



## MEMORANDUM

**TO:** Finance and Administration Committee Members/Alternates

**FROM:** Frances Mizuno, Assistant Executive Director

**DATE:** March 4, 2019

**RE:** Recommendation to Approve Revised Water Year (WY) 2019 O&M Rates

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### BACKGROUND

The Board of Directors on February 4, 2019 adopted interim WY 2019 O&M rates based on the WY 2018 rates to allow additional time to consider a short-term loan option from Member agencies to fund the Jones Pumping Plant Unit No. 2 Motor Rewind Project (Rewind Project) and the determination of the WY 2019 initial water supply allocation by Reclamation.

Since the February board meeting, on February 20, 2019, Reclamation announced a South-of-Delta Agricultural Water Service (Ag Service) Contractor allocation of 35% of their contract supply. In addition, three member agencies -- Byron-Bethany Irrigation District, San Benito County Water District, and Westlands Water District -- have offered to provide the Authority short-term loans to fund the Rewind Project.

Considering the above and the likelihood the Ag Service allocation will be increased, staff prepared WY19 O&M rates for estimated deliveries for 35%, 45%, and 50% Ag Service allocation with and without collection of funds for the Rewind Project.

### ISSUE FOR DECISION

Whether to authorize the approval of revised WY19 O&M rates as recommended by staff.

### RECOMMENDATION

Depending on the Committee's recommendation on the approval of the short-term loan agreement, staff recommends adopting WY19 O&M rates based on a minimum of a 45% allocation with or without the Rewind Project funding.

# PROPOSED WY 2019 O & M WATER RATES

FINANCE & ADMINISTRATION COMMITTEE  
MARCH 4, 2019

BOARD OF DIRECTORS  
MARCH 7, 2019



## **San Luis & Delta-Mendota Water Authority**

LOS BANOS ADMINISTRATIVE OFFICE  
TRACY FIELD OFFICE

LOS BANOS FIELD OFFICE  
C.W. "BILL" JONES PUMPING PLANT

O'NEILL PUMPING PLANT

**1 O&M Budget - Self Funded**

WY19 - Fiscal Year 3/1/19-2/29/20

RO&M = \$13,086,535

1 EO&M = \$2,692,707

2 EO&M Unit 2 Rewind = \$5,213,200

**2 Delivery Assumptions**

Ag - Contractor 35%, with WY18 Contractor projections

Ag - Contractor 45%, with WY19 Contractor projections

Ag - Contractor 50%, with WY19 Contractor projections

M&I - Contractor Estimates, 75%, with Contractor projections

Refuge - 100% used BOR Refuge Estimate

Exchange/Water Rights - 100%

Estimated Rescheduled Water

Pump-Ins

Miscellaneous Transfers

Mendota Pool Pumpers

Volta Well Pumping

**3 Intertie**

Intertie anticipated to be used in WY19, estimated at 150,000 a/f per SLDMWA

Final cost allocation for Intertie O&M, Intertie PUE and DWR Conveyance remains undetermined.

**4 Volta Wells**

Volta Wells Program estimated at 2,025 a/f per GWD. Costs split between DPWD and SLWD.

**5 PUE SLDMWA Meters**

WY19 PUE estimates based on BOR PUE FYE 9/30/19 information,

factoring in a 1% increase for overlapping BOR/SLDMWA fiscal years.

PUE Budget relating to WY19 - FY 3/1/19- 2/29/20 = \$25,560,000

PUE Budget relating to WY18 - FY 3/1/18- 2/28/19 = \$18,190,000

**6 DWR San Luis Joint Use**

WY19 SLJU estimates based on DWR SLJU Calendar Year Budget Estimates

dated 7/16/18 for multiple years, adjusted by Rob Dunlop, DWR 1.25.19

SLJU Budget relating to WY19 - FY 3/1/19- 2/29/20 = \$13,350,000

SLJU Budget relating to WY18 - FY 3/1/18- 2/28/19 = \$13,150,000

Federal cost allocation for 2016-2020 = 39.90%

**7 EO&M Funding**

Funding Obligation:

1 EO&M Funding Obligation WY19 FY3/1/19 - 2/29/20 = \$2,700,000, EO&M Budget = \$2,692,707

EO&M Rewind Estimated Debt Service Funding Obligation WY19 FY3/1/19 - 2/29/20 = \$500,000

2 EO&M Unit 2 Funding Obligation WY19 FY3/1/19 - 2/29/20 = \$5,225,000, EO&M Budget = \$5,213,200

**8 Overall Increase in Estimated Recoverable Costs over Prior Year.**

Total Estimated Recoverable Costs in Water Year 2019= \$ 63,338,785

Total Estimated Recoverable Costs in Water Year 2018= \$ (50,107,711)

Increase \$ 13,231,074

\* See page 4 for detail



**San Luis & Delta-Mendota Water Authority**  
**Proposed WY19 O&M Rates - Comparison WITH Unit 2 Rate Component**  
 FAC 3.4.19 / BOD 3.7.19

