

**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

December 10, 1993

(Water Problems Committee--Action)
 (Legal and Claims Committee--Action)

To: Board of Directors (Executive Committee--Action)

From: General Manager and General Counsel

Subject: 1994 State Water Project Delivery Approvals from Department of Water Resources

Report

On December 9, 1993, the Department of Water Resources (Department) issued the attached initial approvals for 1994 entitlement water deliveries to long-term State Water Project contractors, including Metropolitan. In so doing, the Department stated it was adjusting "certain requests", including that of Metropolitan, to equal the highest annual entitlement amount that each of those contractors had used in any year from 1980 to 1992. If the Department believed actual usage for 1993 would be higher than that number, then the higher number was used instead. (The highest number for Metropolitan is the 1,373,800 acre feet delivered in 1990.) The Department then proceeded to allocate on the basis of 50 percent of the adjusted requests, resulting in an allocation of 686,900 acre feet to Metropolitan.

This procedure has never been used before by the Department and has the effect of benefiting those contractors which have previously used high levels of entitlement water. It will result in Kern County Water Agency, Tulare Lake Basin Water Storage District and various smaller contractors being allocated more water than they are entitled to under the state water contract. It is Metropolitan's historic position that water is to be allocated on the basis of annual entitlements and not upon usage, or predictions of usage. This was confirmed by your Board on December 8, 1987 when it unanimously stated:

"[T]hat Metropolitan's State Water Contract requires that, in times of temporary shortage in the State Water Project water supply, after the required initial agricultural use cutbacks are fully made, the project yield be allocated in proportion to each state water contractor's Table A entitlement to

project water, and that the General Manager take whatever steps he deems appropriate to ensure that the contract be complied with in this manner."

This position is based upon the language and intent of the state water contract structure, including the fact that we pay for the cost of conserving (or collecting) water for the State Water Project on the basis of entitlements.

In order to protect its water supply reliability, Metropolitan has in the past and for 1994, ordered full entitlement deliveries of 2,011,500 acre feet. Assuming that the total 1,559,255 acre feet approved entitlement deliveries was correctly allocated, Metropolitan would receive approximately 768,000 acre feet instead of the 686,900 acre feet allocated by the Department. There is no indication that the Department would be willing to increase deliveries if Metropolitan's demands are higher or if the Department has to reduce from the 50 percent approval level it has made as an interim step.

In order to protect the water supply reliability of Metropolitan's service area, it is recommended that the General Manager and General Counsel be authorized and directed to take all appropriate steps necessary to reverse this action taken by the Department.

Board Committee Assignments

This letter is referred for action to:

The Water Problems Committee because of its jurisdiction over policies sources, and means of importing water required by Metropolitan, pursuant to Administrative Code Section 2481(a);

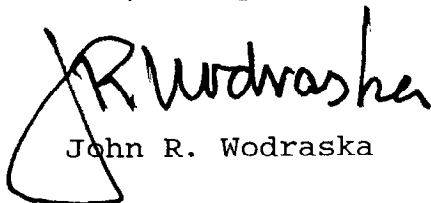
The Legal and Claims Committee because of its jurisdiction over litigation and claims brought by or against Metropolitan, pursuant to Administrative Code Section 2461(a); and

The Executive Committee because of its jurisdiction over major policy issues, pursuant to Administrative Code Section 2417(g).

Recommendation

That the General Manager be authorized and directed to take all appropriate steps necessary to reverse the action taken by the Department in determining the allocation of

project supplies and, upon request of the General Manager, that the General Counsel be authorized and directed to commence, and pursue to completion, related legal proceedings.



John R. Wodraska




N. Gregory Taylor

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Attachment

WATER SERVICE CONTRACTORS COUNCIL**MEMO No.** 2072

To ALL WATER SERVICE CONTRACTORS	Date December 9, 1993
From  DIRECTOR, DEPT. OF WATER RESOURCES	Subject 1994 Entitlement Water

The Department of Water Resources is initially approving 1994 entitlement water deliveries to long-term State Water Project contractors totaling 1.56 million acre-feet which represents 50 percent of contractor's adjusted requests. This initial approval of entitlement water to each of the 29 contractors is summarized on the attached sheet.

In developing this first approval, the Department has considered water stored in SWP conservation reservoirs together with reasonable estimates of 1994 water supply, operational constraints including Delta protection, and contractor demands. As the water year develops and the SWP's delivery capability improves, this approved entitlement amount will likely be increased.

As provided for in Article 12 of the Water Supply Contract, the Department received preliminary water delivery schedules from the agencies contracting to receive SWP water during 1994. Accordingly, the Department reviewed the preliminary schedules and analyzed the reasonableness of each request. In accordance with Article 38 of the Water Supply Contract, the Department adjusted certain requests to equal the maximum annual entitlement amount that each of the involved contractors used in any year since 1980. Then, considering the current schedules for all contractors and those adjusted figures, the Department made modifications for this initial approval. The result is a delivery schedule of 50 percent.

