



Metropolitan Water District of Southern California

Regional Water Supply Reliability

August 21, 2012

Metropolitan Background



Metropolitan Water District of Southern California

The Mission of the Metropolitan Water District is to provide its service area with adequate and reliable supplies of high-quality water to meet present and future needs in an environmentally and economically responsible way.



Metropolitan Water District of Southern California

Regional Water Wholesaler to 6 counties

- 5,200 square miles

26 Member Agencies

~19 million residents

Regional economy: \$1 trillion

Retail demand:

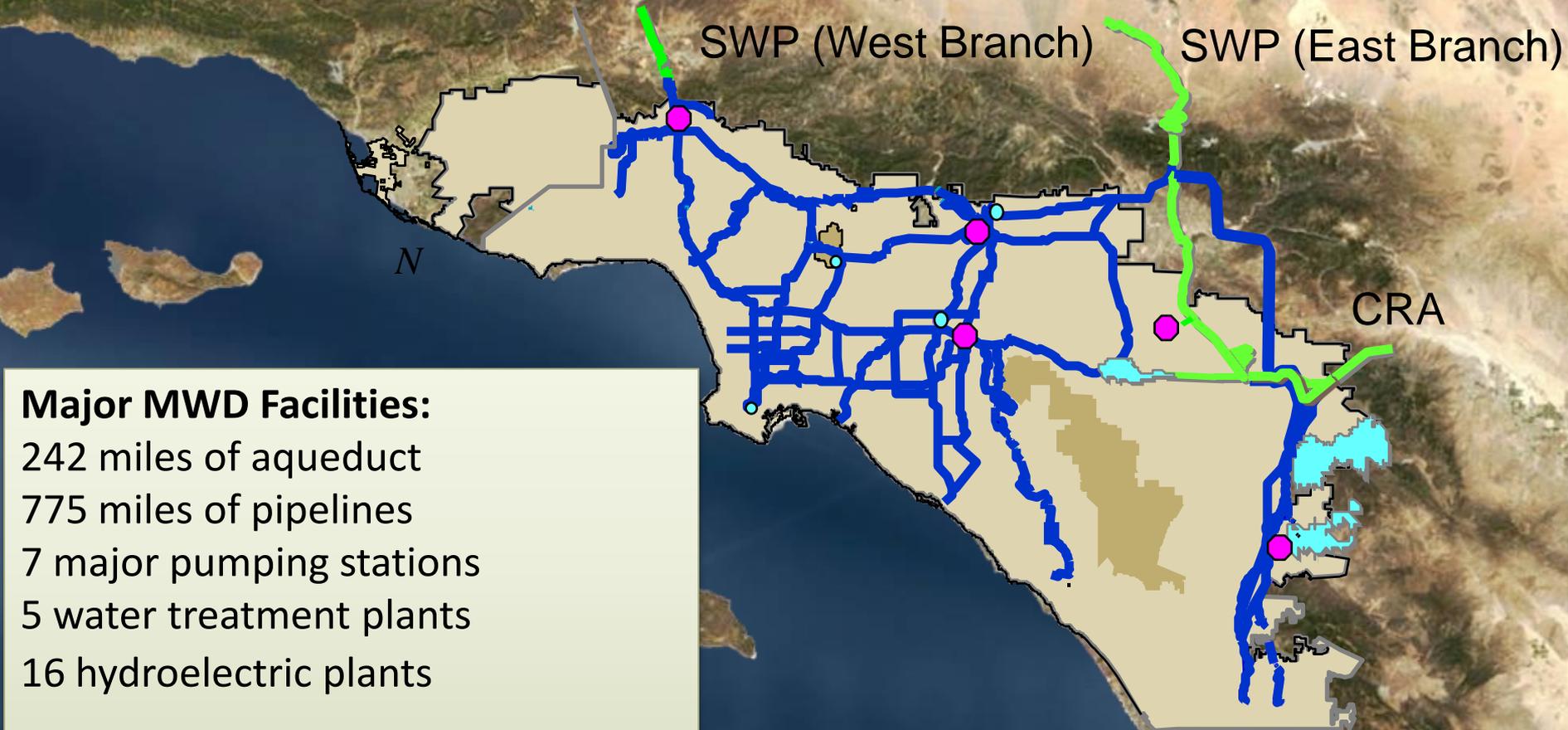
- 4 million acre-feet
- MWD provides about half of retail demands



Sources of Water for Southern California



Metropolitan's Water Delivery System



Major MWD Facilities:

- 242 miles of aqueduct
- 775 miles of pipelines
- 7 major pumping stations
- 5 water treatment plants
- 16 hydroelectric plants

Treatment Plants:

- Ranging from 326 to 750 MGD
- Average system flow ~ 2 BGD

Metropolitan's IRP - Building Regional Reliability



1990-91: Bottom of the Basket Falls Out

State to Shut Off
Water Delivery
to Southland

Limits on
tap water
use urged
by staff

50% Water-Delivery Cut
Will Be Blow to San Diego
■ Drought: Metropolitan Water District directors also

Community's Response:

“Never Again!”

