

## NOTICE TO STATE WATER PROJECT CONTRACTORS



**Date:** JAN 16 2014

**Number:** 14-01

**Subject:** Criteria for Bulletin 132-14

**From:**

  
\_\_\_\_\_  
**Carl A. Torgersen**  
**Deputy Director**  
Department of Water Resources

Attached for your information are copies of "Criteria for Bulletin 132-14 State Water Project Operations Studies" and "Interest and Escalation Rates for Preparing Bulletin 132-14."

These criteria are being used by the Department of Water Resources (DWR) to prepare information for Bulletin 132-14, "Management of the California State Water Project" and to determine Water Contractors' Statements of Charges for the year 2015.

If you have any questions, please contact Robert Cooke, Chief of DWR's State Water Project Analysis Office, at (916) 653-4313, or you may call Susan Lee of his staff at (916) 653-1894.

Attachment

**CRITERIA FOR BULLETIN 132-14  
STATE WATER PROJECT OPERATIONS STUDIES**

These criteria provide summaries of the basic operations assumptions to be used in developing the 2015 Statement of Charges. Actual SWP operations may ultimately be different and contractor billings will be adjusted as appropriate.

1. **Water Deliveries:** Water demands for the water operations studies will be based on the short-range, five-year (2014-2018) requests submitted by the SWP Contractors (Contractors) in October 2013 and the long-range (2019-2035) requests submitted by the Contractors in October 2013.
  
2. **Water Supply:** The water and power operations studies will reflect compliance with the long-term NMFS Salmonids, Green Sturgeon and Killer Whales Biological and Conference Opinion issued June 4, 2009; the long-term USFWS Delta Smelt Biological Opinion issued December 15, 2008; the Incidental Take Permit for Longfin Smelt issued February 23, 2009; and the March 15, 2000 revision of the December 1999 Water Right Decision 1641. The water supply assumed for water and power operation studies will be as follows:
  - (a) 2014 – The initial operations study for 2014 will assume hydrology sufficient to deliver 2.480 MAF (60 percent of Contractors' projected Table A requests). Projections of power generation at Oroville will be based on the Oroville Reservoir inflow from the same hydrology. For generation at Pine Flat Reservoir, lower quartile inflow will be assumed. The 2014 water deliveries and water and power operations studies will be reviewed and finalized in May 2014 when the final water supply forecast based on May 1, 2014 snow surveys becomes available.
  - (b) 2015 – SWP operations projected for 2015 are the basis for the 2015 Statements of Charges. The study will assume hydrology sufficient to deliver 2.480 MAF (60 percent of Contractors' projected Table A requests). Lower quartile inflow will be assumed for Pine Flat generating facilities.
  - (c) 2016 – The 2016 studies will assume hydrology sufficient to deliver 2.480 MAF (60 percent of Contractors' projected Table A requests). Lower quartile inflow will be assumed for Pine Flat generating facilities.
  - (d) 2017 – Assume hydrology sufficient to deliver 60 percent of Contractors' projected Table A requests of 2.480 MAF.
  - (e) 2018 – Assume hydrology sufficient to deliver 60 percent of Contractors' projected Table A requests of 2.480 MAF.
  - (f) 2019 – Assume hydrology sufficient to deliver 60 percent of Contractors' projected Table A requests of 2.483 MAF.

- (g) 2020-2035 – Assume hydrology sufficient to deliver 60 percent of Contractors' projected Table A requests of an average 2.484 MAF.

3. **Water Supply Augmentation:**

- (a) Delta Pumps. The total capacity of Banks Pumping Plant is 10,300 cfs; however, the actual daily allotment for Clifton Court Forebay will be limited as stated in the U.S. Army Corps of Engineers Public Notices 5820A, October 1981, and 19990715, May 2000.
- (b) South Delta Improvements Program (SDIP). This program is scheduled for implementation as one of the components of Stage 1 of the CALFED Bay-Delta Program to address local and SWP water supply problems in the South Delta. Construction of the permanent operable gates and the channel dredging are proposed to be implemented under Stage 1 of the SDIP. Stage 2 of the SDIP which would include increasing diversions, has been deferred indefinitely in view of the pelagic organism decline in the Delta. Facilities in the SDIP include the following:
- ◆ Construction of four flow control structures (gates). Three gates are proposed in South Delta channels to control water levels and circulation in the South Delta. The fourth gate will provide protection for salmon migrating along the San Joaquin River (SDIP Stage 1).
  - ◆ Selected channel dredging in the South Delta and modification of local diversion structures. Several miles of river channels are proposed to be dredged to reduce the need to operate gates for water stage. Twenty-four shallow agricultural diversions will be extended to ensure access to water (SDIP Stage 1).
- (c) Ground Water Programs. On August 9, 1996, ownership of the Kern Fan Element Property and the La Hacienda Facilities was transferred to Kern County Water Agency (KCWA) and Dudley Ridge Water District through the Kern Water Bank Authority (KWBA) as part of the Monterey Amendment. Fifty percent of any SWP water remaining in storage from the Berrenda Mesa Demonstration Program and the La Hacienda Water Purchase Program was also transferred to KWBA. The SWP retains the right to recover 15,000 acre-feet under the recovery agreement with KCWA. Additionally, under the 1990 Demonstration Program, the SWP retains the right to 20,065 acre-feet currently stored in Semitropic Water Storage District.
- (d) Other Project Yield. For purposes of preparing water and power studies for future years, it will be assumed that the SWP will deliver 60 percent of full Table A requests based on the latest reliability study prepared by the Bay-Delta Office.

