



Westlands Water District

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February 19, 2014

Ms. Michelle Denning
Regional Planning Officer
Bureau of Reclamation, MP-3000
2800 Cottage Way
Sacramento, CA 95825

Subject: Comments on the Delta-Mendota Canal/California Aqueduct (DMC/CA) Intertie Repayment Analysis Report

Dear Ms. Denning:

Westlands Water District (District) has received and reviewed the Delta-Mendota Canal/California Aqueduct (DMC/CA) Intertie Repayment Analysis Report dated January 30, 2014. Of the repayment alternatives presented in this Report, the District supports Option 1 because it is the only choice that adheres with the original project purpose, complies with the legislative authority (PL 108-361) and Record of Decision (ROD), and is consistent with the direction that the Central Valley Project (CVP) be a fully integrated project both operationally and financially.

The purpose of the Intertie project was to restore the conveyance capacity of the Delta-Mendota Canal (DMC) so that Jones Pumping Plant (JPP) could operate at full capacity. Conveyance capacity on the DMC had been reduced because of subsidence. The overall cost of rehabilitating the DMC was prohibitive. The Intertie project was introduced as a more cost effective way to restore the conveyance capacity of the DMC so that JPP could operate at full capacity. If the costly rehabilitation of the DMC had occurred, there would be no discussion regarding repayment alternatives; the costs associated with that rehabilitation would be included in the Conveyance Cost Pool.

The legislative authority and the ROD both state that the purpose of the project is to fix the conveyance problem on the DMC. Section 1.3 of the Record of Decision states:

"The purpose of the Proposed Action is to improve the DMC conveyance conditions that restrict the Jones Pumping Plant to less than the original design pumping capacity of 4,600 CFS and to improve flexibility for operations and maintenance and emergency activities."

This clearly articulates that the primary purpose of the Intertie project was related to conveyance in the DMC. If the more costly solution to address this problem, rehabilitating the canal, had been undertaken there would be no question about the cost allocation going to the Conveyance

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Cost Pool. Implementing a more cost effective solution (i.e., construction of the Intertie) should not bear upon or alter this outcome.

Additionally, Option 1 is also the only option that supports the basic proposition that the CVP be integrated both operationally and financially. Allocation of costs based upon quantifiable benefits is not consistent with other CVP conveyance facilities and is not in alignment with the direction that the CVP be a fully integrated project. Furthermore, since the Bureau of Reclamation's ability to satisfy its obligations to the Exchange Contractors and the Refuges is improved by the construction and operation of the Intertie, the benefits should not be confined to the results of the CALSIM model. By including the Intertie in the Conveyance Cost Pool, Reclamation would align itself with prior methodologies and direction from authorizing legislation.

Notwithstanding the District's support of Option 1 as the only appropriate choice presented in the Report, we would support evaluation of a fourth option. During the conference call on February 11, 2014, Dana Jacobsen of Santa Clara Valley Water District re-introduced the option of allocating costs for the Intertie based upon the allocation of capital costs for JPP. It should be noted that during the planning phase for the Intertie project, this was the agreed upon approach by the funding participants and Reclamation.

Please contact Mr. Stephen Farmer at 559-241-6240 or sfarmer@westlandswater.org if you have any questions or require any additional information.

Sincerely,



Thomas W. Birmingham
General Manager

cc: Brenda Bryant
Asst. Regional Director for Business Services

Autumn Wolf
Regional Financial Manager

David Murillo
Regional Director