“No More Water Shortages!”

L.A. Ready to Battle San Diego Over Water

■ Conservation: DWP officials weigh legal action as southern neighbor refuses to impose rationing.

declared a water emergency on Tuesday and cut by 31% the amount of water it delivers to 27 agencies from Ventura to San Diego.

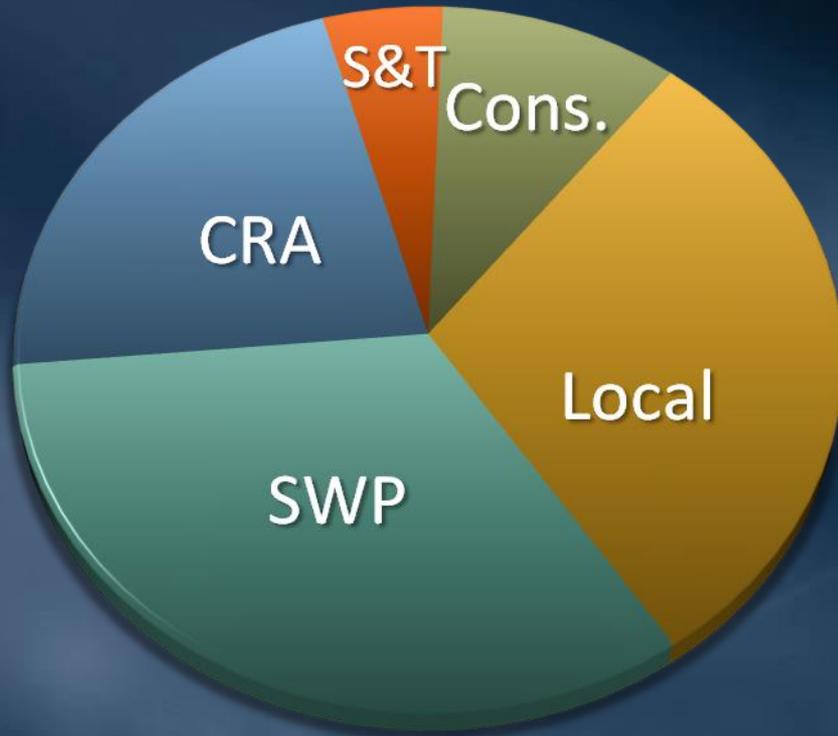
SACRAMENTO - Southern Calif. officials likely to be ordered to cut back on water consumption by an urban area.

State Water Project cuts off water to farms; urban slash expected

Water: Authority to Vote Today on Mandatory Restrictions

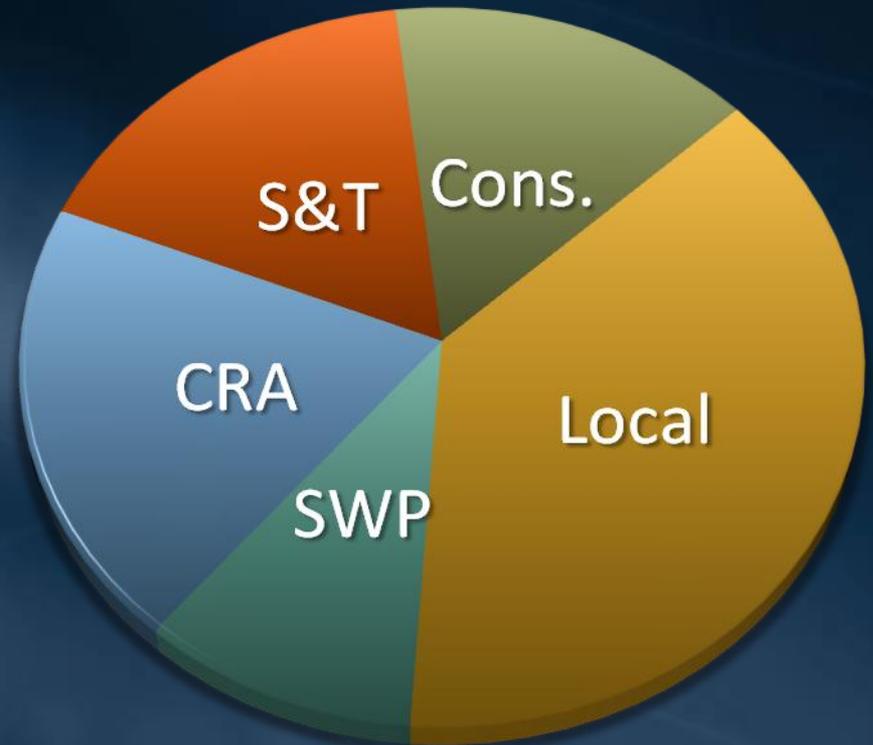
Slide Taken from SDCWA's Power Point presentation, "Overview of Key Regional Water Issues" dated 7/5/12