	A	B	C	D
	<u>WY 2019 Rate</u> 3/1/19-2/29/20  <u>Proposed</u> <b>WY2019</b>	<u>WY 2019 Rate</u> 3/1/19-2/29/20  <u>Proposed</u> <b>WY2019</b>	<u>WY 2019 Rate</u> 3/1/19-2/29/20  <u>Proposed</u> <b>WY2019</b>	<u>WY 2018 Rate</u> 3/1/18-2/28/19  <u>Current</u> <b>WY2018</b>
<b>WATER SUPPLY</b>				
Irrigation	35% (and includes WY18 Contractor Projections)	45% (and includes WY19 Contractor Projections)	50% (and includes WY19 Contractor Projections)	35% (and includes WY18 Contractor Projections)
M&I	<b>75%</b>	<b>75%</b>	<b>75%</b>	<b>75%</b>
Refuge	100%	100%	100%	100%
Exchange/Water Rights	100%	100%	100%	100%
<b>RATES</b>				
Upper DMC	<b>\$21.70</b>	<b>\$19.81</b>	<b>\$19.04</b>	<b>\$15.96</b>
Upper DMC - Exchange/Wtr Rts	<b>\$18.59</b>	<b>\$17.09</b>	<b>\$16.48</b>	<b>\$13.01</b>
Lower DMC/Pool	<b>\$24.56</b>	<b>\$22.56</b>	<b>\$21.78</b>	<b>\$18.57</b>
Lower DMC/Pool - Exchange/Wtr Rts	<b>\$21.45</b>	<b>\$19.84</b>	<b>\$19.22</b>	<b>\$15.62</b>
San Felipe	<b>\$25.80</b>	<b>\$23.21</b>	<b>\$22.24</b>	<b>\$20.39</b>
SLC Above Dos Amigos	<b>\$40.32</b>	<b>\$35.15</b>	<b>\$33.44</b>	<b>\$35.50</b>
SLC Below Dos Amigos	<b>\$52.84</b>	<b>\$45.42</b>	<b>\$43.06</b>	<b>\$44.08</b>
Volta Wells	<b>\$12.94</b>	<b>\$31.93</b>	<b>\$31.93</b>	<b>\$12.18</b>
San Luis Drain	<b>\$0.26</b>	<b>\$0.22</b>	<b>\$0.20</b>	<b>\$0.16</b>



**San Luis & Delta-Mendota Water Authority**  
**Proposed WY19 O&M Rates - Comparison withOUT Unit 2 Rate Component**  
 FAC 3.4.19 / BOD 3.7.19

	A	B	C	D
	<u>WY 2019 Rate</u> 3/1/19-2/29/20  <u>Proposed</u> <b>WY2019</b>	<u>WY 2019 Rate</u> 3/1/19-2/29/20  <u>Proposed</u> <b>WY2019</b>	<u>WY 2019 Rate</u> 3/1/19-2/29/20  <u>Proposed</u> <b>WY2019</b>	<u>WY 2018 Rate</u> 3/1/18-2/28/19  <u>Current</u> <b>WY2018</b>
<b>WATER SUPPLY</b>				
Irrigation	35% (and Includes WY18 Contractor Projections)	45% (and Includes WY19 Contractor Projections)	50% (and Includes WY19 Contractor Projections)	35% (and Includes WY18 Contractor Projections)
M&I	<b>75%</b>	<b>75%</b>	<b>75%</b>	<b>75%</b>
Refuge	100%	100%	100%	100%
Exchange/Water Rights	100%	100%	100%	100%
<b>RATES</b>				
Upper DMC	<b>\$19.08</b>	<b>\$17.41</b>	<b>\$16.71</b>	<b>\$15.96</b>
Upper DMC - Exchange/Wtr Rts	<b>\$15.97</b>	<b>\$14.69</b>	<b>\$14.15</b>	<b>\$13.01</b>
Lower DMC/Pool	<b>\$21.94</b>	<b>\$20.16</b>	<b>\$19.45</b>	<b>\$18.57</b>
Lower DMC/Pool - Exchange/Wtr Rts	<b>\$18.83</b>	<b>\$17.44</b>	<b>\$16.89</b>	<b>\$15.62</b>
San Felipe	<b>\$23.18</b>	<b>\$20.81</b>	<b>\$19.91</b>	<b>\$20.39</b>
SLC Above Dos Amigos	<b>\$37.70</b>	<b>\$32.75</b>	<b>\$31.11</b>	<b>\$35.50</b>
SLC Below Dos Amigos	<b>\$50.22</b>	<b>\$43.02</b>	<b>\$40.73</b>	<b>\$44.08</b>
Volta Wells	<b>\$12.94</b>	<b>\$31.93</b>	<b>\$31.93</b>	<b>\$12.18</b>
San Luis Drain	<b>\$0.26</b>	<b>\$0.22</b>	<b>\$0.20</b>	<b>\$0.16</b>



**SLDMWA - O&M Rates**

**Proposed - WY2019 SELF-FUNDING O&M WATER RATES - Using WY18 Deliveries 35% Allocation WITH Unit 2**

Finance & Administration Committee 3.4.19  
Board of Directors 3.7.19

COST POOLS	UPPER JPP		UPPER Intertie (Temporary Cost Pool)		JPP PWR		VOLTA WELLS		LOWER DMC / Mendota Pool		O'NEILL PIG O&M		RESERVES		RESERVES		RESERVES		DWR COSTS		POWER		TOTAL	
	Upper DMC / JPP	All Users	All Users (Actual Pumping Only)	All Users (Actual Pumping Only)	DPWD SLWD	Lower DMC & MP Users	All Users "Divert"	All Users "Storage"	All Users	All Users	All Users	All Users	Unit 2 Rewind	Unit 2 Rewind	San Luis Canal O&M	All SLUJ Users	Dos Amigos O&M	All Users	All Users	San Luis Canal O&M	All SLUJ Users	Dos Amigos O&M		Dos Amigos Users
PARTICIPANTS	\$7,591,649		\$3,430,130		\$64,652	\$2,979,593	\$3,612,161	\$446,447					\$2,700,000	\$500,000	\$9,580,000	\$9,580,000	\$3,975,000	\$5,225,000	\$5,225,000	\$9,580,000	\$9,580,000	\$3,975,000	\$4,560,000	\$63,172,998
COSTS TO BE ALLOCATED**	1,994,072		1,107,662		5,000	1,042,562	806,717	1,186,338					% of 10 Yr Historical Use	% of 10 Yr Historical Use	660,215	660,215	650,215	% of 10 Yr Historical Use	% of 10 Yr Historical Use	660,215	660,215	650,215	650,215	
ACRE FEET - WY18 Deliveries																								
RATE PER AF	\$3.89		\$3.11		\$12.94	\$2.86	\$4.48	\$0.28					\$1.35	\$0.25	\$14.52	\$14.52	\$5.06	\$2.52	\$2.52	\$14.52	\$14.52	\$5.06	\$5.06	\$7.02

