

Water Planning and Stewardship Committee

Item 6b

Subject: Overview of Water Supply Allocation Plan

Purpose: Review Water Supply Allocation Plan and member agency workgroup process

Water Planning and Stewardship Committee

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Summary

Review Metropolitan's Water Supply Allocation Plan and the ongoing member agency workgroup process



Water Supply Allocation Plan Baseline and 2015 Scenarios

Water Planning and Stewardship
October 13, 2014
Item 6b

Review of Process

Three Areas for Discussion

Baseline Calculation

- What is the amount that member agencies reduce from?

Allocation Formula

- What is considered in determining how much each member agency reduces?

Allocation Enforcement

- What is used to ensure member agencies reduce?

Base Period Discussion

Why is the Baseline Important?

- Correct estimate of water needs
- Promotes “Fairer” balance between agencies
- A key determinant for when “mandatory allocations” are needed
 - Baseline Too High = Frequent and/or Large Cutbacks
 - Baseline Too Low = No Mandatory Cutbacks when reduced demands are needed

Summary of Base Period Discussions

- Workgroup support to update Base Period to FY 2013 and 2014
- A 2015 WSAP Implementation would only require a single year of adjustments
- Updated Base Period reflects more recent agency water use patterns

Outstanding Baseline Issues

- A separate assessment of Groundwater Replenishment is needed
 - Workgroup recognizes that deliveries may be needed to sustain groundwater production and quality
 - Discussions are continuing
- Impacts on agencies with mandatory conservation ordinances in the Base Period need to be addressed

