$ 46,091.39	\$ 98,536.82
Friant Dam & Reservoir	\$ 202,312.98	\$ 10,292.93	\$ 212,605.91
Gianelli, WR PGP	\$ 371,927.22	\$ 336,674.76	\$ 708,601.98
Regeneration Credit	\$ -	\$ (53,959.88)	\$ (53,959.88)
San Felipe Unit	\$ (86,848.73)	\$ (303,858.00)	\$ (390,706.73)
Hwy 49 Flood Repair	\$ 238,713.88	\$ -	\$ 238,713.88
Nimbus Dam & Reservoir	\$ 123,203.92	\$ -	\$ 123,203.92
No Hands Bridge Repair	\$ 20,620.79	\$ -	\$ 20,620.79
Reservoir and River Operations	\$ 857.83	\$ -	\$ 857.83
Safety Security & Law Enforcement	\$ 159,021.59	\$ -	\$ 159,021.59
San Joaquin River	\$ 23,771.82	\$ -	\$ 23,771.82
Sacramento River	\$ 60,095.48	\$ -	\$ 60,095.48
Shasta Dam & Reservoir	\$ 193,486.10	\$ 35,245.65	\$ 228,731.75
Sisk, BF San Luis Dam	\$ 1,104,694.95	\$ -	\$ 1,104,694.95
Spring Creek Tunnel	\$ 3.24	\$ -	\$ 3.24
Trinity Dam & Reservoir	\$ 18,582.11	\$ -	\$ 18,582.11
Total Storage	<u>\$ 3,365,900.05</u>	<u>\$ 71,998.31</u>	<u>\$ 3,437,898.37</u>

Conveyance

Folsom South Canal	\$ 571,471.16	\$ -	\$ 571,471.16
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Direct Costs - Pumping & Other

City of Shasta Lake	\$ -	\$ 31,711.48	\$ 31,711.48
Contra Costa PP (Contra Costa WD)	\$ -	\$ 396,255.07	\$ 396,255.07
Colusa County WD	\$ -	\$ 2,191.40	\$ 2,191.40
Kanawha WD	\$ -	\$ 2.95	\$ 2.95
Pleasant Valley PP (City of Coalinga)	\$ -	\$ 68,378.44	\$ 68,378.44
San Benito County WD	\$ -	\$ -	\$ -
Gianelli, WR PGP	\$ 3,647.65	\$ 12,762.64	\$ 16,410.28
Pacheco PP	\$ -	\$ 24,482.45	\$ 24,482.45
San Luis WD Relift (0805)PP	\$ -	\$ 9,388.88	\$ 9,388.88