The procedure used by the Department in arriving at the initial water allocation under Article 12 is not intended to prejudice any alternative interpretations by any individual SWP contractor.

If there are any questions, please contact Donald R. Long, Chief, State Water Project Analysis Office at (916) 653-4313.

Attachment

**INITIAL 1994
STATE WATER PROJECT ENTITLEMENT APPROVALS
(ACRE-FEET)**

S.W.P. CONTRACTORS	BASIS FOR INITIAL APPROVAL	APPROVED 1994
	MAXIMUM ENTITLEMENT USED SINCE 1980	ENTITLEMENT DELIVERY AT 50%
FEATHER RIVER:		
County of Butte	459	230
Plumas County	548	274
Yuba City	642	321
Subtotal	1,649	825
NORTH BAY:		
Napa County	6,940	3,470
Solano County	20,881	10,441
Subtotal	27,821	13,911
SOUTH BAY:		
Zone 7	34,500	17,250
Alameda County WD	34,189	17,095
Santa Clara V. WD	92,000	46,000
Subtotal	160,689	80,345
SAN JOAQUIN VALLEY:		
Oak Flat WD	5,700	2,850
County of Kings	4,000	2,000
Castaic Lake WA--Ag	12,700	6,350
Dudley Ridge WD	55,600	27,800
Empire West Side ID	3,000	1,500
Kern County WA	1,153,400	576,700
Tulare Lake B. WSD	118,500	59,250
Subtotal	1,352,900	676,450
CENTRAL COASTAL:		
San Luis Obispo County	0	0
Santa Barbara County	0 a)	0
Subtotal	0	0
SOUTHERN CALIFORNIA:		
AVEK	55,902 a)	27,951
Castaic Lake WA--M&I	22,139	11,070
Coachella Valley WD	23,100	11,550
Crestline	1,950 a)	975
Desert WA	38,100	19,050
Littlerock Creek ID	1,747	874
Mojave WA	11,800	5,900
MWDSC	1,373,800	686,900
Palmdale WD	9,009	4,505
San Bernardino VMWD	17,068 a)	8,534
San Gabriel Valley	16,000 a)	8,000
San Geronio Pass	0	0
Ventura County	4,836	2,418
Subtotal	1,575,451	787,726
TOTAL ALL AREAS	3,118,510	1,559,255