MWD's Balanced Approach



Early 1990's

Heavy dependence on imported supply and SWP Diversions



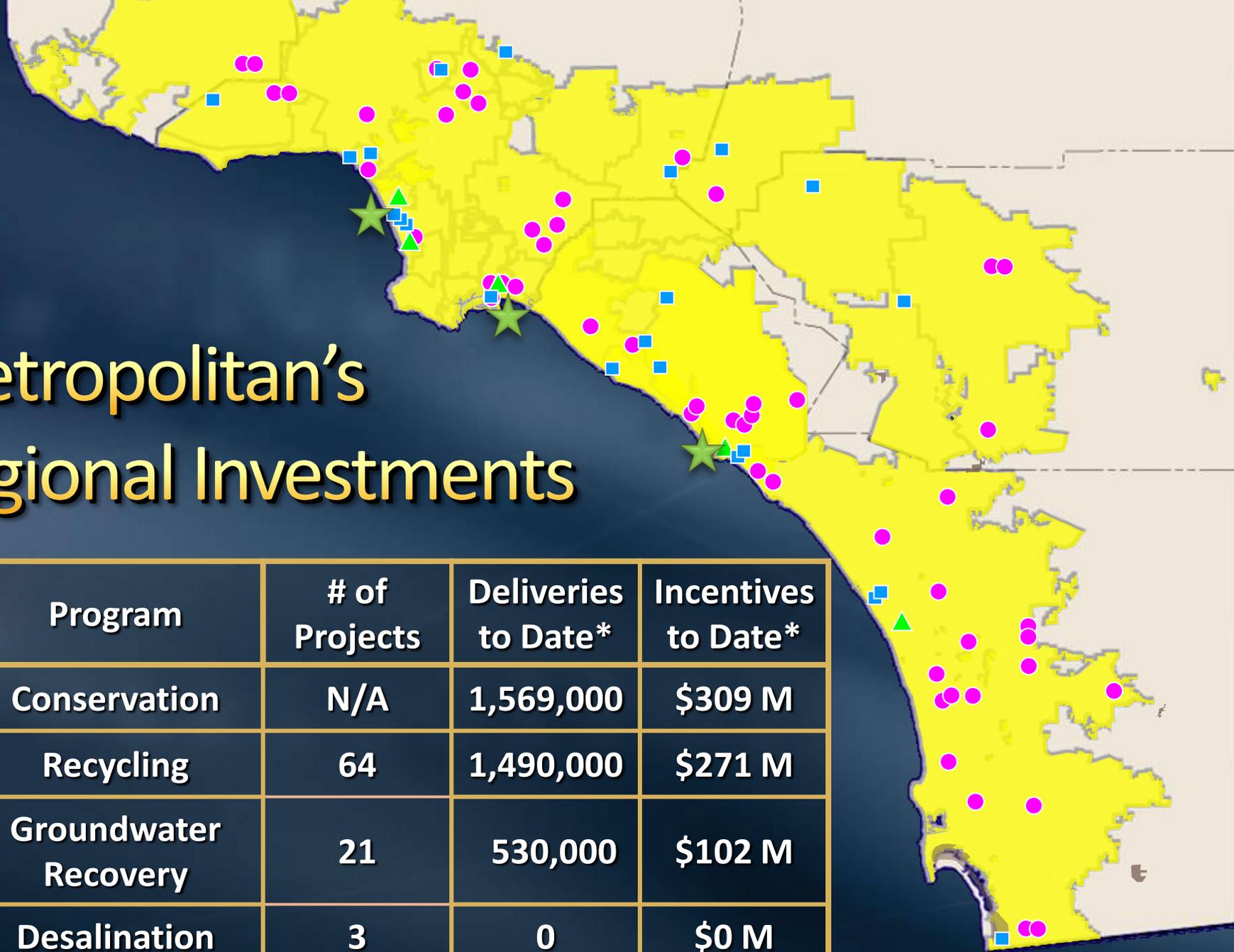
Current Strategy

Emphasis on Conservation, Local Supplies, and Storage & Transfers

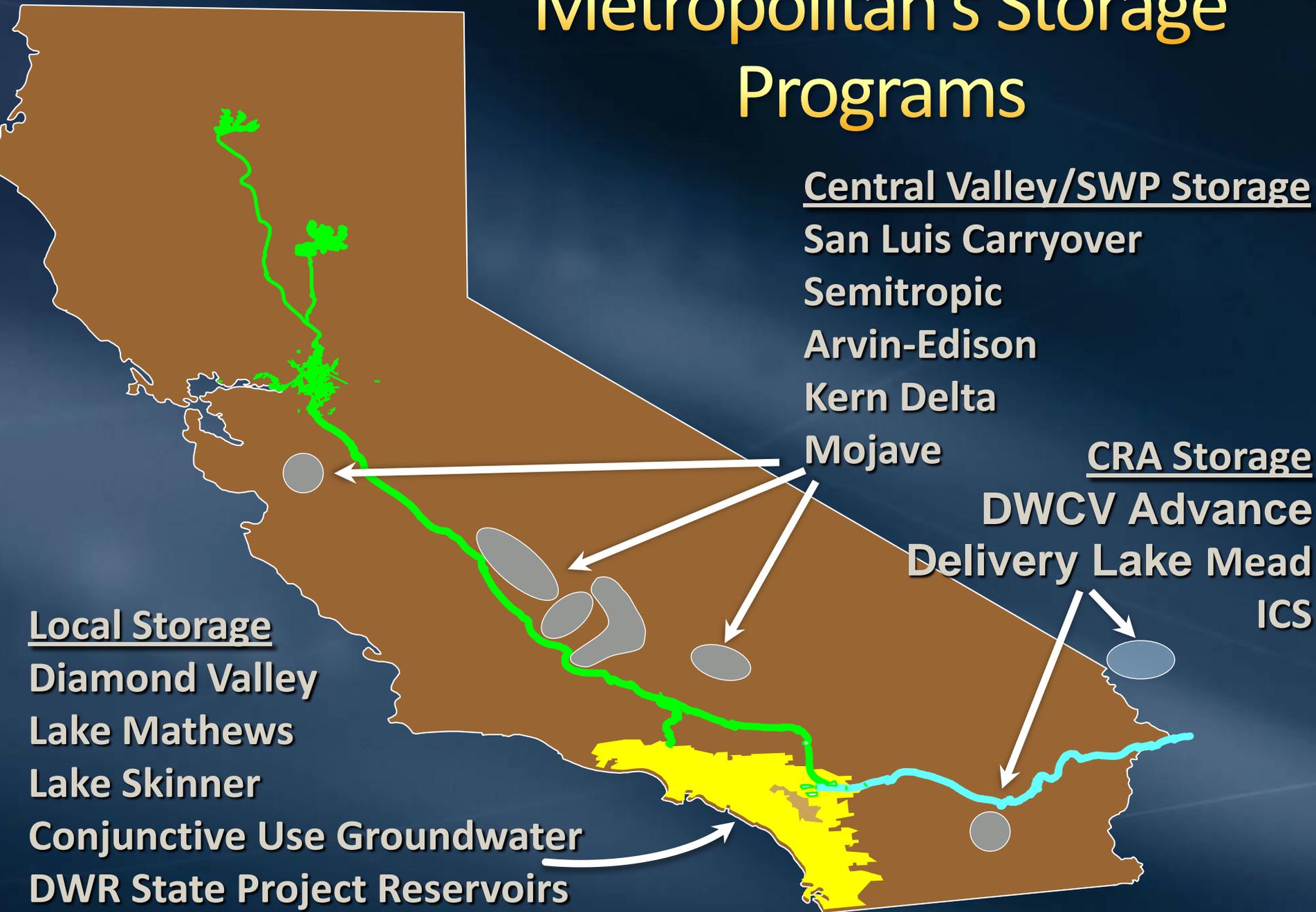
Metropolitan's Regional Investments

| | Program | # of Projects | Deliveries to Date* | Incentives to Date* |
|---|----------------------|---------------|---------------------|---------------------|
| ■ | Conservation | N/A | 1,569,000 | \$309 M |
| ● | Recycling | 64 | 1,490,000 | \$271 M |
| ■ | Groundwater Recovery | 21 | 530,000 | \$102 M |
| ★ | Desalination | 3 | 0 | \$0 M |