4. **Power Operations:** Energy prices in the western states' power market have

historically been highest during the on-peak hours and summer months. To minimize power costs, aqueduct operation will be optimized by minimizing on-peak pumping within operating criteria constraints.

For Bulletin 132-14, forecasted SWP power resources for the study period will be based on existing SWP generation and power purchases including the purchase of the output of the 45 MW RE Columbia solar project, which is anticipated to come online at the end of 2014.

5. **Future Project Facilities:** The schedule for initial operation of future project facilities to be used when preparing information for Bulletin 132-14 is shown in the following table.

FUTURE PROJECT FACILITIES	Dates for Initial Operation	
	Bulletin 132-13	Bulletin 132-14
<b>CALIFORNIA AQUEDUCT – EAST BRANCH</b>		
East Branch Enlargement – Stage 2 Pearblossom Pumping Plant – Units 10 & 11 (375 cfs) Alamo Power Plant – Unit 2 (1,506 cfs)	2021	Postponed Indefinitely
East Branch Extension – Phase I Improvements	December 2013	December 2013
East Branch Extension – Phase II	June 2015	December 2015
Perris Dam Remediation	2016	December 2016
<b>SOUTH BAY AQUEDUCT</b>		
Improvement and Enlargement	June 2013	June 2014
<b>DELTA FACILITIES</b>		
South Delta Improvement Program Facilities Permanent Operable Barriers	Postponed Indefinitely	Postponed Indefinitely
Delta Habitat Conservation and Conveyance Program	December 2028	December 2028
Sherman and Twitchell Island Fishscreens	December 2014	December 2014
<b>NORTH BAY AQUEDUCT</b>		
Alternate Intake	January 2019	January 2019

TABLE 1

INTEREST RATES TO BE USED IN PREPARING DATA AND  
 INFORMATION FOR BULLETIN 132-14  
 WATER CONTRACTORS' STATEMENTS OF CHARGES FOR 2015, AND  
 DEPARTMENT FINANCIAL ANALYSIS STUDIES

<u>Item</u>	<u>Interest Rate<sup>1</sup> Per Year</u>
1. Interest Rates on future general obligation "Offset" bonds (If assumed sold) <sup>2</sup>	5.25 (4.0)
2. Interest Rate for future Water System Revenue Bonds <sup>2</sup>	4.5 (3.5)
3. Project Interest Rate for determining Statements of Charges for 2015	4.610 (4.610)
4. Interest Rate on future short-term investment of project funds <sup>3</sup>	0.30 (0.35)

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<sup>1</sup>For the purposes of Department studies, these rates are to be used as the effective rates of interest. Figures in parentheses are Bulletin 132-13 assumptions.

<sup>2</sup>Future bonds are assumed to be repaid by the end of the Project repayment period (2035) or sooner, with maturities commencing in the year following the date of sale and with equal annual bond service for the principal repayment period.

<sup>3</sup>Based on the expected rate of return for funds invested in the State's Surplus Money Investment Fund.

**TABLE 2**  
**BULLETIN 132-14**  
**COST ESCALATION RATES**  
**FOR SWP FACILITIES**  
**TO BE USED FOR FINANCIAL ANALYSIS STUDIES**

<u>Item</u>	<u>Percent Increase</u> <u>Per Year</u> <sup>1</sup>			
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017-2035</u>
<u>Capital Costs</u>				
State Operations (Salaries and Benefits) <sup>2</sup>	12.5 (4.0)	4.5 (4.5)	4.5 (4.5)	4.5 (4.5)
Construction, Direct Pay	5 (5)	5 (5)	5 (5)	5 (5)
Relocation, Direct Pay	4 (4)	4 (4)	4 (4)	4 (4)
Land and Rights, Direct Pay	4 (4)	4 (4)	4 (4)	4 (4)
<u>Operations and Maintenance Cost</u> <sup>3</sup>				
State Operations (Salaries and Benefits)	12.5 (4.0)	4.5 (4.5)	4.5 (4.5)	4.5 (4.5)

<sup>1</sup> Figures in parentheses are Bulletin 132-13 assumptions.

