

**CENTRAL VALLEY PROJECT
SCHEDULE OF EXCHANGE CONTRACTOR WATER RATES
IRRIGATION COST OF SERVICE AND FULL COST RATES AND M&I COST OF SERVICE RATES
2004 SPECIAL WATER RATES**

Cost Component	IRRIGATION							M&I		
	O&M (Sch. S-3)	CAPITAL			TOTAL			O&M (Sch. S-4)	Capital Including Interest (Sch. S-2)	Cost of Service
		Cost of Service (Sch. S-1)	RRA Full Cost 202(3) 1/	RRA Full Cost 205(a)(3) 2/	Cost of Service	RRA Full Cost 202(3)	RRA Full Cost 205(a)(3)			
Water Marketing	7.59	N/A	N/A	N/A	7.59	7.59	7.59	5.01	N/A	5.01
Storage	5.83	5.13	12.80	16.22	10.96	18.63	22.05	6.38	12.08	18.46
Conveyance	4/	5.80	14.47	18.34	5.80	14.47	18.34	4/	17.05	17.05
Conveyance Pumping: Tracy Pumping Plant	4/	1.27	3.17	4.02	1.27	3.17	4.02	4/	3.46	3.46
Other Costs	N/A	0.41	0.88 3/	0.88 3/	0.41	0.88	0.88	N/A	5.25	5.25

Footnotes:

1/ Capital Cost of Service Rate amortized over remaining repayment years at Composite Interest Rate Under Section 202(3) of the RRA:
27 remaining repayment years
8.119% Electronic File Source: IRR 2004 FC (FA-11) Composite Interest Rate All Components 202.z06.xls

2/ Capital Cost of Service Rate amortized over remaining repayment years at the Composite Interest Rate Under Section 205(a)(3) of the RRA
27 remaining repayment years
11.017% Electronic File Source: IRR 2004 FC (FB-11) Composite Interest Rate All Components 205.z06.xls

3/ Full Cost Capital Cost of Service Rate amortized over remaining repayment years at the 2002 Reclamation Reform Act of 1982 (RRA) rate
27 remaining repayment years
6.455% 2002 Reclamation Reform Act of 1982 (RRA) rate

4/ Except for contractors who receive water through Folsom-South Canal, conveyance and conveyance pumping O&M costs will be billed directly to the Authorities.