

• Water Resource Management February 2006 Activity Report

Summary

The following is a summary of Water Resource Management Group key activities for the month of February 2006.

Detailed Report

Colorado River Aqueduct Contract Administration

Palo Verde Irrigation District Land Management Program – Consistent with the business plan, the program is being implemented through interim and long-term land fallowing agreements. Combined, these agreements are anticipated to provide 96,000 acre-feet in calendar year 2006. Three additional long-term contracts were closed last month bringing the total program acreage covered by long-term contracts to 86 percent. Metropolitan and PVID staff continue to work with landowners of the remaining 14 percent of the program acreage to bring closure to their long-term contracts by the end of June 2006. Additionally, 65 of the long-term contract participants received the second installment of their sign-up payment in January.

State Water Project Contract Administration

Hyatt-Thermalito Litigation – Metropolitan is continuing to meet with a coalition of Southern California contractors that are preparing to participate in the lawsuit over the allocation of the benefits of energy generation at Hyatt-Thermalito, which was filed by a group of northern contractors. Metropolitan and the southern Contractors were recently granted the right to intervene by the Court. Metropolitan is also coordinating with DWR, who is defending its long-term practice of allocating energy benefits in proportion to the amount contractors paid for generating facilities. The parties will be participating in a case management conference and will file a proposed Case Management Statement in July that is intended to guide the court process.

Conservation

Program Incentives and Refinements – The Board approved an updated conservation strategy in December 2005 to further demand management initiatives to meet the IRP objectives over the next 25 years. In implementing these conservation strategies, staff has initiated the following action:

- An addendum to the residential master agreement has been issued to all member agencies with revised incentive levels and additional devices,
- The new incentives and devices have been incorporated in the regional Save Water - Save A Buck Program for commercial customers,
- An RFP is being prepared to secure professional services to conduct a regional study to quantify the conservation opportunities within the commercial market,
- An RFP for the Enhanced Conservation Program is being developed, and
- A program advisory committee of staff and member agency conservation managers is meeting to develop a recommendation for new conservation devices and incentives for Board consideration later this year.

In addition to these actions, staff is implementing four Proposition 50 conservation grants to augment Metropolitan incentives and increase the availability of web-based landscape conservation training. Staff is also working closely with the Bureau of Reclamation to implement conservation grants focused on landscape and commercial conservation.

Board Report (Water Resource Management February 2006 Activity Report)

Desalination

Regional Facilitator Role - Consistent with the December 2005 Board-adopted Regional Facilitator Role for Desalination, staff has:

- Coordinated research proposals among the member agencies and Metropolitan for upcoming Proposition 50 grant applications, including drafting a joint letter of support,
- Facilitated discussions on recent legislative and regulatory activities among the member agencies,
- Conducted a multi-agency field visit to the Port Hueneme Naval Base to investigate the activities of the Affordable Desalination Collaboration,
- Conducted a staff field visit to the beach well research project conducted by the Municipal Water District of Orange County, and
- Compiled a preliminary list of existing and potential regional desalination research. The list will identify whether the research is completed, currently underway, or proposed, to help identify areas of potential future research and the applicability of different research to brackish and seawater desalination.

Resource and Facility Planning

California Water Plan Update Bulletin 160-2005 – The California Department of Water Resources released the final California Water Plan Update Bulletin 160-2005 on February 14, 2006. It is currently available at the website <http://www.waterplan.water.ca.gov/>. Hard copies will be available in March/early April from DWR. The report focuses on two initiatives: maintain and improve the statewide water system and encourage integrated regional water management. The message of the integrated regional water management is for the regions to diversify their water portfolio strategies and to make effective use of local, state, and federal resources and funding. The Plan also states that California needs to make substantial investments in its water management system to support a vital economy, a healthy environment, and reliable water supply for its residences. The Governor has cited the California Water Plan Update as the foundation for water system improvements in his bond proposals.

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