**WATER SUPPLY ASSUMPTIONS - Per WY18**

35%	Irrigation
75%	MSJ
100%	Refuge
100%	Eu/Wr Rts

Note: Supply assumptions include Contractor Estimates

**SLDMWA COMPONENT RATE PER ACRE FOOT - BY DELIVERY AREA / CONTRACTOR**

Upper DMC	\$21.70	A-Aa-B-F-G-H-I
Exchange/Wr Rts (Upper)	\$18.69	A-B-F-G-H-I
Lower DMC/Pipe	\$24.56	A-Aa-B-D-F-G-H-I
San Felipe	\$25.80	A-Aa-B-E-G-H-I
San Luis Canal Above Dos Amigos	\$40.32	A-Aa-B-E-G-H-I-J
San Luis Canal Below Dos Amigos	\$52.84	A-Aa-B-E-G-H-I-J-K-L
Exchange/Wr Rts (Lower)	\$11.45	A-B-D-F-G-H-I
Refuge (Lower)	\$24.56	A-Aa-B-D-F-G-H-I
Volta Wells	\$12.94	C
San Luis Drain	\$0.25	

**\*\*COSTS TO BE ALLOCATED**

O&M Budget per above	\$12,920,748
Required Reserve Funding	\$2,700,000
Estimated Rewind Reserve Funding - Debt Service	\$500,000
Estimated Rewind Reserve Funding - Unit 2	\$5,225,000
San Luis Drain	\$155,787
Volta Well Project	\$17,250
GWD - Monitoring	\$2,800,000
Intertie: DWR Wheeling	
POWER	
JPP	\$18,900,000
Intertie	\$200,000
Volta Wells	\$0
O'Neill	\$1,900,000
<b>SAN LUIS JOINT USE</b>	
DWR - San Luis Canal O&M	\$9,580,000
DWR - Dos Amigos O&M	\$3,975,000
DWR - O'Neill	\$195,000
<b>POWER</b>	
Dos Amigos	\$4,560,000
<b>TOTAL</b>	<b>\$63,336,725</b>

**WATER SUPPLY ASSUMPTIONS - Per WY18**

Direct	Storage
O&M = \$1.17	O&M = 1.18
O&M DWR = \$1.21	O&M DWR = \$1.22
Per = \$2.30	Per = \$1.18

O'Neill Split: 88%/11%



**SLDMWA - O&M Rates**  
**Proposed - WY2019 SELF-FUNDING O&M WATER RATES - Using WY18 Deliveries - 35% Allocation withOUT Unit 2**

Finance & Administration Committee 3.4.19  
 Board of Directors 3.7.19

COST POOLS	SLDMWA ANNUAL O&M and POWER				SLDMWA RESERVES				SLDMWA RESERVES				SLDMWA RESERVES				TOTAL
	UPPER DMC/JPP	UPPER (Temporary Cost Pool)	JPP PWR	VOLTA WELLS	LOWER DMC/Scientific Pool	O'NEILL PIG O'NEILL O&M	RESERVES All Users	RESERVES Unit 6 Revind BOR Repayment	RESERVES Unit 2 Revind Self-Fundng	DWR COSTS San Luis Canal O&M	POWER Dos Amigos Power	RESERVES All Users	RESERVES % of 10 Yr Historical Use	RESERVES % of 10 Yr Historical Use	DWR COSTS All SLJLU Users	POWER Dos Amigos Users	
PARTICIPANTS	All Users	All Users (Actual Pumping Only)	All Users (Actual Pumping Only)	DRWD SLWD	Lower DMC & MP Users	"Direct" "Storage"	All Users	All Users	All Users	All SLJLU Users	Dos Amigos Users	All Users	% of 10 Yr Historical Use	% of 10 Yr Historical Use	All SLJLU Users	Dos Amigos Users	
COSTS TO BE ALLOCATED**	\$7,591,849	\$3,438,136	\$18,900,000	\$64,852	\$2,979,853	\$3,612,161	\$448,447	\$5,000,000	\$5,225,000	\$9,580,000	\$3,575,000	\$2,700,000	\$5,225,000	\$9,580,000	\$4,550,000	\$4,550,000	
AGRE FEET - WY18 Deliveries	1,504,072	1,107,682	1,890,585	5,000	1,042,562	805,717	1,189,328	% of 10 Yr Historical Use	% of 10 Yr Historical Use	660,218	650,215	% of 10 Yr Historical Use	% of 10 Yr Historical Use	660,218	650,215	650,215	
RATE PER AF	\$3.99	\$3.11	\$10.00	\$12.94	\$2.86	\$4.48	\$0.38	\$0.26	\$0.00	\$14.52	\$5.50	\$1.35	\$0.00	\$14.52	\$7.02	\$7.02	