<sup>2</sup> Reflects recent salary and benefit adjustments, including significant increases for Unit 12 employees.

<sup>3</sup> Operation and Maintenance costs in the Statements of Charges for the year 2015 and in Bulletin 132-14 are to be escalated through 2016 and then escalated one percent for the remainder of the Project repayment period. For specific Project studies requiring escalated costs, continue the percent rate for 2017-2035.

**NOTICE TO STATE WATER PROJECT CONTRACTORS****Date:** JAN 31 2014**Number:** 14-02**Subject:** 2014 State Water Project Allocation – Zero Percent**From:**

A handwritten signature in blue ink, appearing to read "Carl A. Torgersen".

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**Carl A. Torgersen**  
Department of Water Resources

Due to the persistent dry conditions, the Department of Water Resources (DWR) is decreasing the previously approved 2014 Table A Allocation from five percent to zero percent. DWR plans to meet current urgent demands by allowing State Water Project (SWP) contractors to use their existing carryover. Existing carryover amounts (at the end of 2013), and 2014 allocation amounts, for each SWP contractor are shown on the attached table. The total combined carryover amount for all SWP contractors is 463,277 acre-feet.

This decrease is made consistent with the long-term water supply contracts and public policy. DWR considered several factors, including existing storage in SWP conservation reservoirs, SWP operational constraints such as the conditions of the recent Biological Opinions for Delta smelt and salmonids and the longfin smelt incidental take permit, and 2014 contractor demands. DWR may revise allocations if warranted by the year's developing hydrologic and water supply conditions.

If you have any questions or need additional information, please contact Robert Cooke, Chief of DWR's State Water Project Analysis Office, at (916) 653-4313.

Attachment

2014 STATE WATER PROJECT ALLOCATION  
(ACRE-FEET)

SWP CONTRACTORS	TABLE A	INITIAL REQUEST	APPROVED ALLOCATION	2014 CARRYOVER
<b><u>FEATHER RIVER</u></b>				
County of Butte	27,500	27,500	0	392
Plumas County FC&WCD	2,500	2,500	0	478
City of Yuba City	9,600	9,600	0	6,855
<b>Subtotal</b>	<b>39,600</b>	<b>39,600</b>	<b>0</b>	<b>7,725</b>
<b><u>NORTH BAY</u></b>				
Napa County FC&WCD	29,025	29,025	0	13,407
Solano County WA	47,706	47,706	0	10,730
<b>Subtotal</b>	<b>76,731</b>	<b>76,731</b>	<b>0</b>	<b>24,137</b>
<b><u>SOUTH BAY</u></b>				
Alameda County FC&WCD, Zone 7	80,619	80,619	0	18,191
Alameda County WD	42,000	42,000	0	10,459
Santa Clara Valley WD	100,000	100,000	0	37,579
<b>Subtotal</b>	<b>222,619</b>	<b>222,619</b>	<b>0</b>	<b>66,229</b>
<b><u>SAN JOAQUIN VALLEY</u></b>				
Oak Flat WD	5,700	5,700	0	1,625
County of Kings	9,305	9,305	0	676
Dudley Ridge WD	48,350	48,350	0	11,093
Empire West Side ID	3,000	3,000	0	349
Kern County WA	982,730	982,730	0	36,166
Tulare Lake Basin WSD	87,471	87,471	0	3,320
<b>Subtotal</b>	<b>1,136,556</b>	<b>1,136,556</b>	<b>0</b>	<b>53,229</b>
<b><u>CENTRAL COASTAL</u></b>				
San Luis Obispo County FC&WCD	25,000	25,000	0	7,332
Santa Barbara County FC&WCD	45,486	45,486	0	13,648
<b>Subtotal</b>	<b>70,486</b>	<b>70,486</b>	<b>0</b>	<b>20,980</b>
<b><u>SOUTHERN CALIFORNIA</u></b>				
Antelope Valley-East Kern WA	144,844	144,844	0	12,428
Castaic Lake WA	95,200	95,200	0	38,482
Coachella Valley WD	138,350	138,350	0	0
Crestline-Lake Arrowhead WA	5,800	5,800	0	1,882
Desert WA	55,750	55,750	0	0
Littlerock Creek ID	2,300	2,300	0	805
Metropolitan WDSC	1,911,500	1,911,500	0	214,400
Mojave WA	82,800	82,800	0	3,839
Palmdale WD	21,300	21,300	0	3,670
San Bernardino Valley MWD	102,600	102,600	0	10,207
San Gabriel Valley MWD	28,800	28,800	0	0
San Geronio Pass WA	17,300	17,300	0	5,264
Ventura County WPD	20,000	20,000	0	0
<b>Subtotal</b>	<b>2,626,544</b>	<b>2,626,544</b>	<b>0</b>	<b>290,977</b>
<b>TOTAL</b>	<b>4,172,536</b>	<b>4,172,536</b>	<b>0</b>	<b>463,277</b>



