



● Monthly Conservation Report

Summary

Monthly status report on Conservation Credits Program activity through November 15, 2010

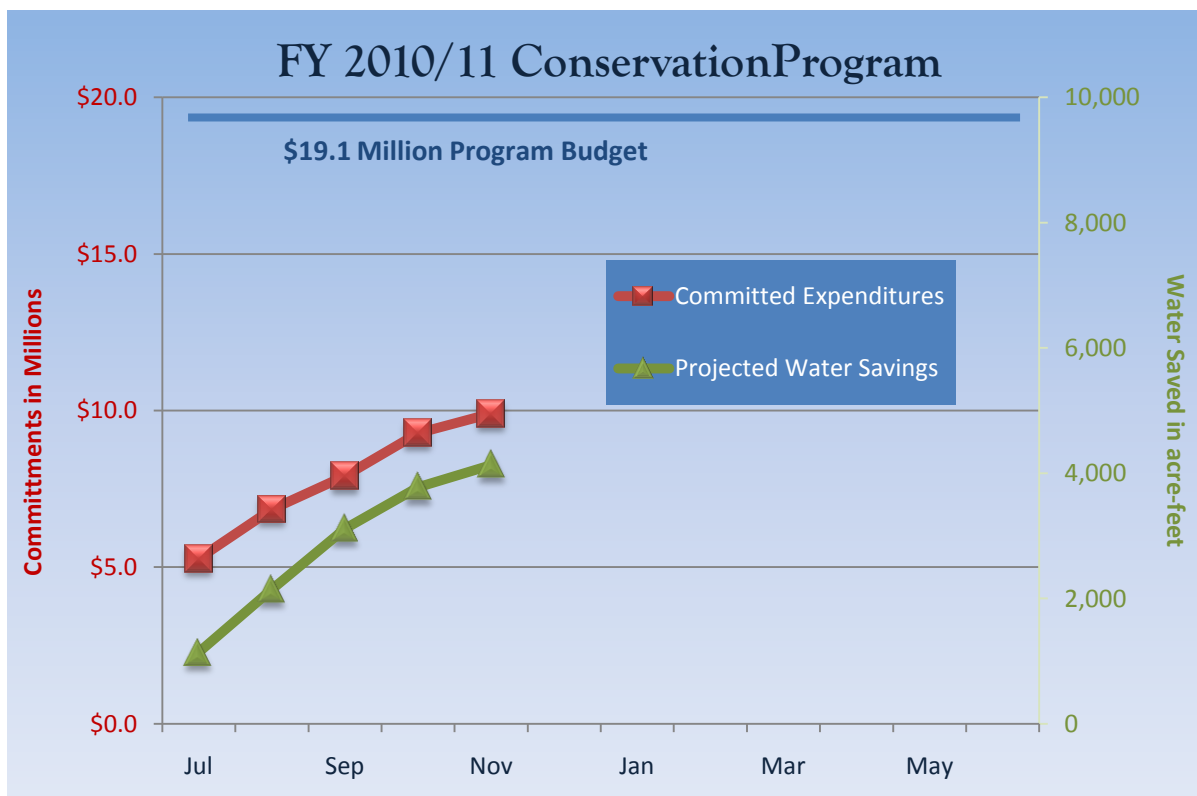
Detailed Report

FY 2010/11 Conservation Program

Metropolitan encourages water use efficiency through a variety of water resource management programs. Metropolitan’s FY 2010/11 conservation program commenced June 1 following board approval of the Water Conservation Plan. The program includes incentive and non-incentive based actions to achieve water savings.

In November, the regional residential program continued on a steady pace and the commercial program showed increased activity. Member agencies submitted new project proposals to be implemented under the MWD-funded/member agency administered program and submitted invoices for work completed. Of the \$19.1 million budgeted this fiscal year for conservation incentives, about \$9.9 million was committed through November 15 and about \$1.6 million has been processed for payment. Commitments include residential customer application requests, commercial customer reservations, approved member agency administered projects, existing contractual commitments, and an approved agricultural conservation project. Water savings based on committed expenditures are projected to be about 4,500 acre-feet annually and 45,700 acre-feet over the lifetime of the projects

Figure 1. FY 2010/11 conservation program committed expenditures and projected water savings

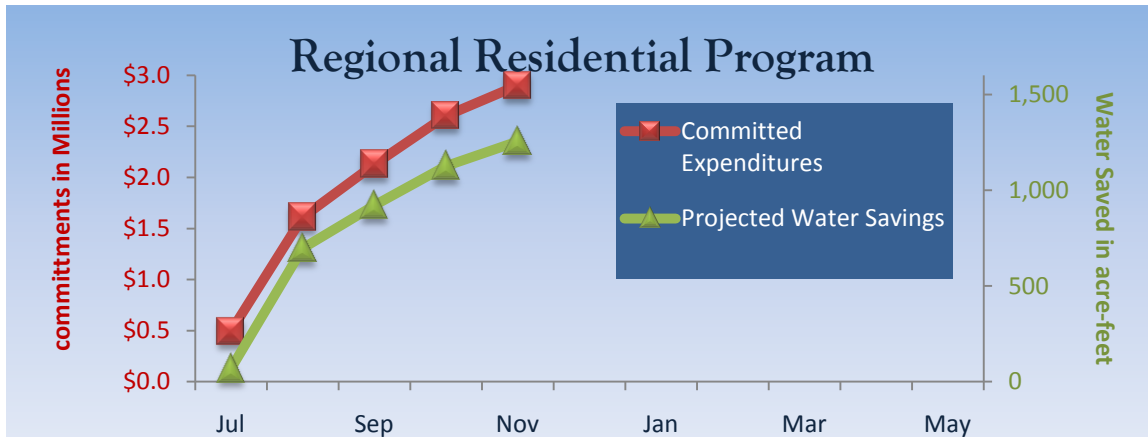


A summary of each conservation program element for November 2010 is provided.