**SLDMWA COMPONENT RATE PER ACRE FOOT - BY DELIVERY AREA / CONTRACTOR**

Contractor	A	A4	B	C	D	E	F	G	H	I	J	K	L
Upper DMC	\$18.08	A-A4+B-F+G-H-I											
Exchange/Wtr Rts (Upper)	\$15.97	A-B+F+G-H-I	Excludes Intertie										
Lower DMC/Pool	\$21.94	A-A4+B-D-F-G-H-I											
San Felipe	\$23.38	A-A4+B-E-G-H-I											
San Luis Canal Above Dos Amigos	\$37.70	A-A4+B-E-G-H-I+J											
San Luis Canal Below Dos Amigos	\$58.22	A-A4+B-E-G-H-I+J+K+L											
Exchange/Wtr Rts (Lower)	\$18.83	A-B+D-F+G-H-I	Excludes Intertie										
Refuge (Lower)	\$21.94	A-A4+B-D-F+G-H-I											
Volta Wells	\$12.94	C											
San Luis Drain	\$8.26												

**COSTS TO BE ALLOCATED**

O&M Budget per above	\$12,800,748
Required Reserve Funding	\$2,700,000
Estimated Revind Reserve Funding - Debt Service	\$500,000
Estimated Revind Reserve Funding - Unit 2	\$5,225,000
San Luis Drain	\$165,787
Volta Well Project	\$17,250
GWD - Monitoring	\$2,900,000
Intertie: DWR Wheeling	
POWER	
JPP	\$18,900,000
Intertie	\$200,000
Volta Wells	\$0
O'Neill	\$1,800,000
<b>SAN LUIS JOINT USE</b>	
DWR - San Luis Canal O&M	\$9,580,000
DWR - Dos Amigos O&M	\$3,575,000
DWR - O'Neill	\$185,000
<b>POWER</b>	
Dos Amigos	\$4,550,000
	\$63,338,765

Subject to Rounding

**WATER SUPPLY ASSUMPTIONS - Per WY18**

Category	Value
Direct	\$2.17
Storage	\$0.18
O&M - \$2.17	\$0.02
O&M DWR - \$2.21	\$0.18
Per - \$2.10	\$0.26
Per - \$1.18	\$0.38
Per - \$1.18	\$0.46

Note: Supply assumptions include Contractor Estimates



**SLDMWA - O&M Rates**  
**Proposed - WY2019 SELF-FUNDING O&M WATER RATES - 45% Allocation WITH Unit 2**  
 Finance & Administration Committee 3.4.19  
 Board of Directors 3.7.19

COST FOOLS	SLDMWA ANNUAL O&M and POWER		SLDMWA RESERVES Unit 6 Retaind BCR Reapportion	SLDMWA RESERVES Unit 2 Retaind Self-Funded	SLIU		TOTAL
	UPPER JPP PWR	UPPER DMC/ JPP			DWR COSTS	POWER	
PARTICIPANTS	All Users	All Users (Actual Pumping O&M)	All Users	All Users	San Luis Canal O&M	Dos Amigos Power	
COSTS TO BE ALLOCATED**	\$7,591,649	\$18,900,000	\$2,700,000	\$5,225,000	\$9,590,000	\$3,575,000	\$63,172,998
ACRE FEET	2,063,660	2,060,814	% of 10 Yr Historical Use	% of 10 Yr Historical Use	802,168	792,166	
RATE PER A/F	\$3.68	\$9.17	\$1.24	\$2.40	\$11.84	\$4.51	\$5.76

O'NEILL P/G O'NEILL O&M  
 All Users "Direct" "Storage"  
 \$3,612,161 \$446,447  
 858,873 1,211,579  
 \$1.77 \$9.37

Direct	Storage
O&M = \$1.92	O&M = \$1.18
Power = \$1.76	Power = \$1.17

\$1.82	\$0.18
0.16	\$0.00
1.76	\$0.17
\$1.82	\$0.17

\$1.82	\$0.18
0.16	\$0.00
1.76	\$0.17
\$1.82	\$0.17

\$1.82	\$0.18
0.16	\$0.00
1.76	\$0.17
\$1.82	\$0.17

WATER SUPPLY ASSUMPTIONS  
 Irrigation 45%  
 MM 75%  
 Refuge 100%  
 Ev/Wtr Rts 100%

Note: Supply assumptions include Contractor Estimates

**SLDMWA COMPONENT RATE PER ACRE FOOT - BY DELIVERY AREA/ CONTRACTOR**

A	B	C	D	E	F	G	H	I	J	K	L	
Upper DMC/ JPP	Upper DMC/ JPP	UPPER VOLTA WELLS	LOWER DMC/ Mendota Pool	O'NEILL P/G O'NEILL O&M	RESERVES Unit 6 Retaind BCR Reapportion	RESERVES Unit 2 Retaind Self-Funded	DWR COSTS	POWER				
\$3.68	\$9.17	\$31.57	\$2.76	\$1.77	\$0.23	\$2.40	\$11.84	\$4.51				