## NOTICE TO STATE WATER PROJECT CONTRACTORS



**Date:** FEB 07 2014

**Number:** 14-03

**Subject:** Due to Drought Emergency, the Department of Water Resources Waives a Date Specific Requirement for Agricultural Rate Management Trust Fund Disbursements

**From:**   
**Carl A. Torgersen**  
Department of Water Resources

Due to Drought Emergency conditions, and consistent with the Governor's January 17, 2014 Drought Proclamation, the Department of Water Resources (DWR) waives the April 15<sup>th</sup> date under Article 51(h)(4)(i) which restricts disbursement of funds. Contractors can immediately request disbursements of Agricultural Rate Management Trust Fund monies. Trustees may distribute funds to the State for the benefit of the requesting contractor.

If you have any questions or need additional information, please contact Robert Cooke, Chief of DWR's State Water Project Analysis Office, at (916) 653-4313.

Attachment

**NOTICE TO STATE WATER PROJECT CONTRACTORS****Date:** MAR 24 2014**Number:** 14-04

**Subject:** Central Valley Project Water System Revenue Bonds. Series AR  
 Par Amount: Series AR \$161,445,000  
 Closing Date: March 6, 2014

**From:**

  
 \_\_\_\_\_  
 Mark W. Cowin, Director  
 Department of Water Resources

**Summary of Financing Results**

The Department of Water Resources (DWR) issued tax-exempt bond Series AR with a par amount of \$161.4 million through a competitive sale to take out \$123.1 million of DWR's current outstanding commercial paper, which included \$113.8 million for the Water Systems project and \$9.3 million for the South Bay Aqueduct Enlargement project. Bond proceeds were also used to provide up front financing of \$45 million for the construction of the East Branch Extension Phase I Improvements and Phase II. Bond proceeds were also used to fund the debt service reserve, pay costs of issuance, and fund capitalized interest. A summary of the financing results is provided in Table 1 below:

Table 1: Summary of Financing Results

	<u>Series AR</u>
Delivery Date	3/6/2014
Par Amount	\$ 161,445,000
Premium	\$ 18,713,550
Last Maturity	12/1/2035
Average Coupon	4.32%
Average Life (years)	13.2
True Interest Cost	3.23%
All-in True Interest Cost	3.25%

If you have any questions, please contact Perla Netto-Brown, Chief of DWR's Division of Fiscal Services at (916) 653-9836.

## NOTICE TO STATE WATER PROJECT CONTRACTORS



**Date:** APR 22 2014

**Number:** 14-05

**Subject:** Bulletin 132-11, Management of the California State Water Project

**From:**

A handwritten signature in blue ink, appearing to read "Mark W. Cowin", is written over a horizontal line.

**Mark W. Cowin**

**Director**

Department of Water Resources


Bulletin 132-11, the forty-ninth edition of Bulletin 132, Management of the California State Water Project, has been published and is now available to the public. Bulletin 132-11 is prepared for use by the California Water Commission, State Water Project water and power users, bond underwriters, dealers and investors, and the public.

Bulletin 132-11 will be delivered within six weeks to a subset of recipients who receive this notice. All other recipients may request printed and CD-ROM copies of the bulletin from:

California Department of Water Resources  
Imaging and Records Management  
Publications Office  
Post Office Box 942836  
Sacramento, California 94236-0001  
(916) 653-1097  
Email: [imr-publications@water.ca.gov](mailto:imr-publications@water.ca.gov)


Bulletin 132-11 is also available for direct download in PDF format at:

<http://www.water.ca.gov/swpao/bulletin.cfm>

**NOTICE TO STATE WATER PROJECT CONTRACTORS****Date:** APR 11 2014**Number:** 14-06**Subject:** Due to Drought Emergency, the Department of Water Resources Encourages Collaboration Among State Water Project Contractors**From:**  
\_\_\_\_\_  
**Mark W. Cowin, Director**  
Department of Water Resources

Due to Drought Emergency conditions, and in light of the Governor's January 17, 2014 Drought Proclamation, the Department of Water Resources (DWR) encourages collaboration among all State Water Project Contractors. Considering the extreme dry conditions this year and the extreme pressure that water agencies are experiencing in meeting their water management needs, now is the time for water agencies Statewide to be creative in implementing innovative water management measures. For example, with different levels of in-district or defined storage of water supplies, some agencies may have relatively better water supply conditions and be able to implement extraordinary one-year transfers or multi-year exchange agreements with other agencies. DWR encourages agencies to jointly investigate these kinds of opportunities and pursue their implementation under the current emergency conditions. Within the State Water Project, innovative management actions should be pursued. Where approvals are required from DWR, it will look favorably on these innovative management actions that help other agencies meet critical water management needs. Let us work together and be flexible as we manage California's water challenges.