Regional Residential Program - SoCal WaterSmart

Metropolitan’s regional residential program provides incentives to homeowners for the purchase and installation of water efficient products. Participation in the program primarily occurs through online rebate applications; however, a call in option is also available. Activity through the online system has exceeded expectations. Through November 15, 2010, about \$2.9 million in application funding requests have been received with projected water savings of about 1,300 acre-feet annually and 9,500 acre-feet over the lifetime of the project.

Figure 2. FY 2010/11 regional residential program committed expenditures and projected water savings

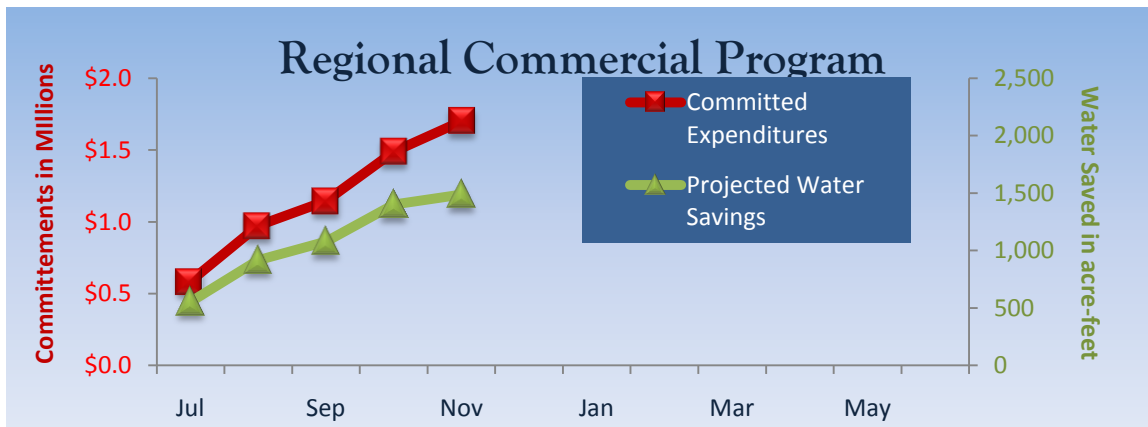


The initial allocation for the residential program has been increased from \$3.5 million to \$6 million to account for the activity in the program. The commercial program was reduced by the same amount from \$6.5 million to \$4 million to reflect the observed activity level. Staff is continuing work with the commercial program vendor, to increase the activity to reach the new allocation. Staff will continue to monitor performance of all budgeted programs and reallocate additional funding from under-utilized program categories as needed.

Regional Commercial Program - Save Water Save-A-Buck

The regional commercial program provides incentives to commercial customers for the purchase and installation of water efficient devices. Through the first quarter of the year, activity is lower than expected. Staff worked with the program vendor over the past month to increase program activity. In recent weeks, activity has increased in both the amount of reservations made and visits to the program website. Through November 15, 2010, approximately \$1.7 million has been reserved with projected water savings of about 1,500 acre-feet annually and 18,600 acre-feet over the lifetime of the projects.

Figure 3. FY 2010/11 regional commercial program committed expenditures and projected water savings



Board Report (Monthly Conservation Report)

MWD-Funded/Member Agency Administered Program

Metropolitan continues to support locally implemented programs administered by member and retail agencies. This program provides an allocation of funds to each member agency, providing flexibility for member agencies to implement projects needed in their service area, and exploring new projects. To date, a total of 51 projects have been approved for FY 2010/11. Projected water savings are about 740 acre-feet annually and 9,300 acre-feet lifetime.

Existing Commitments

The Enhanced Conservation Program provides funding to member agencies for new water conservation approaches. The Water Savings Performance Program provides funding to retail customers for large landscape water use efficiency and industrial process improvements. About \$1.6 million is committed to existing agreements in these two programs. Through November 15, 2010, payments totaling about \$130,000 have been processed. Projected water savings are about 1,000 acre-feet annually and 8,300 acre-feet lifetime.

Agricultural Conservation

Metropolitan's Agricultural Conservation Program provides funding to agricultural customers for irrigation system efficiency improvements. To date, five agreements for participation have been executed with member agencies. One small project has been approved for implementation. Additional projects are being developed by the member agencies.

Summary

The table below summarizes FY 2010/11 committed expenditures and projected water savings for the five elements of Metropolitan's water conservation program.

| FY 2010/11 Conservation Program | Budget (\$ millions) | Committed Expenditures (\$ millions) | | Projected Annual Water Savings (AFY) | Projected Lifetime Water Savings (AF) |
|---|-------------------------|--|----------------------|--|---|
| | | Oct-10 | FYTD | FYTD | FYTD |
| Regional Residential | \$6.0 | \$0.3 | \$2.9 | 1,300 | 9,500 |
| Regional Commercial | \$4.0 | \$0.2 | \$1.7 | 1,500 | 18,600 |
| MWD-funded/Member Agency Administered Programs | \$5.5 | \$0.2 | \$3.7 | 740 | 9,300 |
| Existing Contracts | \$1.6 | \$0 | \$1.6 | 1,000 | 8,300 |
| Agricultural | \$2.0 | \$0 | \$0 | 0 | 0 |
| Total* | \$19.1 million | \$0.7 million | \$9.9 million | 4,500 | 45,700 |

*Table may not foot due to rounding