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METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Loren E. Ruff 9-10
EXECUTIVE SECRETARY

April 20, 1994

To: Board of Directors (Water Problems Committee--Information)
(Finance and Insurance Committee-Information)

From: General Manager

Subject: Update on the Southern California Water and Energy Partnership

Report

In 1990, Metropolitan, Los Angeles Department of Water and Power (LADWP), Southern California Gas Company, and Southern California Edison (SCE) joined forces to combat the fifth consecutive year of drought. They formed the Southern California Water and Energy Partnership (Partnership) to pursue joint opportunities for implementing resource conservation programs. The Partnership has since been joined by Sanitation Districts of Orange County, the cities of Anaheim, Burbank, Glendale, and Pasadena; and recently by Santa Monica, Central Basin Municipal Water District, Municipal Water District of Orange County (MWDOC), and West Basin Municipal Water District. Each agency provides direction to Partnership staff through an Executive Board.

The Partnership is founded on the principle that pooling resources and cooperatively developing conservation programs is mutually beneficial and cost-effective. Each partner recognizes that their actions have an impact on both water and energy resources. For instance, Metropolitan's Conservation Credits Program (CCP) financial incentive is based upon the avoided cost of energy to pump water via the State Water Project. In the case of energy utilities, SCE is participating in a ultra-low-flush (ULF) toilet replacement program being conducted by Metropolitan and MWDOC. SCE is contributing 20 percent of the total program cost based upon the avoided cost of energy. Through the efforts of the Partnership, more cost-effective methods of project implementation are being developed that will reduce staffing needs, provide shared incentive opportunities, and more effectively target shared customer bases.

Partnership projects include: (1) a toilet flapper-valve replacement project conducted with SCE's low-income home energy audit program (1991); (2) Efficient Appliance Plus brochures developed to assist consumers in purchasing water and

energy efficient appliances (publication May 1994); (3) a study designed to establish a co-participation framework among the partners in a ULF toilet replacement project; (4) a 2,000 unit ULF toilet pilot project utilizing community-based-organizations in MWDOC's service territory; and (5) a high-efficiency washing machine rebate program.

A pilot first-in-the-nation high school curriculum and home water and energy audit program called In Concert with the Environment (In Concert) is currently being developed. Supported by an excellent in-school curriculum, the program guides students through a home survey of energy and water usage. The survey data detailing household patterns and usage is entered into a user-friendly computer program that calculates the household's overall impact on the environment and on water and energy resources. The In Concert software program analyzes the actual water and electric billing data of the student's household, resulting in a personalized student output report containing conservation recommendations. Available utility programs to assist customers with implementation of the recommendations as well as agency contact numbers are also provided on the output report. The In Concert program will significantly reduce the cost of typical water audits from an average of \$50 to \$75 per household to approximately \$20, while satisfying several Best Management Practices.

Drawing national attention, the Partnership is viewed as a success story and a model for other partnerships. Joint water and energy surveys conducted for federal facilities are just one example of Partnership's success. As directed in the Energy Policy Act of 1992, federal facilities, in all branches of government, are instructed to implement all cost-effective energy, and for the first time ever, water conservation measures within the next ten years. Staff has been coordinating with SCE, San Diego Gas & Electric (SDG&E), San Diego County Water Authority, City of San Diego, MWDOC, Moulton Niguel Water District, and LADWP to implement contracts and services for several facilities.

The cooperative efforts of Southern California utilities were recently recognized in a Town Hall Meeting with Vice President Al Gore and Secretary of Energy Hazel O'Leary in Washington D.C. on March 7, 1994. At this ceremony, an agreement between SCE and Government Services Administration (GSA) was signed commissioning SCE to coordinate energy and water conservation efforts in GSA facilities. For Metropolitan, these institutional efforts accelerate implementation of several of the Best Management Practices (BMP). Metropolitan's continuing efforts in federal facilities, in addition to active involvement in the Water and Energy Conservation Partnership, have helped

move the region ahead in implementing cost-effective measures, developing alternative funding sources, and coordinating cost-effective services to shared customers.

Board Committee Assignments

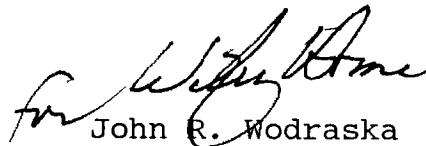
This letter is referred for information to:

The Water Problems Committee because of its authority to make recommendations regarding policies on water conservation, pursuant to Administrative Code Section 2481(a); and

The Finance and Insurance Committee because of its authority to study, advise, and make recommendations in matters concerning the disposition of funds, pursuant to Administrative Code Section 2441(c).

Recommendations

For information only.


for John R. Wodraska

MDP:cl