If you have any questions or need additional information, please contact Robert Cooke, Chief of DWR's State Water Project Analysis Office, at (916) 653-4313.

**NOTICE TO STATE WATER PROJECT CONTRACTORS****Date:** APR 18 2014**Number:** 14-07**Subject:** 2014 State Water Project Allocation Increase back to 5 Percent**From:**

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**Carl A. Torgersen**  
**Deputy Director**  
Department of Water Resources

The Department of Water Resources (DWR) is increasing the allocation of 2014 State Water Project (SWP) water for long-term contractors from 0 acre-feet to 208,628 acre-feet. Based on recent precipitation, runoff, and current water supply conditions, SWP supplies are projected to meet 5% of SWP contractors' requests for Table A water, which totals 4,172,536 acre-feet. A condition of this Allocation is that SWP contractors take delivery of this water after September 1, 2014. Attached is the modified 2014 SWP allocation table.


The 2014 Initial Allocation made on 11/19/13 was 5%, but was later reduced to Zero on 1/31/14 when hydrologic conditions turned historically dry. Although this increase from Zero back to 5% will provide much needed relief in meeting critical water needs in 2014, it remains the lowest overall allocation in SWP history. DWR is taking prudent steps in preparing for continued drought conditions should they persist into 2015.

If you have any questions or need additional information, please contact Robert Cooke, Chief of DWR's State Water Project Analysis Office, at (916) 653-4313.

Attachment

2014 STATE WATER PROJECT ALLOCATION  
(ACRE-FEET)

SWP CONTRACTORS	TABLE A (1)	INITIAL REQUEST (2)	APPROVED ALLOCATION (3)	PERCENT INITIAL REQUEST APPROVED (3)/(2) (4)
<b>FEATHER RIVER</b>				
County of Butte	27,500	27,500	1,375	5%
Plumas County FC&WCD	2,500	2,500	125	5%
City of Yuba City	9,600	9,600	480	5%
<b>Subtotal</b>	<b>39,600</b>	<b>39,600</b>	<b>1,980</b>	
<b>NORTH BAY</b>				
Napa County FC&WCD	29,025	29,025	1,451	5%
Solano County WA	47,706	47,706	2,385	5%
<b>Subtotal</b>	<b>76,731</b>	<b>76,731</b>	<b>3,836</b>	
<b>SOUTH BAY</b>				
Alameda County FC&WCD, Zone 7	80,619	80,619	4,031	5%
Alameda County WD	42,000	42,000	2,100	5%
Santa Clara Valley WD	100,000	100,000	5,000	5%
<b>Subtotal</b>	<b>222,619</b>	<b>222,619</b>	<b>11,131</b>	
<b>SAN JOAQUIN VALLEY</b>				
Oak Flat WD	5,700	5,700	285	5%
County of Kings	9,305	9,305	465	5%
Dudley Ridge WD	48,350	48,350	2,418	5%
Empire West Side ID	3,000	3,000	150	5%
Kern County WA	982,730	982,730	49,137	5%
Tulare Lake Basin WSD	87,471	87,471	4,374	5%
<b>Subtotal</b>	<b>1,136,556</b>	<b>1,136,556</b>	<b>56,829</b>	
<b>CENTRAL COASTAL</b>				
San Luis Obispo County FC&WCD	25,000	25,000	1,250	5%
Santa Barbara County FC&WCD	45,486	45,486	2,274	5%
<b>Subtotal</b>	<b>70,486</b>	<b>70,486</b>	<b>3,524</b>	
<b>SOUTHERN CALIFORNIA</b>				
Antelope Valley-East Kern WA	144,844	144,844	7,242	5%
Castaic Lake WA	95,200	95,200	4,760	5%
Coachella Valley WD	138,350	138,350	6,918	5%
Crestline-Lake Arrowhead WA	5,800	5,800	290	5%
Desert WA	55,750	55,750	2,788	5%
Littlerock Creek ID	2,300	2,300	115	5%
Metropolitan WDSC	1,911,500	1,911,500	95,575	5%
Mojave WA	82,800	82,800	4,140	5%
Palmdale WD	21,300	21,300	1,065	5%
San Bernardino Valley MWD	102,600	102,600	5,130	5%
San Gabriel Valley MWD	28,800	28,800	1,440	5%
San Geronio Pass WA	17,300	17,300	865	5%
Ventura County WPD	20,000	20,000	1,000	5%
<b>Subtotal</b>	<b>2,626,544</b>	<b>2,626,544</b>	<b>131,328</b>	
<b>TOTAL</b>	<b>4,172,536</b>	<b>4,172,536</b>	<b>208,628</b>	

**NOTICE TO STATE WATER PROJECT CONTRACTORS****Date:** MAY 30 2014**Number:** 14-08**Subject:** 2014 State Water Project Allocation Scheduling Revision**From:**

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**Carl A. Torgersen**  
Department of Water Resources

State Water Project Contractors' currently approved water delivery schedules show a significant amount of water being carried into 2015 in prudent preparation for another dry year. In the previous Allocation Notice to State Water Project Contractors, dated April 18, 2014, the requirement to delay Table A deliveries until September was made to protect the Low-Point in San Luis Reservoir. Water being carried into 2015 will help protect the 2014 San Luis Reservoir Low-Point; and allow earlier Table A deliveries.