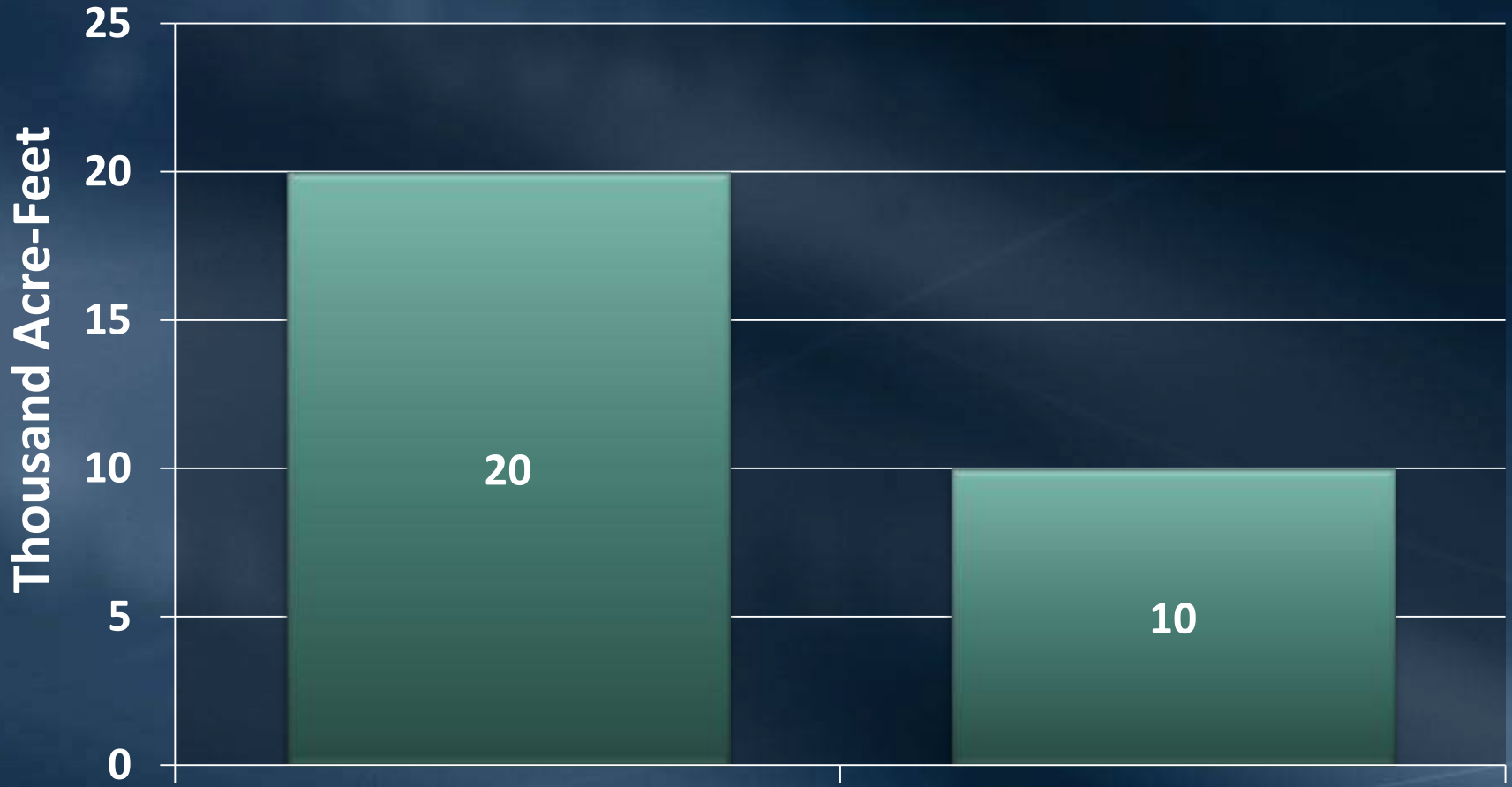
WSAP Allocation Formula Discussion

Issues Being Discussed

- What if agencies are already conserving and will therefore have more difficulty increasing savings during an allocation?
- Is there an incentive for agencies to produce or develop additional local supplies?