*Through FY 2010/11



Metropolitan's Storage Programs



Metropolitan's Storage Capacity



Metropolitan's Transfer Development

- State Water Project Transactions

- SWC Buyers Group, Yuba Accord, Drought Bank, etc.
 - 2008 – 41,000 AF
 - 2009 – 62,000 AF
 - 2010 – 229,000 AF

- Colorado River Transactions

- Short-term

- CAWCD Demonstration Program
- Drop 2 Reservoir
- PVID Emergency Land Fallowing Program

- Long-term

- IID-MWD Conservation Program
- PVID-MWD Water Supply Program
- Lower Colorado River Water Supply Project

The Latest IRP Update

Blueprint for Adapting to Change

Component 1: Core Resource Strategy

- 20x2020 Retail Conservation
- Fix the Delta
- Develop Dry-Year CRA Programs
- Develop additional Local Projects

Component 2: Supply Buffer

- 20x2020 Regional Targets
- Collaborative Local Development
- Water Transfers

Component 3: Foundational Actions

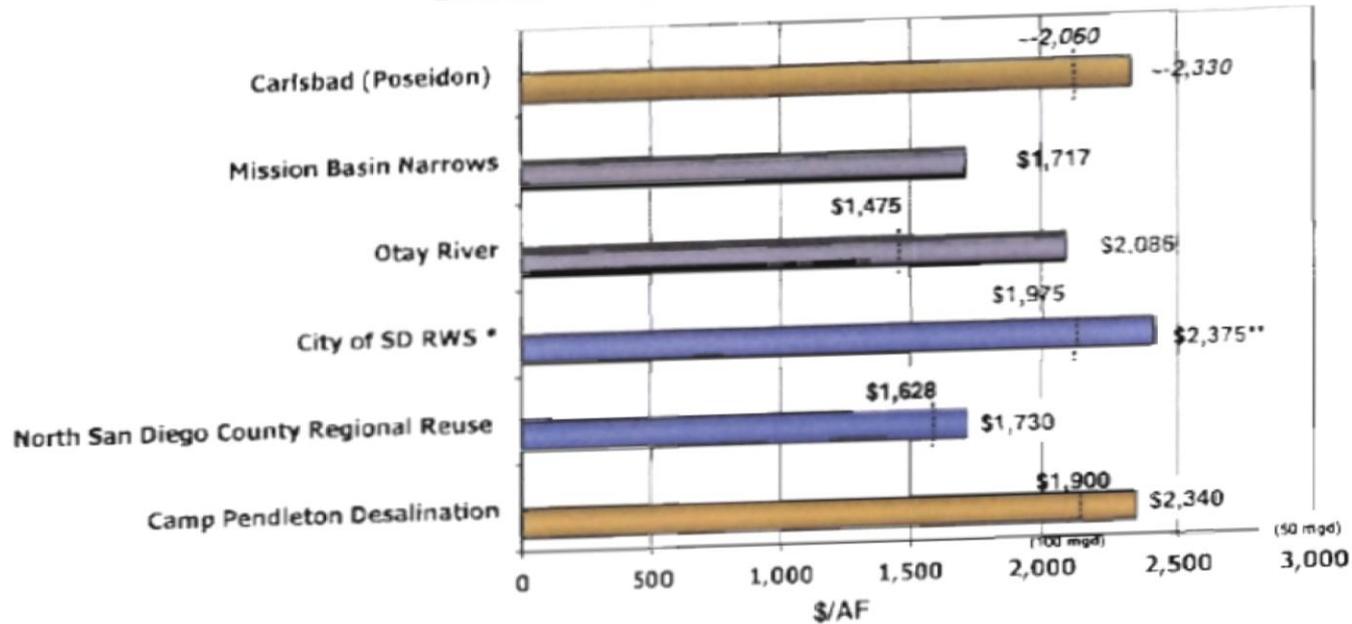
- Implement Low Regret Actions
- Monitor Development Progress in Core Resources
- Initiate Adaptive Resource Options if Conditions Warrant

Cost of the Next Increment of Local Supply

Actual Proposed San Diego Region Project Unit Costs - \$/AF

(Before incentives, grants, or netting out avoided costs)

2011 Dollars unless otherwise noted



Brackish Groundwater

Indirect Potable Reuse

Seawater Desalination

...range includes wastewater related costs... may reduce the unit cost by up to...

** Incentive funding reduced at 2011 value of \$275 RWS assumes deduction for incentives on 20 year NPV basis

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A Cost Comparison of San Diego Local Supplies and MWD Supplies



Summary

- Metropolitan's IRP aims to provide reliability for the Southern California region
- Conservation and local resource development is a key part of the IRP
- Collaborative planning and development will help the region achieve the IRP goals

Questions?