Therefore, the Department of Water Resources (DWR) can now allow SWP contractors to schedule up to 20% of their allocated Table A to be delivered starting in June 2014. The attached table shows the amounts, by contractor, eligible for early delivery.

As a reminder, any schedule changes, outside the approved 20% early delivery shown on the attached table, will require DWR approval in accordance with Article 12 of the Long-Term Water Supply Agreements. DWR will need to determine if the schedule change is consistent with DWR's overall delivery ability, considering the then current delivery schedules of all contractors.

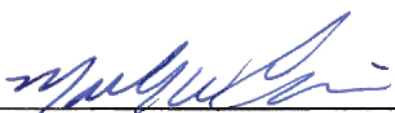
If you have any questions or need additional information, please contact Robert Cooke, Chief of DWR's State Water Project Analysis Office, at (916) 653-4313.

Attachment

2014 STATE WATER PROJECT ALLOCATION  
(ACRE-FEET)

SWP CONTRACTORS	TABLE A	INITIAL REQUEST	APPROVED ALLOCATION	ELIGIBLE FOR DELIVERY STARTING IN JUNE
	(1)	(2)	5% (3)	20% of (3) (4)
<b><u>FEATHER RIVER</u></b>				
County of Butte	27,500	27,500	1,375	275
Plumas County FC&WCD	2,500	2,500	125	25
City of Yuba City	9,600	9,600	480	96
<b>Subtotal</b>	<b>39,600</b>	<b>39,600</b>	<b>1,980</b>	<b>396</b>
<b><u>NORTH BAY</u></b>				
Napa County FC&WCD	29,025	29,025	1,451	290
Solano County WA	47,706	47,706	2,385	477
<b>Subtotal</b>	<b>76,731</b>	<b>76,731</b>	<b>3,836</b>	<b>767</b>
<b><u>SOUTH BAY</u></b>				
Alameda County FC&WCD, Zone 7	80,619	80,619	4,031	806
Alameda County WD	42,000	42,000	2,100	420
Santa Clara Valley WD	100,000	100,000	5,000	1,000
<b>Subtotal</b>	<b>222,619</b>	<b>222,619</b>	<b>11,131</b>	<b>2,226</b>
<b><u>SAN JOAQUIN VALLEY</u></b>				
Oak Flat WD	5,700	5,700	285	57
County of Kings	9,305	9,305	465	93
Dudley Ridge WD	48,350	48,350	2,418	484
Empire West Side ID	3,000	3,000	150	30
Kern County WA	982,730	982,730	49,137	9,827
Tulare Lake Basin WSD	87,471	87,471	4,374	875
<b>Subtotal</b>	<b>1,136,556</b>	<b>1,136,556</b>	<b>56,829</b>	<b>11,366</b>
<b><u>CENTRAL COASTAL</u></b>				
San Luis Obispo County FC&WCD	25,000	25,000	1,250	250
Santa Barbara County FC&WCD	45,486	45,486	2,274	455
<b>Subtotal</b>	<b>70,486</b>	<b>70,486</b>	<b>3,524</b>	<b>705</b>
<b><u>SOUTHERN CALIFORNIA</u></b>				
Antelope Valley-East Kern WA	144,844	144,844	7,242	1,448
Castaic Lake WA	95,200	95,200	4,760	952
Coachella Valley WD	138,350	138,350	6,918	1,384
Crestline-Lake Arrowhead WA	5,800	5,800	290	58
Desert WA	55,750	55,750	2,788	558
Littlerock Creek ID	2,300	2,300	115	23
Metropolitan WDSC	1,911,500	1,911,500	95,575	19,115
Mojave WA	82,800	82,800	4,140	828
Palmdale WD	21,300	21,300	1,065	213
San Bernardino Valley MWD	102,600	102,600	5,130	1,026
San Gabriel Valley MWD	28,800	28,800	1,440	288
San Geronio Pass WA	17,300	17,300	865	173
Ventura County WPD	20,000	20,000	1,000	200
<b>Subtotal</b>	<b>2,626,544</b>	<b>2,626,544</b>	<b>131,328</b>	<b>26,266</b>
<b>TOTAL</b>	<b>4,172,536</b>	<b>4,172,536</b>	<b>208,628</b>	<b>41,726</b>