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	A	B	C
Component/Facility	O&M & Corps Expense 1/	Project Use Energy Costs 1b/	Total
Ref	<F/S>	<Meter Costs>	(A+B)
Direct Costs - Pumping & Other (continued)			
Santa Clara Valley WD			
Santa Clara Valley WD Deficiencies	\$ (125,861.57)		\$ (125,861.57)
Coyote PP	\$ -	\$ 144,470.41	\$ 144,470.41
Gianelli, WR PGP 2/	\$ 83,201.08	\$ 291,095.37	\$ 374,296.44
Pacheco PP 3/	\$ -	\$ 558,432.93	\$ 558,432.93
Westlands WD Relifts	\$ -	\$ 18,255.97	\$ 18,255.97
Wintu PP (Bella Vista WD)	\$ -	\$ 42,613.55	\$ 42,613.55
Total Direct Costs (Pumping & Other)	\$ (39,012.85)	\$ 1,600,041.52	\$ 1,561,028.67
Sub Total	\$ 3,898,358.37	\$ 1,672,039.83	\$ 5,570,398.20
Water Marketing 1/	\$ 1,622,006.72	\$ -	\$ 1,622,006.72
Total Costs to be Allocated	\$ 5,520,365.09	\$ 1,672,039.83	\$ 7,192,404.92
COST TO BE DIRECT BILLED			
Conveyance			
Arroyo Pasajero	\$ -	\$ -	\$ -
Delta Cross Channel	\$ 1,335.02	\$ -	\$ 1,335.02
Delta Mendota Canal	\$ 4,054.68	\$ -	\$ 4,054.68
Friant Kern Canal	\$ (765.55)	\$ -	\$ (765.55)
Little Panoche Creek Det Dam	\$ 67.84	\$ -	\$ 67.84
Los Banos Creek Det Dam	\$ 5.33	\$ -	\$ 5.33
O'Neill Dam/O&M	\$ 73.65	\$ -	\$ 73.65
Red Bluff Dam	\$ (19,763.85)	\$ -	\$ (19,763.85)
Red Bluff Research PP	\$ 1,943.81	\$ -	\$ 1,943.81
San Luis Canal	\$ 636.70	\$ -	\$ 636.70
San Luis Canal Turnouts	\$ 452.98	\$ -	\$ 452.98
Stony Creek CHO	\$ 24,386.28	\$ -	\$ 24,386.28
Tehama-Colusa Canal	\$ 852.32	\$ -	\$ 852.32
Tehama-Colusa Fish Facility	\$ 23.28	\$ -	\$ 23.28
Toyon Pipeline 1b/	\$ 76,741.07	\$ -	\$ 76,741.07
Total Conveyance	\$ 90,043.56	\$ -	\$ 90,043.56
Conveyance Pumping			
Dos Amigos PP	\$ 76.13	\$ 77,371.43	\$ 77,447.56
O'Neill PGP	\$ 18,715.14	\$ 243,160.40	\$ 261,875.54
Regeneration Credit	\$ -	\$ (14,569.69)	\$ (14,569.69)
Jones Pumping Plant	\$ 71,541.24	\$ 1,245,182.09	\$ 1,316,723.33
Administrative Building	\$ 1,084.83	\$ -	\$ 1,084.83
State-Delta PP	\$ -	\$ -	\$ -
Total Conveyance Pumping	\$ 91,417.34	\$ 1,551,144.22	\$ 1,642,561.56
Total Costs to be Direct Billed	\$ 181,460.90	\$ 1,551,144.22	\$ 1,732,605.12
Total O&M Annual Costs for FY 2008	\$ 5,701,825.99	\$ 3,223,184.05	\$ 8,925,010.04

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SCHEDULE OF MUNICIPAL AND INDUSTRIAL (M&I) OPERATION, MAINTENANCE AND REPLACEMENT COSTS
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Footnotes

1/ Financial Statement Costs are taken from Schedules 22 & 25 of the 2008 CVP Consolidated Financial Statement (F/S). For certain facilities, the power costs have been isolated and shown under "Project Use Energy". FY 2008 O&M Expenses are as follows:

	Joint Expense Recorded in F/S Sch 25	Expenses or Credits Not Recorded in F/S Sch 25 a/	Total Per F/S Sch 22	Other Adjustments to Expense b/	Total Expenses	Direct Billed	Total Expenses to be Allocated per Ratesetting
Storage	\$ 3,429,544.39	\$ -	\$ 3,429,544.39	\$ 8,353.98	\$ 3,437,898.37	\$ -	\$ 3,437,898.37
Carriage	\$ 113,054.04	\$ 399,550.36	\$ 512,604.40	\$ 3,315,021.79	\$ 3,827,626.19	\$ 1,732,605.12	\$ 2,095,021.07
Water Marketing (Includes G&A) c/	\$ 2,437,323.65	\$ 76,741.07	\$ 2,514,064.72	\$ (892,058.00)	\$ 1,622,006.72	\$ -	\$ 1,622,006.72
Other	\$ -	\$ 171,210.97	\$ 171,210.97	\$ (133,732.21)	\$ 37,478.76	\$ -	\$ 37,478.76
Interest on Investment	\$ -	\$ 18,244,616.75	\$ 18,244,616.75	\$ (18,244,616.75)	\$ -	\$ -	\$ -
Financial Statement Balance	<u>\$ 5,979,922.08</u>	<u>\$ 18,892,119.15</u>	<u>\$ 24,872,041.23</u>	<u>\$ (15,947,031.19)</u>	<u>\$ 8,925,010.04</u>	<u>\$ 1,732,605.12</u>	<u>\$ 7,192,404.92</u>

a/ Detail of financial statement expenses or credits in Schedule 22 but not recorded in the Multipurpose Expense Schedule 25.

