

Water Planning and Stewardship Committee

Subject: Report on Cyclic Storage Accounts

Purpose: Report on USGVMWD & TVMWD Cyclic Storage Accounts

Water Planning and Stewardship (ORAL REPORT required, hide slide)

Item #6b

Summary - Report on Cyclic Storage Accounts



Report on Cyclic Storage Accounts

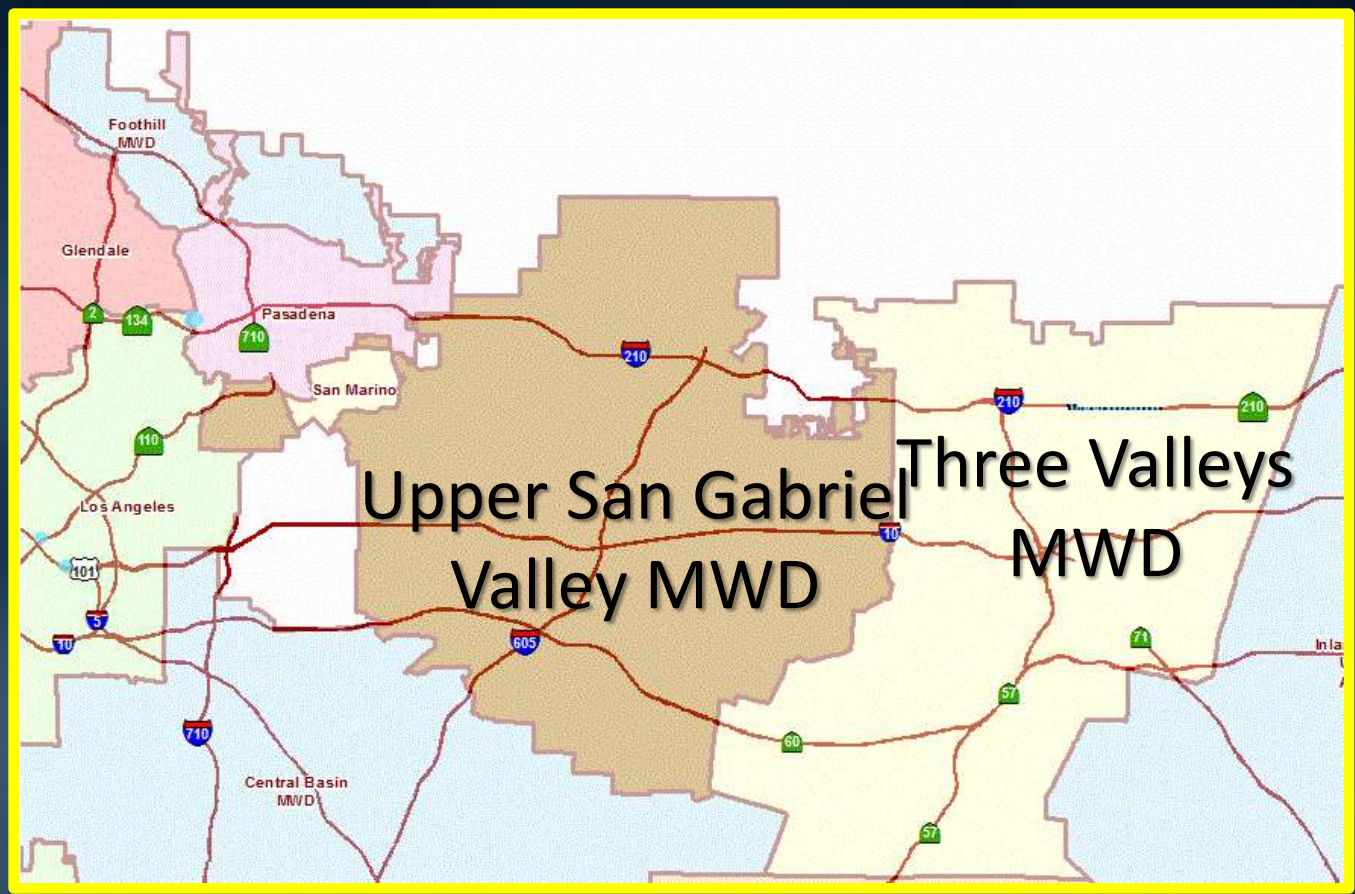
Water Planning and Stewardship Committee
September 9, 2013
Item 6b