COSTS TO BE ALLOCATED	San Luis Drain	Volta Wells	Refuge (Lower)	Exchange/Wtr Rts (Lower)	San Luis Canal Below Dos Amigos	San Felipe	San Luis Drain	Exchange/Wtr Rts (Upper)	Lower DMC/Pool	Exchange/Wtr Rts (Upper)	Upper DMC/ JPP	UPPER VOLTA WELLS	LOWER DMC/ Mendota Pool	O'NEILL P/G O'NEILL O&M <th>RESERVES Unit 6 Retaind BCR Reapportion</th> <th>RESERVES Unit 2 Retaind Self-Funded</th> <th>DWR COSTS</th> <th>POWER</th> <th>TOTAL</th>	RESERVES Unit 6 Retaind BCR Reapportion	RESERVES Unit 2 Retaind Self-Funded	DWR COSTS	POWER	TOTAL		
O&M Budget per acre	\$12,920,748	\$2,700,000	\$500,000	\$5,225,000	\$195,787	\$17,250	\$2,900,000	\$19,811	\$17,099	\$22,536	\$23,231	\$35,135	\$48,432	\$18,844	\$22,536	\$19,811	\$17,099	\$22,536	\$19,811	\$63,172,998	
Required Reserve Funding	\$1,747,610.51	\$215,996.82	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31
Estimated Rerwind Reserve Funding - Debt Service	\$1,747,610.51	\$215,996.82	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31
Estimated Rerwind Reserve Funding - Unit 2	\$1,963,607.31	\$215,996.82	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31	\$1,963,607.31
Volta Well Project:	\$17,250	\$2,900,000	\$500,000	\$5,225,000	\$195,787	\$17,250	\$2,900,000	\$19,811	\$17,099	\$22,536	\$23,231	\$35,135	\$48,432	\$18,844	\$22,536	\$19,811	\$17,099	\$22,536	\$19,811	\$63,172,998	
Interior: DWR Wheeling	\$18,900,000	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
POWER	\$18,900,000	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
JPP	\$18,900,000	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
San Luis Joint Use	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DWR - San Luis Canal O&M	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DWR - Dos Amigos O&M	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DWR - O'Neill	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
POWER	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dos Amigos	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0





**SLDMWA - O&M Rates**  
**Proposed - WY2019 SELF-FUNDING O&M WATER RATES - 45% Allocation withOUT Unit 2**  
 Finance & Administration Committee 3.4.19  
 Board of Directors 3.7.19

COST POOLS	SLDMWA ANNUAL O&M with POWER		SLDMWA RESERVES		SLDMWA RESERVES		SLDMWA RESERVES		SLDMWA RESERVES		SLDMWA RESERVES		TOTAL
	UPPER DMC/JPP	UPPER Interests (Temporary Cost Pool)	JPP PWR	VOLTA WELLS	LOWER DMC/ Mendocino Pool	O'NEILL P/G O'NEILL O&M	RESERVES Unit 6 Rewind FOR Replacement	RESERVES Unit 2 Rewind Self-Funding	DWR COSTS San Luis Canal O&M	POWER Dos Amigos Power	RESERVES All Users	RESERVES % of 10 Yr Historical Use	
PARTICIPANTS	All Users	All Users	All Users (Actual Pumping Only)	DPWD SLMWD	Limited DMC & MP Users	All Users "Direct"	All Users "Storage"	All Users	All Users	All SLMJU Users	Dos Amigos Users	Dos Amigos Users	\$83,172,898
COSTS TO BE ALLOCATED**	\$7,591,849	\$3,438,136	\$18,900,000	\$64,652	\$2,979,953	\$3,612,161	\$446,447	\$2,700,000	\$500,000	\$9,586,000	\$3,575,000	\$4,560,000	
ACRE FEET	2,093,990	1,295,944	2,060,914	2,425	1,045,334	856,873	1,211,579	% of 10 Yr Historical Use	% of 10 Yr Historical Use	802,168	792,168	792,168	
RATE PER AF	\$3.68	\$2.72	\$9.17	\$31.93	\$2.75	\$4.27	\$0.37	\$1.24	\$0.23	\$11.94	\$4.51	\$5.76	

**WATER SUPPLY ASSUMPTIONS**

Direct	Storage
O&M = \$1.82	O&M = \$1.18
Per = 31.76	Per = 2.17
\$1.82	\$0.18
1.76	\$0.02
\$3.25	\$0.17
	\$3.25

Note: Supply assumptions include Contractor Estimates

**SLDMWA COMPONENT RATE PER ACRE FOOT - BY DELIVERY AREA | CONTRACTOR**

Area	Rate
Upper DMC	\$17.41
Exchange/Wtr Rts (Upper)	\$14.69
Lower DMC/Pool	\$20.16
San Felipe	\$20.81
San Luis Canal Above Dos Amigos	\$52.75
San Luis Canal Below Dos Amigos	\$43.92
Exchange/Wtr Rts (Lower)	\$17.44
Refuge (Lower)	\$20.16
Volta Wells	\$31.93
San Luis Drain	\$0.22
San Luis Drain	\$165.787

Category	Amount
<b>** COSTS TO BE ALLOCATED</b>	
O&M Budget per above	\$12,920,748
Required Reserve Funding	\$2,700,000
Estimated Rewind Reserve Funding - Debt Service	\$5,000,000
Estimated Rewind Reserve Funding - Unit 2	\$5,225,000
San Luis Drain	\$165,787
Volta Well Project	\$17,250
GWD - Monitoring	\$2,900,000
Interests: DWR Wheeling	\$17,250
POWER	
JPP	\$18,900,000
Interests	\$200,000
Volta Wells	\$0
O'Neill	\$1,000,000
<b>SAN LUIS JOINT USE</b>	
DWR - San Luis Canal O&M	\$9,586,000
DWR - Dos Amigos O&M	\$3,575,000
DWR - O'Neill	\$187,000
POWER	
Dos Amigos	\$4,560,000
<b>TOTAL</b>	<b>\$83,338,795</b>



**SLDMWA - O&M Rates**  
**Proposed - WY2019 SELF-FUNDING O&M WATER RATES - 50% Allocation WITH Unit 2**  
 Finance & Administration Committee 3.4.19  
 Board of Directors 3.7.19