<u>Storage</u>	<u>Carriage</u>	<u>Water Marketing</u>	<u>Other</u>
	Folsom South Canal (0353)	\$ 399,550.36	Toyon Pipeline (1741)
			\$ 76,741.07
Total	<u>-</u>	<u>\$ 399,550.36</u>	<u>\$ 76,741.07</u>
			Santa Clara Valley WD Defic. (0921)
			Folsom South Canal (1910)
			\$ 7,870.64
			<u>\$ 163,340.33</u>
			<u>\$ 171,210.97</u>

b/ Detail of Ratesetting O&M Expense Adjustments to Reconcile with F/S Schedule 22:

<u>Storage:</u>		Total
Gianelli WR PGP costs moved to Direct Pumping	\$ (86,848.73)	
Columbia-Mowry System moved from Water Marketing	\$ 23,204.39	
PUE costs from "2008 PUE used in FY 2008 B-6" (F/S)	<u>\$ 71,998.31</u>	
		\$ 8,353.98
<u>Carriage:</u>		
Toyon Pipeline moved from Water Marketing	\$ 76,741.07	
Gianelli WR PGP costs moved from Storage	\$ 86,848.73	
PUE costs from "2008 PUE used in FY 2008 B-6" (F/S)	\$ 3,151,185.74	
Folsom-South Canal (0353) - Disposal of Surplus Land (Transferred from Irrigation)	<u>\$ 246.26</u>	
		\$ 3,315,021.79
<u>Water Marketing:</u>		
Toyon Pipeline moved to Carriage	\$ (76,741.07)	
Columbia-Mowry System moved to Storage	\$ (23,204.39)	
BOR WORKS amortization adjustments for FY 2008	\$ 26,421.06	
Non-Permanent Contractor Revenue (Includes Los Vaqueros Water Rights) d/	<u>\$ (818,533.60)</u>	
		\$ (892,058.00)
<u>Other</u>		
Santa Clara Valley WD Deficiencies - FY 2008 costs transferred from irrigation (0805-4429)	\$ (13,939.12)	
Santa Clara Valley WD Deficiencies - FY 2008 quarterly accrual (09214492)	\$ (7,870.64)	
Santa Clara Valley WD Deficiencies - FY 2008 cost not allocated (FY 2007 credit reversed)	<u>\$ (111,922.46)</u>	
		\$ (133,732.21)
Interest on Investment		<u>\$ (18,244,616.75)</u>
Total		<u>\$ (15,947,031.19)</u>

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Footnotes (continued)

c/ Includes General and Administrative Expenses.
d/ Non-Project water revenue - Contra Costa WD's revenue related to Los Vaqueros.

2/ Determination of FY 2008 Gianelli, WR Pump Generator "Storage" and "Direct Pumping" costs allocated to the San Felipe Unit are as follows:

	San Felipe Unit (Storage)			All Other Storage Contractors	Total
	Total	Direct Pumping Applicable To Gianelli, WR Pump Generator			
		San Benito	Santa Clara		
2008 Storage Deliveries (A/F)	87,234	3,664	83,570	286,340	373,574
Ratios	0.23351	0.04200	0.95800	0.76649	1.00000
Allocated Gianelli,WR Pump Generator Costs (Excludes Regeneration Credit) - 2008:					
Direct Costs	\$ 86,848.73	\$ 3,647.65	\$ 83,201.08	\$ 285,078.49	\$ 371,927.22
Project Use Energy Costs	\$ 303,858.00	\$ 12,762.64	\$ 291,095.37	\$ 32,816.76	\$ 336,674.76

3/ Allocation of Pacheco Pumping Plant costs - Allocation is based on same water delivery ratios as shown in 2/ above.

