

IRP Update

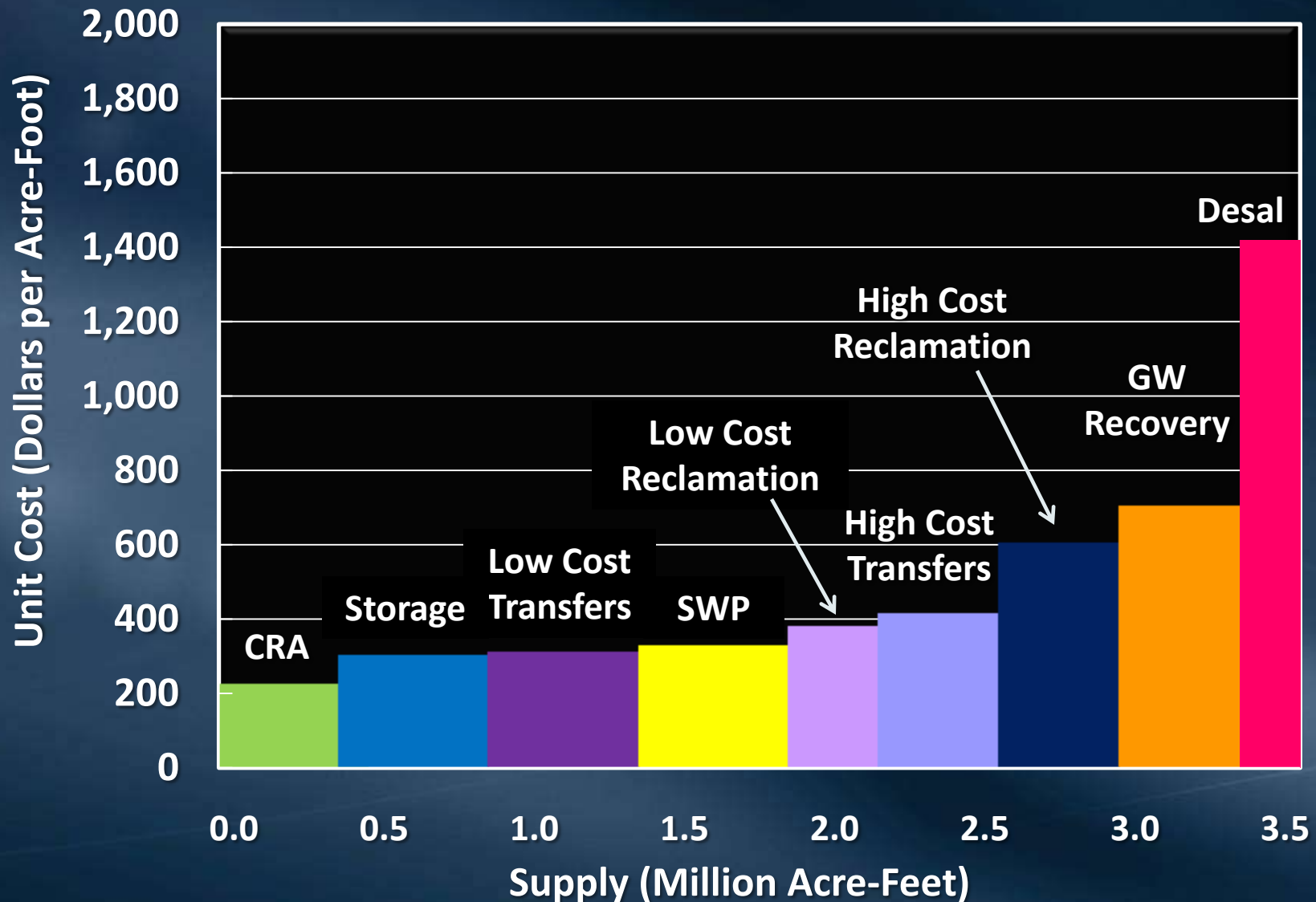
IRP Steering Committee
June 8, 2009

