



United States Department of the Interior

BUREAU OF RECLAMATION
Central California Area Office
7794 Folsom Dam Road
Folsom, California 95630-1799

IN REPLY REFER TO:

CC-405
WTR-4.00

NOV 26 2001

Mr. Paul Olmstead
Sacramento Municipal Utility District
P.O. Box 15830, MS A404
Sacramento, CA 95832-1830

Subject: Will Serve Request, Reclamation Contract No. 14-06-200-5198A, Central Valley Project, California

Dear Mr. Olmstead:

In response to your letter of November 12, 2001, this serves to confirm that the above referenced water supply contract for delivery of water to Sacramento Municipal Utility District's (SMUD) Rancho Seco site remains in effect. By its terms, the contract provides for delivery of up to 60,000 acre-feet of water per year (AFY) from Reclamation's Central Valley Project (CVP) and approximately 15,000 AFY of non-CVP water via the Folsom-South Canal, a conveyance facility of the CVP. The contract will expire by its terms on December 31, 2012, but negotiations are currently underway with SMUD (as with all other CVP contractors) for early renewal of the contract. Reclamation law provides for successive renewals of water supply contracts for municipal and industrial water (Act of June 21, 1963, P.L. 88-44, 77 Stat.68).

Given that the current use from all sources at Rancho Seco is less than 17,000 AFY, sufficient water remains within SMUD's contract entitlement, as it exists and as it will be renewed, to support the additional 8,000 AFY projected for use by the new facility, assuming all other contract terms are met.

If you have any questions, please contact Cecil Lesley at 916-989-7221 (TDD 989-7285).

Sincerely,

Thomas J. Aiken
Area Manager

cc: Mr. Richard Latteri
California Energy Commission
Environmental Protection Office
1516 9th Street, MS-40
Sacramento, CA 95814-5504