

Principles for delivery of member agency procured State Water Project supplies

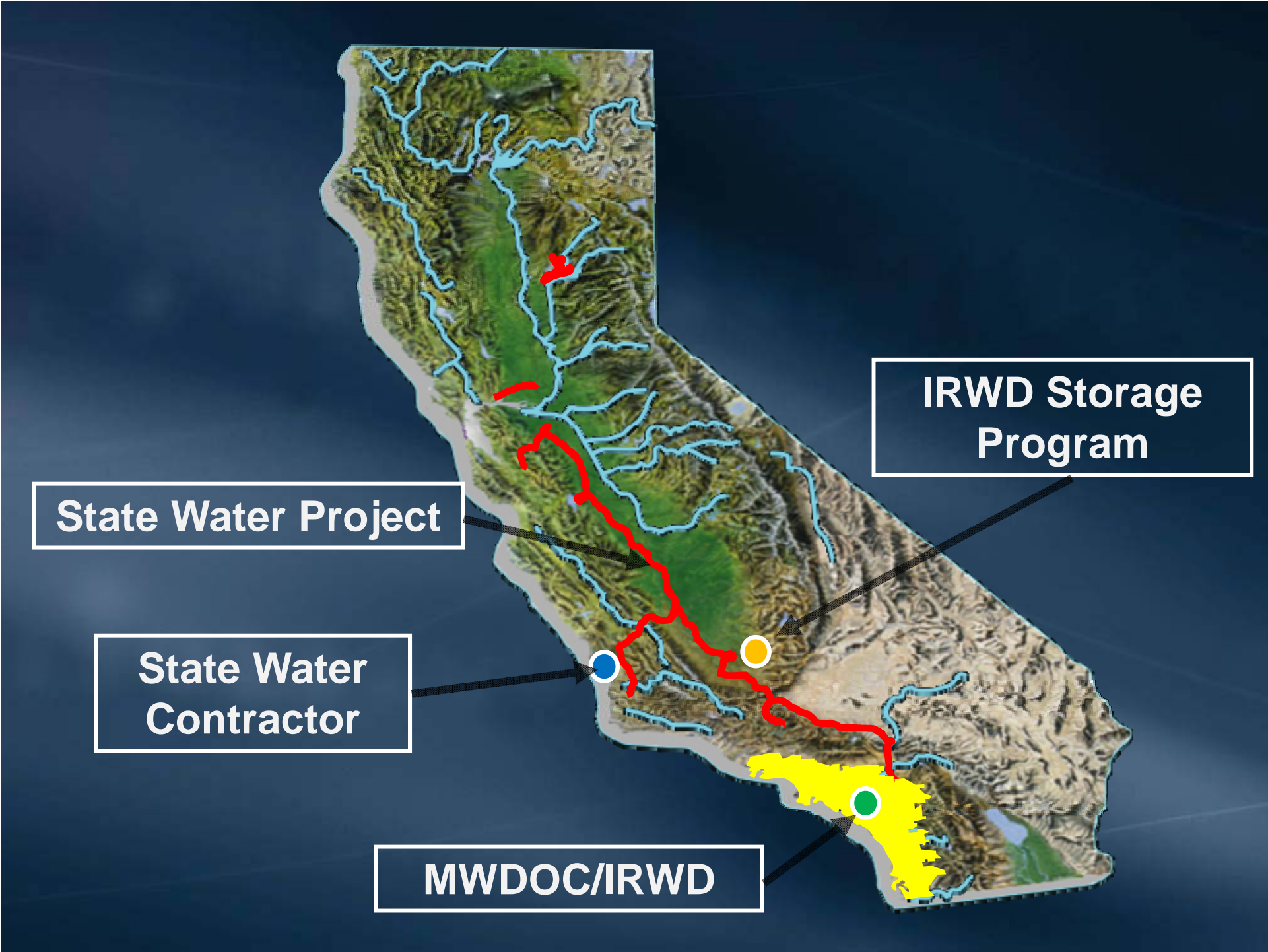
Water Planning and Stewardship Committee
Item 9-3
February 8, 2010

Objectives of Metropolitan

- Preserve SWP Contract Rights
- Protect Metropolitan financially
- Ensure equity

Key Terms

- Metropolitan maintains management and control of SWP supplies
- Program must comply with DWR requirements
- MWDDOC has access to unused capacity
- Metropolitan regulates the supply and MWDDOC is limited by the annual program capacity
- Program has storage component
- MWDDOC responsible for conveyance and storage losses