COST FOOLS	SLDMWA ANNUAL O&M RING POWER		SLDMWA RESERVES		SLDMWA RESERVES		SLDMWA RESERVES		SLDMWA RESERVES		SLDMWA RESERVES		TOTAL
	UPPER JPP	UPPER DMCI	UPPER DMCI	UPPER DMCI	UPPER DMCI	UPPER DMCI	UPPER DMCI	UPPER DMCI	UPPER DMCI	UPPER DMCI	UPPER DMCI	UPPER DMCI	
PARTICIPANTS	All Users	All Users	All Users	Lower DMCI	O'Neill P/G	RESERVES	RESERVES	RESERVES	RESERVES	RESERVES	RESERVES	RESERVES	RESERVES
	\$7,591,649	\$7,591,649	\$18,800,000	\$2,979,953	\$3,612,161	\$2,700,000	\$500,000	\$500,000	\$5,225,000	\$5,225,000	\$5,225,000	\$5,225,000	\$5,225,000
COSTS TO BE ALLOCATED**			\$64,652	\$2,979,953	\$446,447	\$2,700,000	\$500,000	\$500,000	\$5,225,000	\$5,225,000	\$5,225,000	\$5,225,000	\$5,225,000
ACRE FEET	2,142,752	2,142,752	2,025	1,048,003	1,015,476	% of 10 Yr Historical Use	% of 10 Yr Historical Use	% of 10 Yr Historical Use	% of 10 Yr Historical Use	% of 10 Yr Historical Use	% of 10 Yr Historical Use	% of 10 Yr Historical Use	% of 10 Yr Historical Use
RATE PER A.F	\$3.54	\$3.54	\$31.53	\$2.74	\$3.56	\$1.20	\$0.22	\$0.22	\$2.33	\$2.33	\$2.33	\$2.33	\$2.33

WATER SUPPLY ASSUMPTIONS

Irrigation 90%  
 M&M 75%  
 Refuge 100%  
 Ex/Wtr Rte 100%

Note: Supply assumptions include Contractor Estimates

Direct	O&M = \$1.72	Storage
	O&M DAR = \$1.17	O&M = \$1.18
	Per = \$1.07	O&M DAR = \$1.17
		Per = \$1.17
		\$0.18
		\$0.32
		\$0.17
		\$0.55
		\$0.17

SLDMWA COMPONENT RATE PER ACRE FOOT - BY DELIVERY AREA/ CONTRACTOR	A	Aa	B	C	D	E	F	G	H	I	J	K	L
Upper DMC	\$19.04	A-Aa-B-F-G-H-I											
Exchange/Wtr Rts (Upper)	\$16.48	A-B-F-G-H-I											
Lower DMC/Pool	\$21.70	A-Aa-B-D-F-G-H-I											
San Felipe	\$22.26	A-Aa-B-E-G-H-I											
San Luis Canal Above Dos Amigos	\$33.44	A-Aa-B-E-G-H-I-J											
San Luis Canal Below Dos Amigos	\$43.06	A-Aa-B-F-G-H-I-J-K-L											
Exchange/Wtr Rts (Lower)	\$19.22	A-B-D-F-G-H-I											
Refuge (Upper)	\$21.78	A-Aa-B-D-F-G-H-I											
Volta Wells	\$14.53	C											
San Luis Drain	\$0.20		\$165,787										

COSTS TO BE ALLOCATED	AMOUNT	PERCENTAGE
O&M Budget per acre	\$12,920,748	1.20876671
Required Reserve Funding	\$2,700,000	0.17027594
Estimated Rerwind Reserve Funding - Debt Service	\$500,000	
Estimated Rerwind Reserve Funding - Unit 2	\$5,225,000	
San Luis Drain	\$165,787	
Volta Well Project	\$17,250	
GWD - Monitoring	\$2,900,000	
Interior: DWR Wheeling		
POWER		
JPP	\$18,500,000	
Interia	\$200,000	
Volta Wells	\$0	
O'Neill	\$1,900,000	
SAN LUIS JOINT USE		
DWR - San Luis Canal O&M	\$9,500,000	
DWR - Dos Amigos O&M	\$3,575,000	
DWR - O'Neill	\$195,000	
POWER		
Dos Amigos	\$4,500,000	
	\$63,338,785	



**SLDMWA - O&M Rates**  
**Proposed - WY2019 SELF-FUNDING O&M WATER RATES - 50% Allocation without Unit 2**  
 Finance & Administration Committee 3.4.19  
 Board of Directors 3.7.19

COST POOLS	SLDMWA ANNUAL O&M and POWER		UPPER DMC/ JPP	UPPER Intertie (Temporary Cost Pool)	JPP PWR	VOLTA WELLS		LOWER DMC/ San Luis Canal	O'NEILL P/G O'NEILL O&M	SLDMWA RESERVES			SLDMWA RESERVES Unit 2 Revised Self-Funding	DWR COSTS		POWER Dos Amigos Power	TOTAL
	Upper DMC/ JPP	All Users				Upper DMC/ JPP	All Users (Actual Pumping Only)			D/WVD S/WVD	Lower DMC/ JPP Users	Lower DMC/ JPP Users		All Users	All Users		
PARTICIPANTE		All Users		All Users													
COSTS TO BE ALLOCATED**	\$7,591,549	\$3,438,136	\$18,900,000	\$64,882	\$2,979,953	\$446,447	\$3,612,161	\$2,700,000	\$500,000	\$5,225,000	\$0,580,000	\$3,575,000	\$4,566,000				\$63,172,988
ACRE FEET	2,142,782	1,345,986	2,139,936	2,025	1,088,603	1,232,288	1,015,476		% of 10 Yr Historical Use	% of 10 Yr Historical Use	% of 10 Yr Historical Use						
RATE PER AF	\$3.54	\$2.56	\$8.83	\$31.93	\$2.74	\$6.36	\$3.56	\$1.20	\$0.22	\$0.00	\$11.20	\$4.23	\$5.39				