Agenda

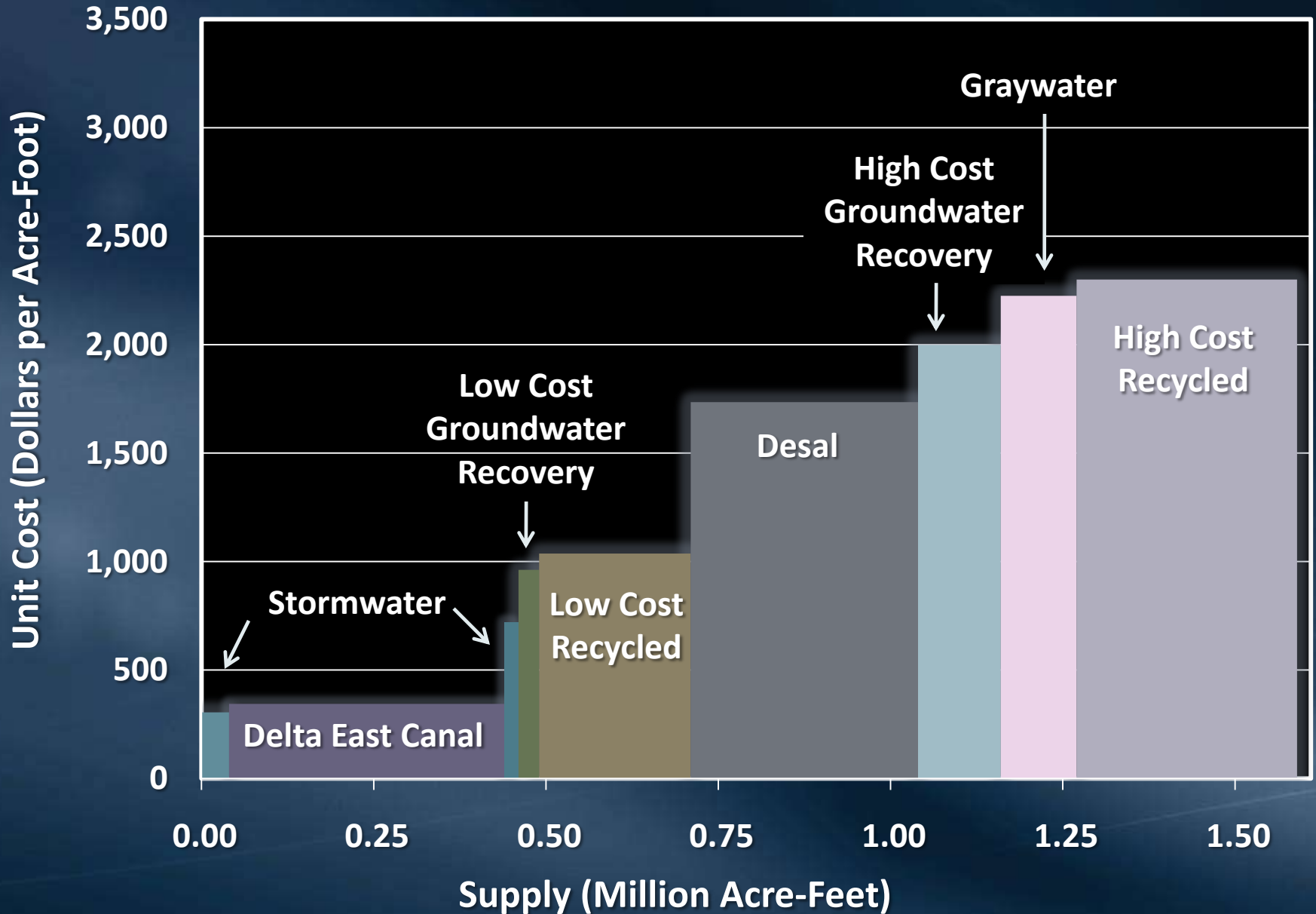
- Resource costs
- Evaluation Criteria
- Schedule