a) Indicates 1994 request is less than maximum 1980-93 entitlement delivery

**BASIC DATA FOR INITIAL 1994
STATE WATER PROJECT ENTITLEMENT APPROVALS
(ACRE- FEET)**

S.W.P. CONTRACTORS	1994 ENTITLEMENT		ESTIMATED 1993 ENTITLEMENT DELIVERY	HISTORICAL ENTITLEMENT DELIVERY (A)														MINIMUM OF COLUMNS (1) & (16)
	TABLE-A	1994 REQUEST (1)		1992 BNT. (3)	1991 BNT. (4)	1990 BNT. (5)	1989 BNT. (6)	1988 BNT. (7)	1987 BNT. (8)	1986 BNT. (9)	1985 BNT. (10)	1984 BNT. (11)	1983 BNT. (12)	1982 BNT. (13)	1981 BNT. (14)	1980 BNT. (15)	MAX. OF 80-93 BNT. (16)	
			(17)															
FEATHER RIVER:																		
County of Butte	1,200	1,101	230	117	328	380	300	385	459	313	308	177	325	334	221	267	459	459
Humas County	1,200	1,200	480	485	420	548	486	523	452	317	254	272	262	305	355	295	548	548
Yuba City	9,600	2,700	500	642	265	494	403	303	88	328	62	108	0	0	0	0	642	642
Subtotal		5,001	1,210	1,244	1,013	1,422	1,189	1,211	999	958	624	557	587	639	576	562	1,649	1,649
NORTH BAY:																		
Napa County	9,135	9,135	3,900	3,186	2,197	6,940	6,195	5,392	0	0	0	0	0	0	0	0	6,940	6,940
Solano County	28,080	28,080	17,250	10,910	6,690	20,881	17,256	9,726	1,550	1,400	0	0	0	0	0	0	20,881	20,881
Subtotal		37,215	21,150	14,096	8,887	27,821	23,451	15,118	1,550	1,400	0	0	0	0	0	0	27,821	27,821
SOUTH BAY:																		
Zone 7	40,000	40,000	34,500	15,383	9,411	33,034	26,227	25,830	23,406	10,609	15,072	6,784	4,766	13,123	19,590	16,790	34,500	34,500
Alameda County WD	42,000	42,000	10,000	17,801	11,355	32,260	27,405	34,189	25,390	12,379	19,016	3,338	3,157	6,316	21,917	11,034	34,189	34,189
Santa Clara V. WD	100,000	100,000	61,200	43,332	28,200	92,000	90,000	87,961	88,000	88,000	88,000	88,000	86,733	88,000	88,000	88,000	92,000	92,000
Subtotal		182,000	105,700	76,516	48,966	157,294	143,632	147,980	136,796	110,988	122,088	98,122	94,656	107,439	129,507	115,824	160,689	160,689
SAN JOAQUIN VALLEY:																		
Oak Flat WD	5,700	5,700	4,900	2,266	0	2,850	5,600	4,975	5,200	5,100	4,900	4,800	3,822	3,838	4,300	5,700	5,700	5,700
County of Kings	4,000	4,000	4,000	1,806	0	2,000	4,000	4,000	4,000	3,700	3,400	3,100	2,800	1,750	2,300	2,200	4,000	4,000
Castaic Lake WA--Ag	12,700	12,700	10,800	5,887	0	6,350	12,700	12,700	12,700	12,700	12,700	12,700	12,659	12,700	12,700	12,700	12,700	12,700
Dudley Ridge WD	57,700	57,700	48,700	25,847	706	28,850	55,600	51,109	50,604	49,300	47,200	45,100	42,900	41,000	41,000	41,000	55,600	55,600
Empire West Side ID	3,000	3,000	150	1,354	0	1,500	3,000	3,000	3,000	3,000	3,000	0	0	361	3,000	716	3,000	3,000
Kern County WA	1,153,400	1,153,400	1,153,400	520,618	35,880	636,500	1,112,300	1,074,600	1,023,500	880,237	915,000	860,600	594,507	745,300	691,400	634,500	1,153,400	1,153,400
Tulare Lake B. WSD	118,500	118,500	118,500	53,488	0	59,250	109,900	105,600	101,400	70,646	45,549	5,743	1,006	18,551	76,000	71,700	118,500	118,500
Subtotal		1,355,000	1,340,450	611,266	36,586	737,300	1,303,100	1,255,984	1,200,404	1,022,053	1,031,749	932,043	657,694	823,500	830,700	768,516	1,352,900	1,352,900
CENTRAL COASTAL:																		
San Luis Obispo County	25,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Santa Barbara County	45,486	0 b)	0	0	1,240	0	0	0	0	0	0	0	0	0	0	0	1,240	0
Subtotal		0	0	0	1,240	0	0	0	0	0	0	0	0	0	0	0	1,240	0
SOUTHERN CALIFORNIA:																		
AVEK	138,400	55,902 b)	46,600	29,691	11,792	47,206	45,191	34,079	33,875	32,449	37,064	32,662	32,961	50,291	72,176	63,075	72,176	55,902
Castaic Lake WA--M&I	41,500	25,100	14,600	11,976	6,682	22,139	21,719	18,904	16,167	13,928	12,401	11,477	9,476	9,516	5,761	1,210	22,139	22,139
Coachella Valley WD	23,100	23,100	23,100	10,427	6,930	23,100	21,873	20,652	19,431	18,210	16,989	15,768	14,547	13,326	12,105	10,884	23,100	23,100
Crestline	5,800	1,950 b)	240	264	1,223	1,950	2,170	2,006	1,849	1,506	1,422	1,128	911	1,238	1,485	1,239	2,170	1,950
Desert WA	38,100	38,100	38,100	17,197	11,430	38,100	36,500	34,000	31,500	29,000	27,000	25,000	23,000	21,000	19,000	17,000	38,100	38,100
Littlerock Creek ID	2,300	2,300	880	251	515	1,747	971	419	1,085	163	0	1	38	0	1,270	191	1,747	1,747
Mojave WA	50,800	50,800	11,800	10,686	3,423	0	200	0	17	0	0	0	0	0	0	0	11,800	11,800
MWDSC	2,011,500	2,011,500	515,000	791,293	461,897	1,373,800	1,189,698	902,564	718,595	708,840	692,822	457,708	343,521	692,306	795,846	531,727	1,373,800	1,373,800
Palmdale WD	17,300	15,060	9,000	4,224	3,914	8,608	9,009	1,770	5,379	3,096	1,558	0	0	0	0	0	9,009	9,009
San Bernardino VMWD	102,600	17,068 b)	2,000	4,760	3,661	18,831	20,782	21,386	18,751	6,421	7,390	5,556	5,994	8,409	16,021	0	21,386	17,068
San Gabriel Valley	28,800	16,000 b)	12,800	8,125	5,399	16,649	12,839	8,948	10,630	9,454	5,028	7,656	734	12,599	3,619	1,085	16,649	16,000
San Geronio Pass	17,300	3,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ventura County	20,000	5,000	0	0	988	4,836	0	0	0	0	0	0	0	0	0	0	4,836	4,836
Subtotal		2,264,880	674,120	888,894	517,854	1,556,966	1,360,952	1,044,728	857,279	823,067	801,674	556,956	431,182	808,685	927,283	626,411	1,596,912	1,575,451
TOTAL ALL AREAS	4,154,201	3,844,096	2,142,630	1,592,016	614,546	2,480,803	2,832,324	2,465,021	2,197,028	1,958,466	1,956,135	1,587,678	1,184,119	1,740,263	1,888,066	1,511,313	3,141,211	3,118,510

a) Historical entitlement includes carry over delivery

b) Indicates 1994 request is less than maximum 1980-93 entitlement delivery