Total	San Benito	Santa Clara
\$ 582,915.37	\$ 24,482.45	\$ 558,432.93

Note: Storage Expense Allocation

(The following calculations are provided for use on Schedule of CVP Allocated Municipal and Industrial Storage Expense)

	San Felipe Unit		All Other Contractors	Total
	Other Storage Expense	Direct Pumping Gianelli, WR PGP		
Allocated Gianelli, WR PGP Costs:				
Direct Costs (see 5/ above)		\$ 86,848.73	\$ 285,078.49	\$ 371,927.22
PUE Costs/Excludes Regenerating Credit (see pg 1)			\$ 32,816.76	\$ 32,816.76
Regeneration Credit			\$ (53,959.88)	\$ (53,959.88)
Less: Gianelli, WR PGP Costs Allocated to Direct Pumping		<u>\$ 86,848.73</u>		\$ (86,848.73)
Sub-total				<u>\$ 263,935.37</u>
Allocated Other Storage O&M Expense	\$ 741,152.10		\$ 2,432,810.89	\$ 3,173,962.99
Total Allocable Storage Expense	<u>\$ 741,152.10</u>		<u>\$ 2,696,746.27</u>	<u>\$ 3,437,898.37</u>

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4/ RECONCILIATION OF RECONSTRUCTED EXCESS OF INCOME OVER EXPENSE TO FINANCIAL STATEMENT AT 9/30/2008

Current Year Revenue:

M&I Revenue per Financial Statement (Sch. 21)	\$	10,128,320.72	
Duplicate revenues to be reversed in FY 2009	\$	11,597.92	
FY 2008 revenues included in ratesetting in FY 2008 but will be included in F/S in FY 2009	\$	2,793,042.15	
FY 2008 voluntary payments for current year deficit included in F/S and in ratesetting in FY 2008	\$	(33.92)	
FY 2008 voluntary payments for prior year deficit included in F/S and ratesetting in FY 2008	\$	(1,108,422.58)	
FY 2007 revenues included in F/S in FY 2008, but included in ratesetting in FY 2007	\$	175,061.03	
FY 2005 revenues recorded in financial statement in FY 2008 but included in ratesetting in FY 2005	\$	(271.73)	
Prior year revenues recorded in financial statement in FY 2008 but included in ratesetting in FY 2003 (City of Rioseville)	\$	(54,855.00)	
Prior year revenues recorded in financial statement in FY 2008 but not included in ratesetting (City of Rioseville)	\$	(297,747.00)	
Prior year voluntary payments, refunds and revenue reapplications included in F/S in FY 2008, but included in ratesetting in prior year	\$	1,089,599.13	
Luisiana Pacific 1996 adjustment not included in ratesetting	\$	225.00	
Conveyance Income - Delta Mendota Water Authority	\$	(629,187.78)	
Total 2008 Gross Water Revenues (Schedule B-2)	\$	12,107,327.94	
Other Revenue:			
Non-Permanent Contractor Revenue	\$	(616,381.76)	
Warren Act Contractor Revenue	\$	(536,367.32)	
Rescheduled Water	\$	(316.00)	
Los Vaqueros Water Rights	\$	(202,151.84)	
Total FY 2008 Water Contractor Revenue (Schedule B-2)			\$ 10,752,111.02

Current Year Expense:

M&I O&M Expenses and Interest per F/S (Schedule 22)	\$	24,872,041.23	
Expense Adjustment 1b/:			
Storage	\$	8,353.98	
Carriage	\$	3,315,021.79	
Water Marketing	\$	(892,058.00)	
Other	\$	(133,732.21)	
Interest on Investment	\$	(18,244,616.75)	
			\$ (15,947,031.19)
Less: Total Costs to be Direct Billed 1/	\$	1,732,605.12	
Net Expenses			\$ 7,192,404.92
Less: FY 2008 Interest			\$ 3,424,811.42
Add: FY 2008 Voluntary Payments			\$ 1,186,248.91
Less: FY 2008 revenue adjustment			\$ (36,866.55)
Current Year Results of Operations (Schedule B-1)			<u>\$ 1,284,277.04</u>