Resource Costs

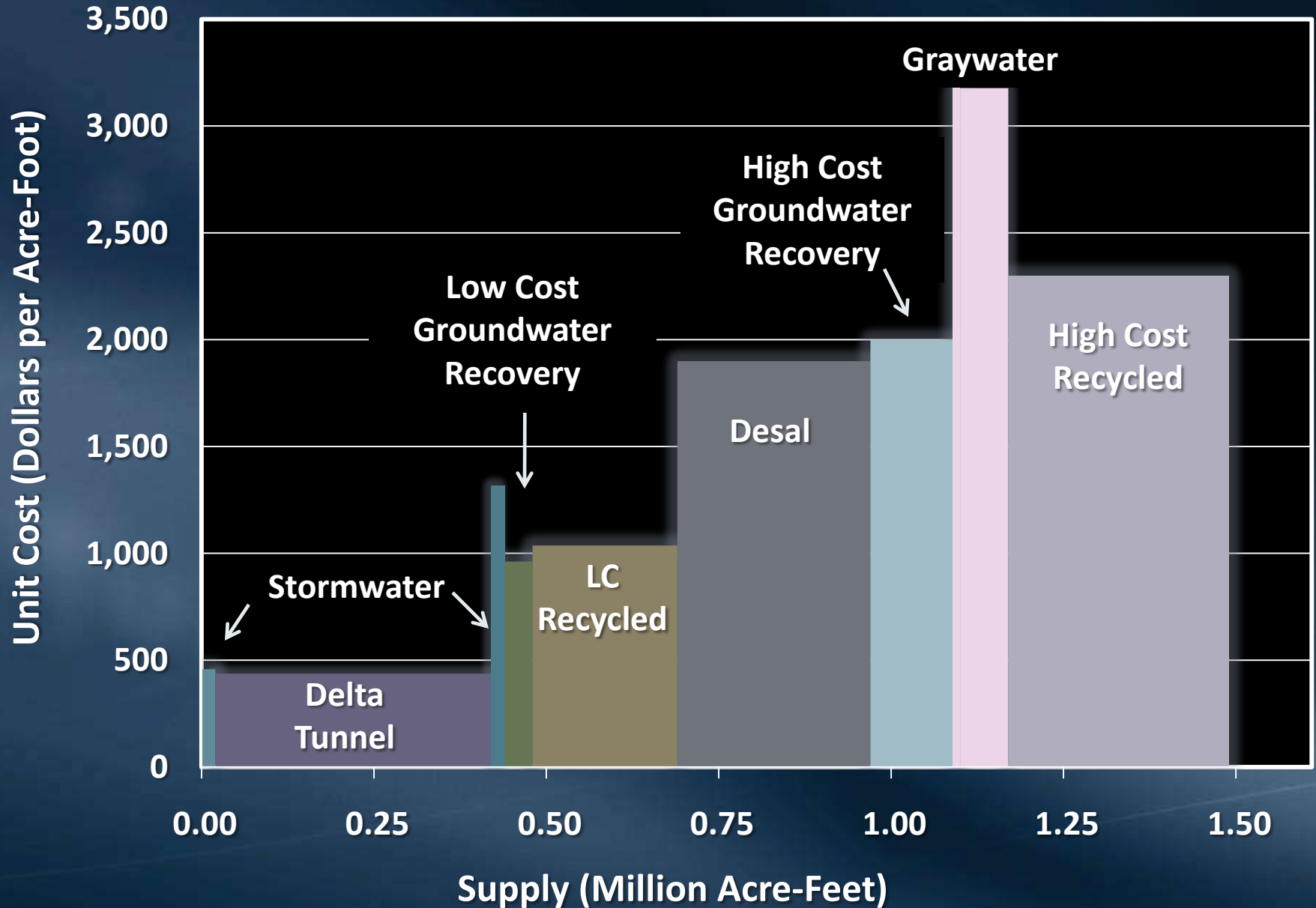
Average Unit Cost of Resource Options, 1996 IRP



Low Range Unit Cost , 2009 IRP



High Range Unit Cost , 2009 IRP



Observations

- Relative costs can be useful
- Challenges exists in comparisons
 - Source
 - Distribution
 - Treatment
 - Yield
- Cost impacts can be clearer in alternative analysis

Evaluation Criteria

Evaluation Criteria

- Evaluation criteria help analyze IRP alternatives
- Allow for comparisons of trade-offs and how well each alternative compares to the others

Goals for Developing Criteria

In developing the IRP Criteria the following was considered:

- Measures should align with MWD's mission statement
- Build upon MWD's prior IRPs
- Be consistent with member agency urban water management plans

Input from Stakeholders

The draft IRP Criteria were developed based on input from:

- IRP Stakeholder Forums
- Technical oversight committee meetings
- Member agency manager's meetings

Evaluation Criteria

Supply Reliability

To provide a reliable water under all foreseeable hydrologic conditions and major imported water system outages

Water Quality and Salinity

To provide high quality water that meets current and expected safe drinking water standards and MWD's salinity management goal

Environment

To consider environmental impacts, both negative and positive, in the evaluation of IRP alternatives

Implementation Issues/Barriers

To account for implementation issues and barriers; recognizing that there is a near-term vs. long-term perspective

Cost

To consider overall affordability and rate impacts in the evaluation of IRP alternatives

Risk

To account for risk and uncertainty in the performance of the IRP alternatives

Supply Reliability

- Supply variability under historical hydrology and potential climate change
- Risk of levee failures and system outages from earthquakes
- Ability to move the water around to meet localized demands
- Dependability of regionally-invested water

Water Quality

- Treatability of different source waters
- Potential water quality improvements
- Salinity impacts on the region's groundwater and recycled water

Environment

- Impacts to source water habitat
- Carbon emissions
- Pollution loadings on local receiving waters (rivers, bays, ocean)
- Impacts on local habitats from construction and operation of new facilities

Implementation

- Near-term programs
 - Proven technology
 - Status of project development
 - Ability to secure grant funding
- Considerations for all programs
 - Institutional issues
 - Political support
 - Public support

Cost

- Total lifecycle costs
- Rate impacts
- Benefits and costs deferment for wastewater and stormwater systems regionally

Risk

- Adaptability to climate change
- Demographic and socioeconomic trends
- Energy cost uncertainties
- Emerging water quality trends and environmental regulations

Schedule

2010 IRP Process Timeline