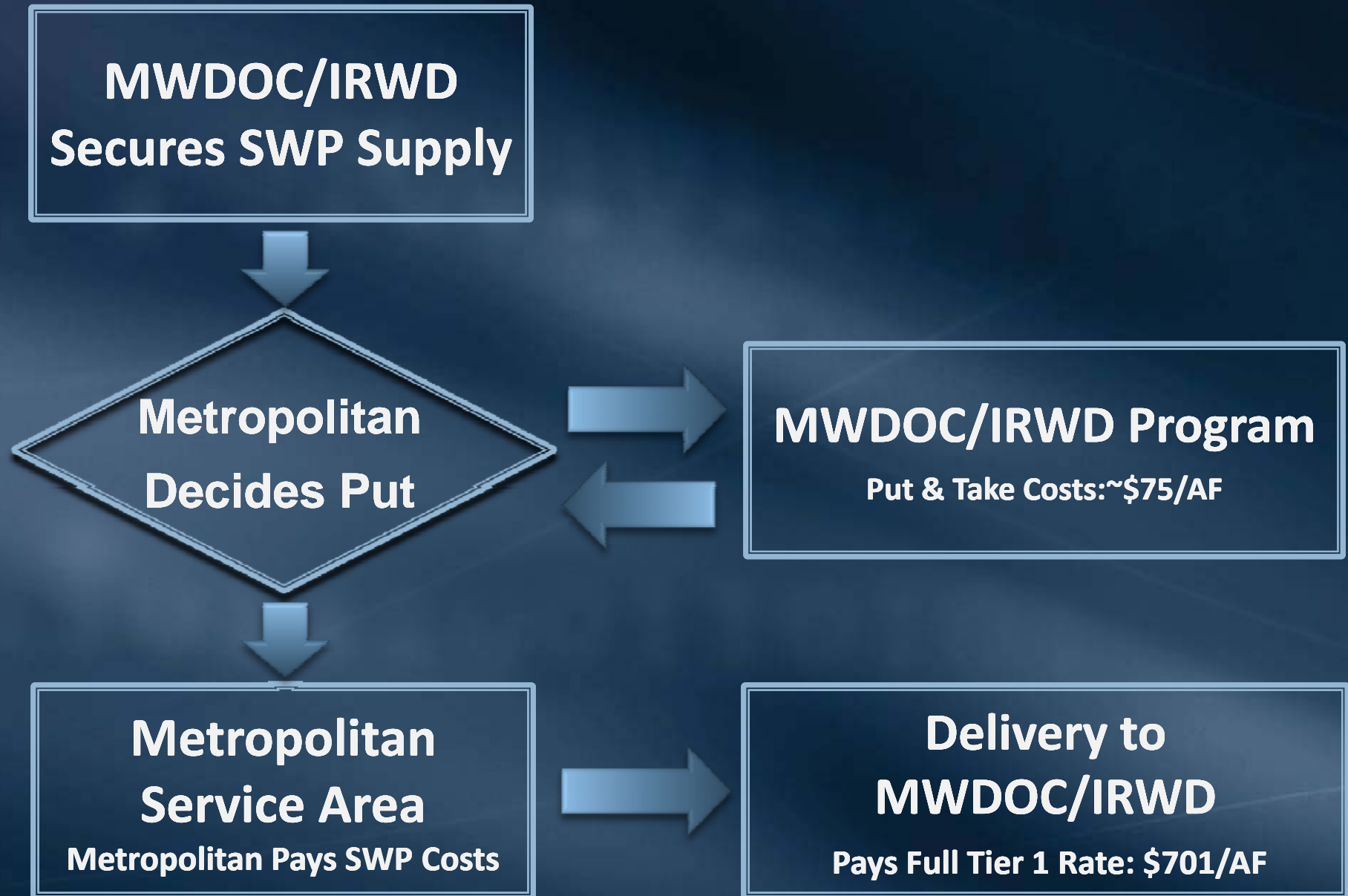
State Water Project

State Water Contractor

MWDOC/IRWD

IRWD Storage Program

Program Operation



Price of Water

- MWDOC pays the same full service rate that it is paying in the same month of the SWP delivery
- The SWP water would not count against Tier 1 deliveries
- Capacity Charge and Readiness-to-Serve Charges apply

Allocation Plan

- The existing allocation plan continues to apply
- SWP water secured qualifies as extraordinary supply
- Extraordinary Supply shared above Shortage Level 2
- Under a loss of local supply Metropolitan will consider the benefits Metropolitan receives from the program

Summary of Benefits

- MWDOC and IRWD Benefits
 - Improves water supply reliability during an allocation
 - Reduces groundwater pumping costs and storage losses when water stored in southern California
- Metropolitan Benefits
 - Maintains MWD management of SWP supplies
 - Access to a storage program
 - Enhances water supply reliability of the region