**NOTICE TO STATE WATER PROJECT CONTRACTORS****Date:** OCT 31 2014**Number:** 14-09**Subject:** Bulletin 132-12, Management of the California State Water Project**From:**

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**Mark W. Cowin**  
**Director**  
Department of Water Resources

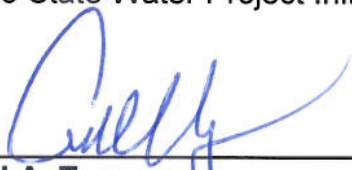
Bulletin 132-12, the fiftieth edition of Bulletin 132, Management of the California State Water Project, has been published and is now available to the public. Bulletin 132-12 is prepared for use by the California Water Commission, State Water Project water and power users, bond underwriters, dealers and investors, and the public.

Bulletin 132-12 will be delivered within six weeks to a subset of recipients who receive this notice. All other recipients may request printed and CD-ROM copies of the bulletin from:

California Department of Water Resources  
Imaging and Records Management  
Publications Office  
Post Office Box 942836  
Sacramento, California 94236-0001  
(916) 653-1097  
Email: [imr-publications@water.ca.gov](mailto:imr-publications@water.ca.gov)

Bulletin 132-12 is also available for direct download in PDF format at:

[http://www.water.ca.gov/swpao/bulletin\\_home.cfm](http://www.water.ca.gov/swpao/bulletin_home.cfm)

**NOTICE TO STATE WATER PROJECT CONTRACTORS****Date:** DEC 01 2014**Number:** 14-10**Subject:** 2015 State Water Project Initial Allocation – 10 Percent**From:**

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**Carl A. Torgersen**  
**Deputy Director**  
Department of Water Resources

The Department of Water Resources (DWR) is initially approving 418,520 acre-feet (AF) of Table A water for long-term State Water Project (SWP) contractors in 2015. SWP supplies are projected to meet 10 percent of most SWP contractors' requests for Table A water, which totals 4,172,686 AF. Attached is the initial 2015 SWP allocation table.

This initial allocation is made consistent with current and projected hydrological conditions. However, if severely dry conditions develop, the allocation may be reduced. Under extreme drought conditions, DWR may re-allocate based on human health and safety requirements.

In addition, DWR received requests for delivery of SWP contractors' allocated carryover water from previous years totaling 167,465 AF (as of October 2014). DWR approves all requested carryover water for delivery in 2015.

This allocation is made consistent with the long-term water supply contracts and public policy. DWR considered several factors, including California's persistent drought and resulting low storage in SWP conservation facilities, SWP operational constraints under its water right permits, the Biological Opinions for Delta Smelt and Salmon, the Longfin Smelt incidental take permit, and the 2015 Contractor demands.

If you have any questions or need additional information, please contact Robert Cooke, Chief, State Water Project Analysis Office, at (916) 653-4313.

Attachment

2015 STATE WATER PROJECT ALLOCATION  
(ACRE-FEET)

SWP CONTRACTORS	TABLE A	INITIAL REQUEST	APPROVED ALLOCATION	PERCENT INITIAL REQUEST APPROVED (3)/(2) (4)
	(1)	(2)	(3)	(4)
<b><u>FEATHER RIVER</u></b>				
County of Butte	27,500	27,500	4,000	15%
Plumas County FC&WCD	2,600	2,600	260	10%
City of Yuba City	9,600	9,600	960	10%
<b>Subtotal</b>	<b>39,700</b>	<b>39,700</b>	<b>5,220</b>	
<b><u>NORTH BAY</u></b>				
Napa County FC&WCD	29,025	29,025	2,903	10%
Solano County WA	47,756	47,756	4,776	10%
<b>Subtotal</b>	<b>76,781</b>	<b>76,781</b>	<b>7,679</b>	
<b><u>SOUTH BAY</u></b>				
Alameda County FC&WCD, Zone 7	80,619	80,619	8,062	10%
Alameda County WD	42,000	42,000	4,200	10%
Santa Clara Valley WD	100,000	100,000	10,000	10%
<b>Subtotal</b>	<b>222,619</b>	<b>222,619</b>	<b>22,262</b>	
<b><u>SAN JOAQUIN VALLEY</u></b>				
Oak Flat WD	5,700	5,700	570	10%
County of Kings	9,305	9,305	931	10%
Dudley Ridge WD	45,350	45,350	4,535	10%
Empire West Side ID	3,000	3,000	300	10%
Kern County WA	982,730	982,730	98,273	10%
Tulare Lake Basin WSD	87,471	87,471	8,747	10%
<b>Subtotal</b>	<b>1,133,556</b>	<b>1,133,556</b>	<b>113,356</b>	
<b><u>CENTRAL COASTAL</u></b>				
San Luis Obispo County FC&WCD	25,000	25,000	2,500	10%
Santa Barbara County FC&WCD	45,486	45,486	4,549	10%
<b>Subtotal</b>	<b>70,486</b>	<b>70,486</b>	<b>7,049</b>	
<b><u>SOUTHERN CALIFORNIA</u></b>				
Antelope Valley-East Kern WA	144,844	144,844	14,484	10%
Castaic Lake WA	95,200	95,200	9,520	10%
Coachella Valley WD	138,350	138,350	13,835	10%
Crestline-Lake Arrowhead WA	5,800	5,800	580	10%
Desert WA	55,750	55,750	5,575	10%
Littlerock Creek ID	2,300	2,300	230	10%
Metropolitan WDSC	1,911,500	1,911,500	191,150	10%
Mojave WA	85,800	85,800	8,580	10%
Palmdale WD	21,300	21,300	2,130	10%
San Bernardino Valley MWD	102,600	102,600	10,260	10%
San Gabriel Valley MWD	28,800	28,800	2,880	10%
San Geronio Pass WA	17,300	17,300	1,730	10%
Ventura County WPD	20,000	20,000	2,000	10%
<b>Subtotal</b>	<b>2,629,544</b>	<b>2,629,544</b>	<b>262,954</b>	
<b>TOTAL</b>	<b>4,172,686</b>	<b>4,172,686</b>	<b>418,520</b>	