Direct	Storage
O&M = \$1.72	O&M = \$1.18
O&M DWR = \$1.17	O&M DWR = \$1.02
Power = \$1.67	Power = \$1.17
\$ 0.17	\$0.18
\$ 1.67	\$0.17
\$3.56	\$3.54

**WATER SUPPLY ASSUMPTIONS**

- Irrigation 50%
- M&M 75%
- Refuge 100%
- EX/W/ Rts 100%

Note: Supply assumptions include Contractor Estimates

SLDMWA COMPONENT RATE PER ACRE FOOT - BY DELIVERY AREA/ CONTRACTOR	
Upper DMC Exchange/W/ Rts (Upper)	\$16.71 A+A+B+F+G+H
Lower DMC/San Luis Canal	\$14.15 A+B+F+G+H
San Felipe	\$18.45 A+A+B+D+F+G+H
San Luis Canal Above Dos Amigos	\$31.11 A+A+B+E+G+H+J
San Luis Canal Below Dos Amigos	\$48.73 A+A+B+E+G+H+J+K+L
Exchange/W/ Rts (Lower)	\$16.89 A+B+D+F+G+H
Volta Wells	\$18.45 A+A+B+D+F+G+H
San Luis Drain	\$21.93 C
	\$9.28
	\$165,787

COSTS TO BE ALLOCATED	
O&M Budget per above	\$12,920,746
Required Reserve Funding	\$2,700,000
Estimated Revised Reserve Funding - Debt Service	\$500,000
Estimated Revised Reserve Funding - Unit 2	\$5,225,000
San Luis Drain	\$165,787
Volta Well Project	\$17,250
Intertie - DWR Wheeling	\$2,500,000
POWER	
JPP	\$16,900,000
Intertie	\$200,000
Volta Wells	\$0
O'Neil	\$1,800,000
<b>SAN LUIS JOINT USE</b>	
DWR - San Luis Canal O&M	\$9,340,000
DWR - Dos Amigos O&M	\$3,575,000
DWR - O'Neil	\$195,000
POWER	
Dos Amigos	\$4,566,000
	\$63,338,785

San Luis & Delta-Mendota Water Authority  
 Self-Funding O&M Budget Comparison WY19/WY18  
 3.4.19 FAC / BOD 3.7.19

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	O&M	Self-Funding Reserve Obligation	Self-Funding PUE	Self-Funding SLJU	Volta Wells Outside Service (GWD)	Intertie DWR Conveyance	Total, does not include EO&M Budget
WY19	\$ 13,086,535	\$ 8,425,000	\$ 25,560,000	\$ 13,350,000	\$ 17,250	\$ 2,900,000	\$ 63,338,785
WY18	\$ (12,423,492)	\$ (3,760,000)	\$ (18,190,000)	\$ (13,150,000)	\$ (34,219)	\$ (2,550,000)	\$ (50,107,711)
Variance	\$ 663,043	\$ 4,665,000	\$ 7,370,000	\$ 200,000	\$ (16,969)	\$ 350,000	\$ 13,231,074

\* \* \* \* \*

\* Included in O&M Rate Calculation

- O&M
- Reserve Obligation
- Project Use Energy (PUE)
- San Luis Joint Use (SLJU)
- Vells (DPWD & SLWD only)
- Intertie DWR Conveyance



## SLDMWA - WY19 Proposed O&M Water Rates WY19/WY18 Deliveries Comparison 35% Allocation

FAC 3/4/19

COST POOLS	SLDMWA ANNUAL O&M and POWER									
	UPPER Upper DMC/ JPP	UPPER Interite (Temporary Cost Pool)	JPP PWR	Volta Wells	LOWER Lower DMC/ Mendota Pool	O'NEILL P/G O'Neill O&M	San Luis Canal O&M	DWR COSTS Dos Amigos O&M	POWER Dos Amigos Power	
PARTICIPANTS	All Users	All Users Excludes Exchange Cont. and Water Rights	All Users (Actual Pumping Only)	BOR / DPWD/SLWD	Lower DMC & MP Users	All Users "Direct"	All SLJU Users	Dos Amigos Users	Dos Amigos Users	
WY19 - using WY18 Deliveries	1,904,072	1,107,682	1,890,585	5,000	1,042,562	806,717	660,215	650,215	650,215	
WY18 ACRE FEET	1,904,072	1,107,682	1,890,585	5,000	1,042,562	806,717	660,215	650,215	650,215	
Variance	0	0	0	0	0	0	0	0	0	



**SLDMWA - WY19 Proposed O&M Water Rates**  
**WY19/WY18 Deliveries Comparison**  
**45% Allocation**

FAC 3/4/19

COST POOLS	SLDMWA ANNUAL O&M and POWER						SLJU	
	UPPER Upper DMC/ JPP	UPPER Interite (Temporary Cost Pool)	JPP PWR	Volta Wells	LOWER Lower DMC/ Mendota Pool	O'NEILL PIG O'Neill O&M	DWR Canal San Luis Canal O&M	POWER Dos Amigos Power
PARTICIPANTS	All Users	All Users Excludes Exchange Cont. and Water Rights	All Users (Actual Pumping Only)	BOR / DPWD/SLWD	Lower DMC & MP Users	"Direct" All Users "Storage"	All SLJU Users	Dos Amigos Users
WY 19 ACRE FEET	2,063,660	1,265,944	2,060,814	2,025	1,085,334	958,873	802,168	792,168
WY18 ACRE FEET	1,904,072	1,107,682	1,890,585	5,000	1,042,562	806,717	660,215	650,215
Variance	159,588	158,262	170,229	(2,975)	42,772	152,156	141,953	141,953