Demand Hardening Example

■ Base Period

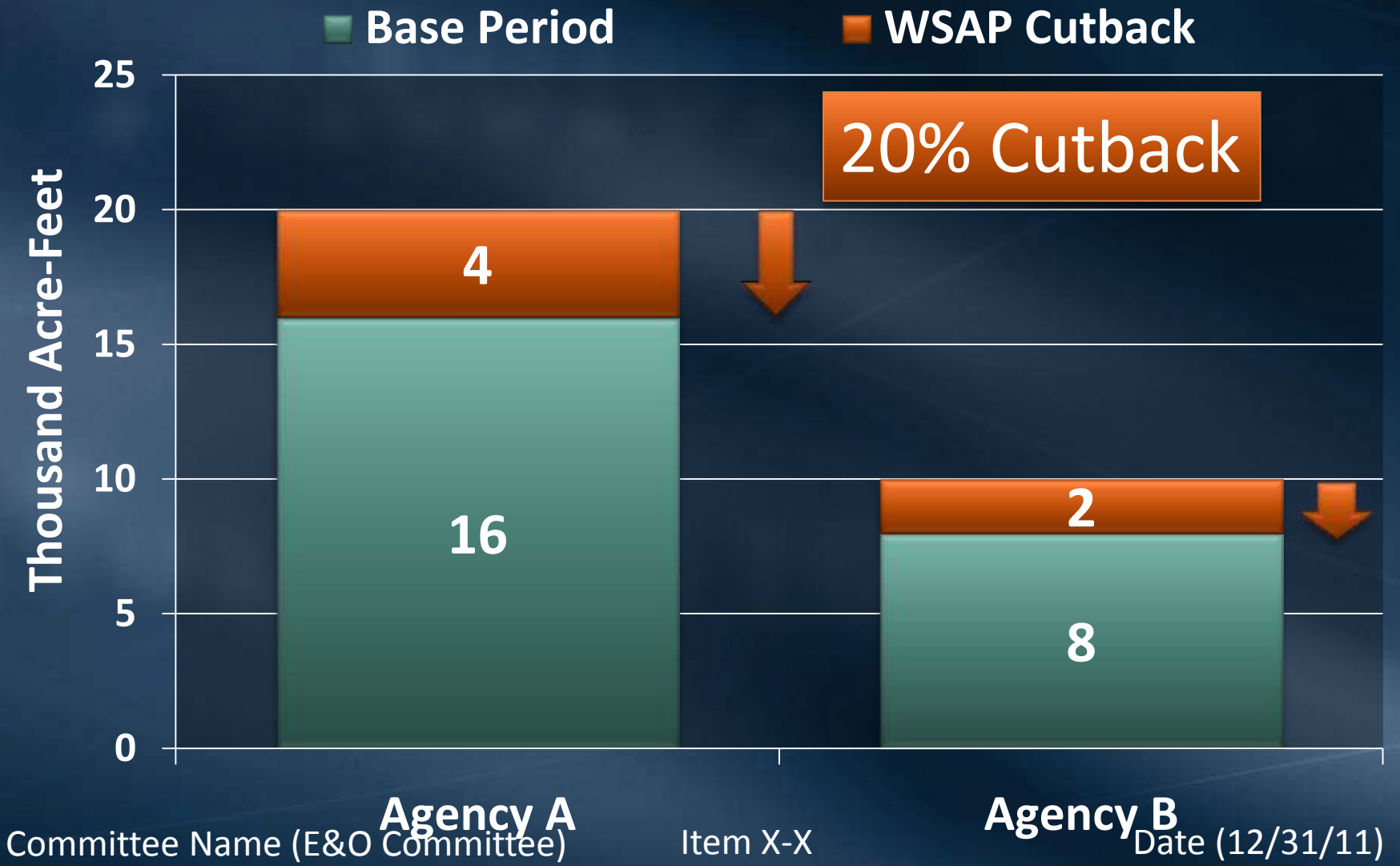


Committee Name (E&O Committee) **Agency A**

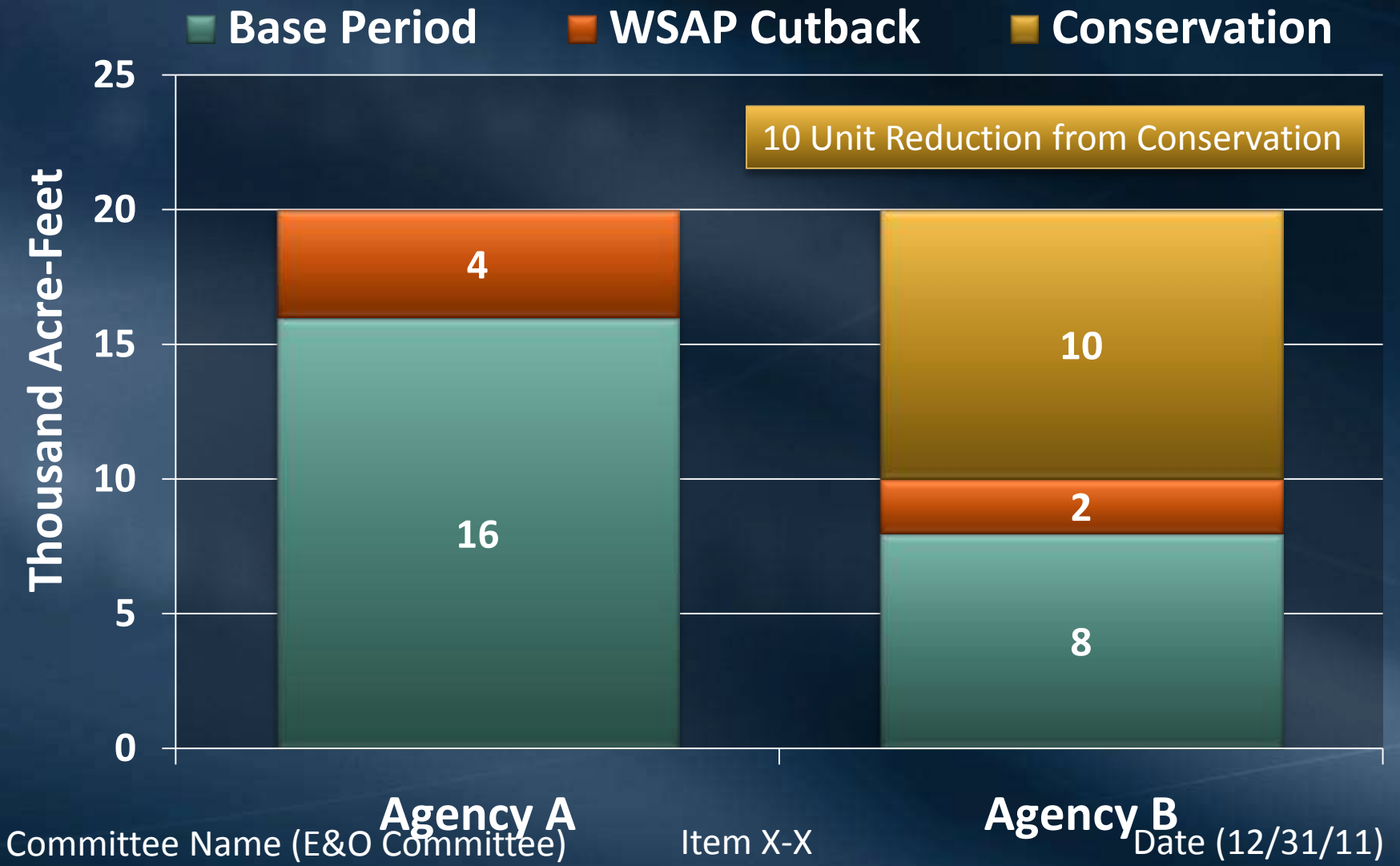
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Agency B
Date (12/31/11)