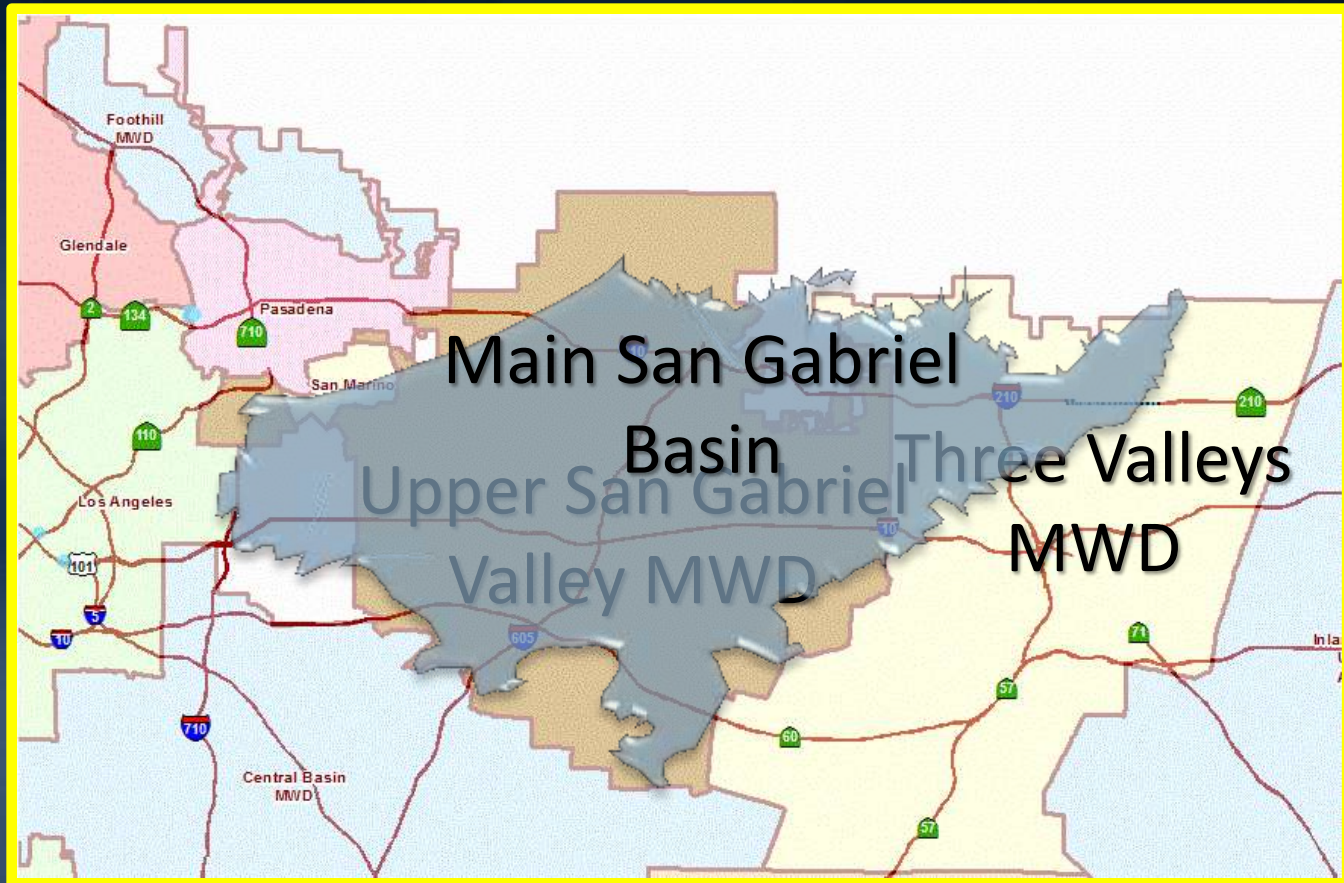
Background – Cyclic Accounts

- Purpose to pre-deliver replacement supplies for member agencies that overproduce
- Purchase price historically replenishment rate
- Current Board adopted rate structure no longer has replenishment rate
- Two remaining cyclic accounts expire in 2014

Background – Cyclic Accounts

- Main San Gabriel Basin Cyclic Accounts
 - Upper San Gabriel Valley MWD – 100,000 AF
 - Three Valleys MWD – 40,000 AF
- No cost to Metropolitan
- No losses to place water into accounts





Cyclic Amendment Key Terms

- Full service rate when water recovered from cyclic accounts
- Capacity charge not applied because deliveries at Metropolitan's discretion
- Agreement terminates in five years, but renewable upon mutual agreement

Metropolitan Cyclic Storage Account Benefits

- Full service water sale when water is recovered
- No cost to Metropolitan and no put losses
- Delivery Point for exchange and purchase supplies
- Maintains storage to improve Metropolitan's water supply reliability

