

- Water Resource Management December 2005 Activity Report

Summary

The following is a summary of Water Resource Management Group key activities for the month of December 2005.

Detailed Report

Colorado River Aqueduct Contract Administration

PVID Land Management & Water Supply Program – The PVID program provided Metropolitan about 100,000 acre-feet of water supply in calendar year 2005. This water supply was achieved through a combination of interim and long-term landowner agreements. As of December 2005, 80 percent of program acres were under long-term contracts. The remaining landowners will be able to continue under interim programs until the long-term sign-up process is completed in July of 2006.

State Water Project Contract Administration

Protest of 2006 State Water Project Statement of Charges – The California Department of Water Resources informed Metropolitan and the other State Water Project contractors, that it has changed the process for correcting errors and will no longer extend the contractual period to protest charges. Accordingly, a notice was sent to DWR protesting the 2006 Statement of Charges and a claim was filed with the Victims Compensation and Government Claims Board. As discussed at the December 12, 2005, Budget, Finance, Investment and Insurance meeting, these actions were required to preserve Metropolitan's legal options should administrative efforts fail. While the outcome is unknown, if all identified issues were decided in Metropolitan's favor, future Statement of Charges could be reduced by tens of millions of dollars.

Santa Ana Valley Pipeline Outage - DWR and Metropolitan have closely coordinated a 30-day shutdown of DWR's Santa Ana Valley Pipeline that supplies water to Metropolitan through the East Branch of the SWP. The purpose of the shutdown was to make repairs at several locations on this Prestressed Concrete Cylinder Pipe and to allow encasement of another section to accommodate a CalTrans freeway-widening project. During the shutdown, the Mills plant was supplied from Lake Perris via Metropolitan's Perris Pumpback Facility. Due to contractor damage to the Santa Ana Valley Pipeline in November while preparing for this shutdown, the shutdown started eight days early on November 29, and was completed in less time than the originally planned 30-day window. Additionally, because of Metropolitan-influenced changes in DWR's refill procedures, the refill window was also shortened from about 48 hours to 36 hours, with the Santa Ana Valley Pipeline fully operational by 2 a.m. on December 19.

Local Resources

2003 Local Resources Program Request for Proposals – Staff concluded the process from the 2003 Local Resources Program Request for Proposals for the procurement of 65,000 acre-feet of new recycled water and recovered groundwater to increase regional water supply reliability. Twenty-seven proposals with an ultimate yield of about 113,000 acre-feet/year were received and evaluated by a review committee using board adopted selection criteria. Thirteen projects yielding 65,000 AFY at an average incentive cost of \$113 per acre-foot were selected for the program.

At the close of the December 2005 program deadline, ten of the selected projects are under contract. The three remaining projects dropped out because CEQA was not completed or local supply improvements were reprioritized by the sponsoring agency. The 10 projects are expected to develop 57,000 acre-feet per year as they mature to full capacity.

Board Report (Water Resource Management December 2005 Activity Report)

Conservation

Conservation Incentive Levels – In response to the December Board action increasing Metropolitan’s conservation incentive to \$195/acre-foot up to 100 percent of device cost, addendums were issued to the member agency master agreements for residential, landscape and commercial programs enacting the new incentive rate for water saving retrofits and other program modifications.

Water Supply Balance

Water Supply Balance – Total water demands for CY 2005 was 2.0 MAF, excluding losses. These demands include about 1.7 MAF for Tier 1 and Tier 2 supplies, 100 TAF for agricultural water, and 195 TAF stored in local groundwater basins through the replenishment program. Metropolitan stored about 405 TAF in the State Water Project system through its State Water Contract carryover rights and through the Environmental Water Account exchange approved by the Board in June 2005. Approximately 45 TAF were delivered for storage in local groundwater basins under the conjunctive use and supplemental storage agreements. These deliveries, combined with the 195 TAF stored through the replenishment program, have maximized the replenishment capabilities in the basins underlying Central, Western, Foothill, Inland Empire, Upper San Gabriel, Eastern, Long Beach, Orange County, and Calleguas. Approximately 255 TAF was stored in conjunctive use and banking programs outside of the Metropolitan service area, of which 190 TAF was stored in the Desert Water/Coachella Valley advance delivery account to enable full diversions of approved Colorado River supplies for 2005. In-region surface storage was also increased by about 140 TAF. After meeting all demands and filling available storage accounts, approximately 250 TAF of Metropolitan’s SWP Table A supplies were not used, and were left in the SWP system for use in the 2006 allocation of water supply.

Resource and Facility Planning

RUWMP – The Board adopted the 2005 Regional Urban Water Management Plan (Plan) on November 8, 2005. On December 6, 2005, the plan was filed with DWR, the California State Library and distributed to all cities and counties within Metropolitan’s service area in compliance with section 10644(a) of the California Water Code. In addition, the plan is now posted on the Metropolitan website and a published version should be available in February 2006.

California Water Plan Update 2005 (DWR Bulletin 160-2005) – Staff participated in the last advisory committee meeting for the California Water Plan Update 2005. DWR released the draft water Plan in April, and conducted public hearings in May and June. In general, the Water Plan is consistent with Metropolitan’s water resources management policies and strategies. At this time, DWR is finalizing the report incorporating the comments received. DWR plans to release the final report in early January 2006. The Water Plan has identified the need to enhance DWR’s relationship with planning entities within the hydrologic regions, and to improve data collection and analytical tools. Staff will continue to participate in technical work groups on data collection and analytical tool development.

Integrated Area Studies - Staff is conducting two separate Integrated Area Studies for the Riverside, San Diego and Central Pool areas. The kickoff technical meetings were held in December and staff from various member agencies met to discuss existing and potential projects, demands and peaking. Metropolitan staff committed to continue working with the member agency staff to ensure demand forecast compatibility. The next meetings are scheduled for January. Metropolitan staff will present a study examining the cost difference between regional and local facilities to meet maximum day versus peak week demands. Staff also anticipates beginning additional Integrated Area Studies in the Rialto and West Valley areas by June 2006.