**NOTICE TO STATE WATER PROJECT CONTRACTORS**

**Date:** DEC 11 2014

**Number:** 14-11

**Subject:** Central Valley Project Water System Revenue Bonds, Series AS and AT  
Par Amount: Series AS \$645,795,000; Series AT \$149,245,000  
Closing Dates: Series AS - October 30, 2014; Series AT – November 6, 2014

**From:**

A handwritten signature in blue ink, appearing to read "Mark W. Cowin", is written over a horizontal line.

**Mark W. Cowin, Director**  
Department of Water Resources

**Summary of Financing Results**

On October 30, 2014, the Department of Water Resources (DWR) took advantage of low tax-exempt market interest rates and issued \$645.8 million fixed-rate Series AS bonds to refund \$689.8 million of outstanding Series AE, AF, AG, AH, AK and AN bonds through a negotiated sale. Strong investor demand for DWR's credit secured significant net present value savings of \$56 million representing 8.1% of the refunded bonds.

On November 6, 2014, DWR issued \$149.3 million Series AT Index Floating Rate bonds to take out \$139.5 million of outstanding commercial paper through a negotiated sale. The commercial paper was issued to fund \$127.3 million for the Water Systems project, \$7.8 million for the East Branch Enlargement project and \$4.4 million for the South Bay Aqueduct Enlargement project. The Series AT debt service costs are based on the SIFMA index plus a 0.30% spread and pay interest monthly. The transaction resulted in an initial interest rate of 0.34%. A summary of the financing results for both transactions is provided in Table 1 below.

**NOTICE TO STATE WATER PROJECT CONTRACTORS**

Table 1: Summary of Financing Results

	Series AS	Series AT
Delivery Date	10/30/2014	11/6/2014
Par Amount Refunded	\$689,780,000	N/A
Net Present Value Savings	\$ 55,975,356	N/A
Percentage Savings of Refunded Bonds	8.1%	N/A
Commercial Paper Refunded	N/A	\$139,465,021
Average Coupon of Refunded Bonds	4.97%	N/A
Average Life of Refunded Bonds (years)	11.3	N/A
True Interest Cost	2.73%	3.03%
All-in True Interest Cost (TIC)	2.73%	3.04%

### State Water Contractors

#### Summary of Cash Flow Savings

The significant savings DWR achieved through the issuance of Bond Series AS on the financing will provide cash flow relief over the next 19 years. Below in Table 2 is a summary of yearly savings to the Department as a result of refunding the Bond Series AE, AF, AG, AH, AJ, AK and AN.

## NOTICE TO STATE WATER PROJECT CONTRACTORS



Table 2: Summary of Savings Results, Bond Series AS

Year	Annual Savings
12/1/2014	\$ 2,938,812
12/1/2015	2,143,142
12/1/2016	2,143,142
12/1/2017	2,143,142
12/1/2018	3,113,142
12/1/2019	3,572,152
12/1/2020	4,124,502
12/1/2021	4,217,253
12/1/2022	4,355,103
12/1/2023	5,138,034
12/1/2024	5,086,928
12/1/2025	5,000,188
12/1/2026	5,925,113
12/1/2027	6,426,613
12/1/2028	6,618,150
12/1/2029	6,745,513
12/1/2030	193,375
12/1/2031	110,250
12/1/2032	110,250
Total Savings	<u>\$ 70,104,804</u>
Net Present Value Savings	<u>\$ 55,975,356</u>

If you have any questions, please contact Perla Netto-Brown, Chief of DWR's Division of Fiscal Service at (916) 653-9836.