**SLDMWA - WY19 Proposed O&M Water Rates**  
**WY19/WY18 Deliveries Comparison**  
**50% Allocation**

FAC 3/4/19

COST POOLS	SLDMWA ANNUAL O&M and POWER						SLJU	
	UPPER Upper DMC/ JPP	UPPER Intertie (Temporary Cost Pool)	JPP PWR	Volta Wells	LOWER Lower DMC/ Mendota Pool	O'NEILL PIG O'Neill O&M	DWR COSTS San Luis Canal O&M	POWER Dos Amigos Power
PARTICIPANTS	All Users	All Users Excludes Exchange Clmt. and Water Rights	All Users (Actual Pumping Only)	BOR / DPWD/SLWD	Lower DMC & MP Users	All Users "Direct"	All SLJU Users	Dos Amigos Users
WY 19 ACRE FEET	2,142,782	1,345,066	2,139,936	2,025	1,088,603	1,015,476	855,339	845,339
WY18 ACRE FEET	1,304,072	1,107,682	1,890,585	5,000	1,042,562	806,717	660,215	650,215
Variance	238,710	237,384	249,351	(2,975)	46,041	208,759	195,124	195,124

	Total Cost Estimates Allocated to SLDMWA Meters	Cost Estimate Allocated to Jones Pumping Plant (meter #517)	Cost Estimate Allocated to Federal Banks (meter #997)	Cost Estimate Allocated to Intertie (no meter #)	Net Cost Estimate Allocated to O'Neill / O'Neill Pumping (meter #915)	Cost Estimate Allocated to Dos Amigos (meter #925)	Total Cost Estimates Allocated to SLDMWA Meters
BOR FY19 Cost Estimate	\$ 24,915,765.51	\$ 18,438,015.56	\$	\$ 187,228.08	\$ 1,793,704.48	\$ 4,496,817.39	\$ 24,915,765.51
% of Total BOR PUE FY19 estimate allocated to SLDMWA *	78.543%						78.54%
BOR FY18 Cost Estimate	\$ (17,836,872.73)	\$ (12,720,355.30)	\$ (119,426.31)	\$ (386,607.36)	\$ (2,243,557.64)	\$ (2,486,352.43)	\$ (17,836,872.73)
% of Total BOR PUE FY18 estimate allocated to SLDMWA *	64.343%						-64.34%
<b>Variance</b>	<b>\$ 7,078,892.78</b>	<b>\$ 5,717,660.26</b>	<b>\$ (119,426.31)</b>	<b>\$ (199,379.28)</b>	<b>\$ (449,853.16)</b>	<b>\$ 2,010,464.96</b>	<b>\$ 7,078,892.78</b>

	JPP Cost/kWh	DA Cost/kWh
BOR FY19 kWh Estimate	0.033127	0.030308
BOR FY18 kWh Estimate	0.032294	0.029547
<b>Variance</b>	<b>162,685,169.00</b>	<b>64,219,000.00</b>

BOR FY19 kWh Estimate: Based on Actual kWh for the period October 2017 - July 2018, and FY17 Actual kWh for the period August 2017 - September 2017.  
 BOR FY18 kWh Estimate: Based on mixed information: Actual kWh in BOR FYE 17 and other estimates.

BOR SOD Supply Allocation:	AG	M&I	Settlement/Wtr Rts	Refuge
WY18	50%	70%	100%	100%
WY17	100%	100%	100%	100%
WY16	5%	55%	100%	100%

\*BOR basis for allocating costs to meters is based on total kWh per meter to total kWh for all meters.

Note: per Angela Shepherd, USBR 1.31.19 - The increase for Jones was due to projected water delivery and the historical data used to make this projection was from both FY17 and FY18. Traditionally, is not part of the BOR process to include the latest fiscal year but BOR felt that this would assist in a more accurate delivery number for FY19 estimates. The increase for Dos Amigos was based on actual FY17 deliveries.

FFY19 Meters PUE Estimates Based on Actual BOR PUE FY19 vs FY18 Allocation to SLDMWA and Meters kWh

Total Overall BOR PUE Estimate	% of Total BOR PUE estimate allocated to SLDMWA	Total Cost Estimates Allocated to SLDMWA Meters
\$ 31,723,155.00	78.54%	\$ 24,915,765.51
\$ (27,721,835.00)	-64.34%	\$ (17,836,872.73)
<b>\$ 4,001,320.00</b>	<b>14.20%</b>	<b>\$ 7,078,892.78</b>

**Increase of \$7mil explained:**

31,723,155	Total Overall FY19 BOR PUE Estimate
14.20%	Increase FY19 vs FY18 cost allocation percentage to SLDMWA
<b>\$ 4,504,351</b>	<b>Additional costs allocated to SLDMWA due to increased allocation percentage FY19 vs FY18 *</b>
<b>\$ 2,574,542</b>	<b>Additional costs allocated to SLDMWA due to increased Total Overall Costs FY19 vs FY18 (see calculation below)</b>
<b>\$ 7,078,893</b>	<b>Variance</b>

20,411,414.98 FY19 Total Overall Cost allocated at FY18 percentage (31,723,155 x 64.34%)  
 -17,836,872.73 FY18 Total Overall Cost allocated at FY18 percentage (27,721,835 x 64.34%)  
2,574,542.25