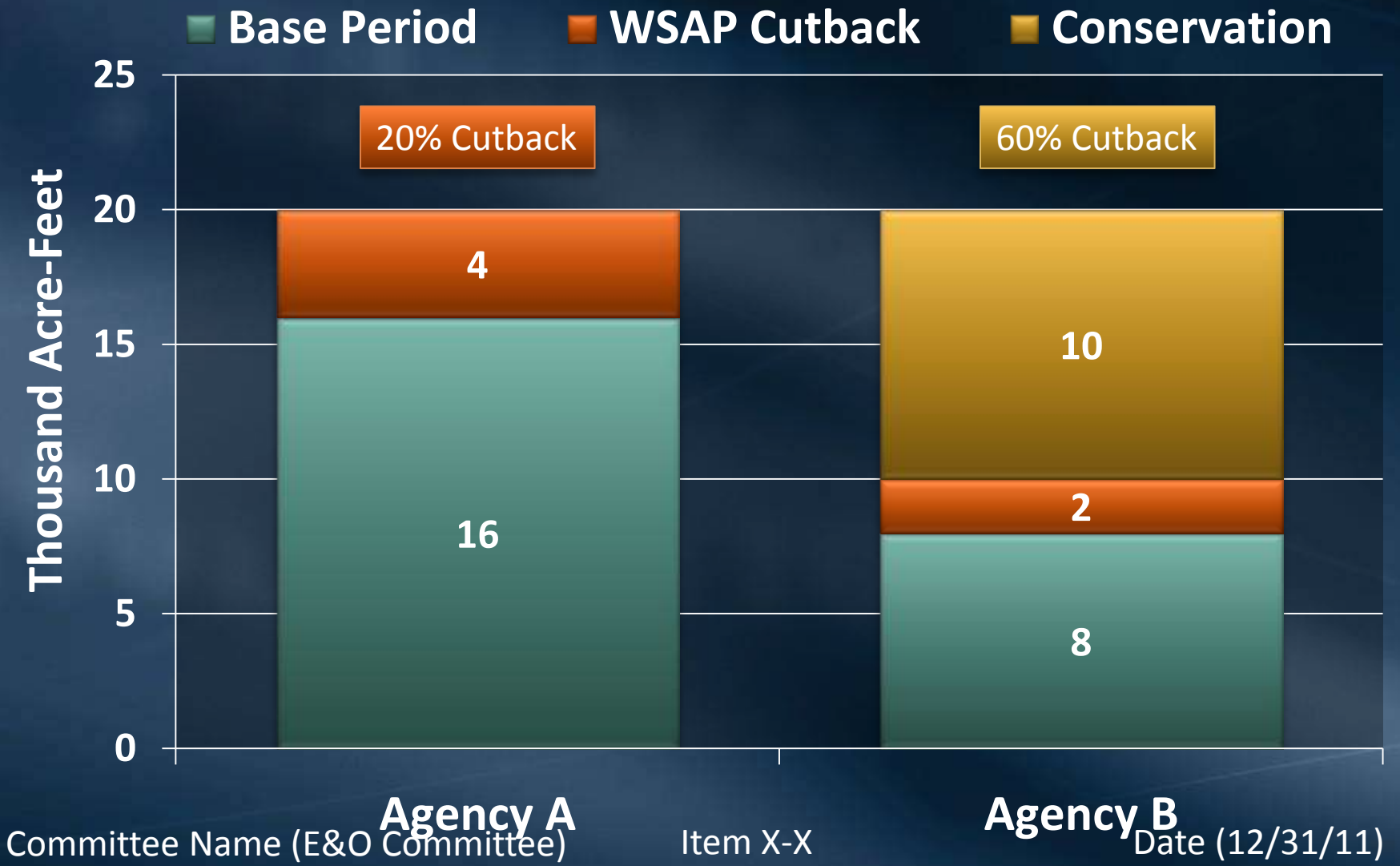
Demand Hardening Example



Demand Hardening Example



Demand Hardening Example



Current Conservation Hardening

- Calculates conservation from Active, Code-Based, Price, System Loss Reductions
- Also includes estimates of savings from Qualifying Rate Structures
- Does not include behavioral and restricted use reductions from Mandatory Ordinances
 - This issue is magnified by the updated base period of FY2013/14

Improved Conservation Hardening

- Quantify conservation savings from observed reductions in GPCD
- Account for observed reductions in WSAP formula

Local Resources Development

- Current WSAP Formula is primarily a needs-based approach
- Additional Local Supply in an Allocation Year offsets the need for imported supplies
- Agencies developing new local supplies are concerned that this approach dis-incentivizes local supply investment
- Working toward developing ways to recognize the benefits of new local supplies

