



- Colorado River Management Report

Summary

This report provides a summary of the activities related to management of Metropolitan’s Colorado River resources for the month of July 2013.

Purpose

Informational

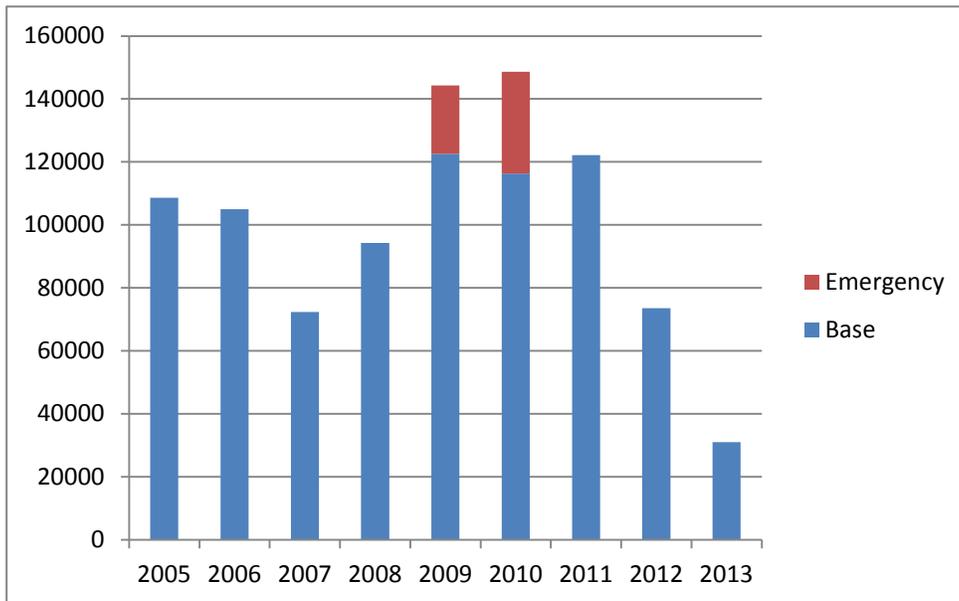
Detailed Report

Metropolitan Increases Palo Verde Irrigation District Fallowing Call

On July 31, Metropolitan notified landowners participating in the Palo Verde Irrigation District (PVID)-Metropolitan Land Fallowing Program that the 2014/16 fallowing call would increase to 50 percent of the maximum water allowed by the program. Currently, the land fallowing program is at the minimum level allowed in the agreement, which conserves about 31,000 acre-feet of water per year. Starting in August of 2014, the annual conservation savings will increase to about 62,000 acre-feet. Under the program agreement, the fallowing call is issued one year before the land is actually fallowed, and the land must stay at that level for a two-year period. Currently, the price paid to PVID farmers to fallow land is \$733 per acre. That amount increases each year to match inflationary increases.

The chart below demonstrates the amount of conserved water generated from the PVID program since it began in 2005. The chart also includes the emergency fallowing program, where the call was increased beyond the maximum amount in fiscal year 2009/10.

Historic Conserved Water Generated from PVID Fallowing Program



Metropolitan Executes Water Sale Agreement with Southern California Edison (Edison)

Metropolitan and Edison executed an Agreement for the Sale and Exchange of Water (Agreement) in July. Execution of the Agreement was authorized by Metropolitan’s Board at its July 10, 2012 meeting. Edison is

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constructing the Devers-Palo Verde 500 kV No.2 Transmission Line Project (Project), an electric transmission line that will deliver renewable energy generated in the Blythe area to and through the Edison service area. As part of the Project, the California Public Utilities Commission (Commission) and the U.S. Bureau of Land Management (BLM) approved construction of the Colorado River Substation (Substation) 15 miles west of the Colorado River. The Substation site is not located within the service area of any water supply agency. To provide a water supply for the construction and operation of the Substation, the Commission and BLM approved Edison's proposed installation of a groundwater well at the Substation. The pumping of groundwater on the Substation site has the potential for pumping water that is hydraulically connected to the Colorado River.

The Mitigation Monitoring, Compliance and Reporting Program adopted by the Commission and BLM require that Edison perform groundwater monitoring. If monitoring indicates that groundwater is hydraulically connected to the Colorado River, Edison is required to provide a replacement supply of water. The Agreement provides a source of replacement water supply to meet Edison's obligations under the Program.