



Agreement with Department of Water Resources to Participate in Multi-Year Water Pool Demonstration Program

Water Planning and Stewardship Committee

Item 8-1

February 9, 2015

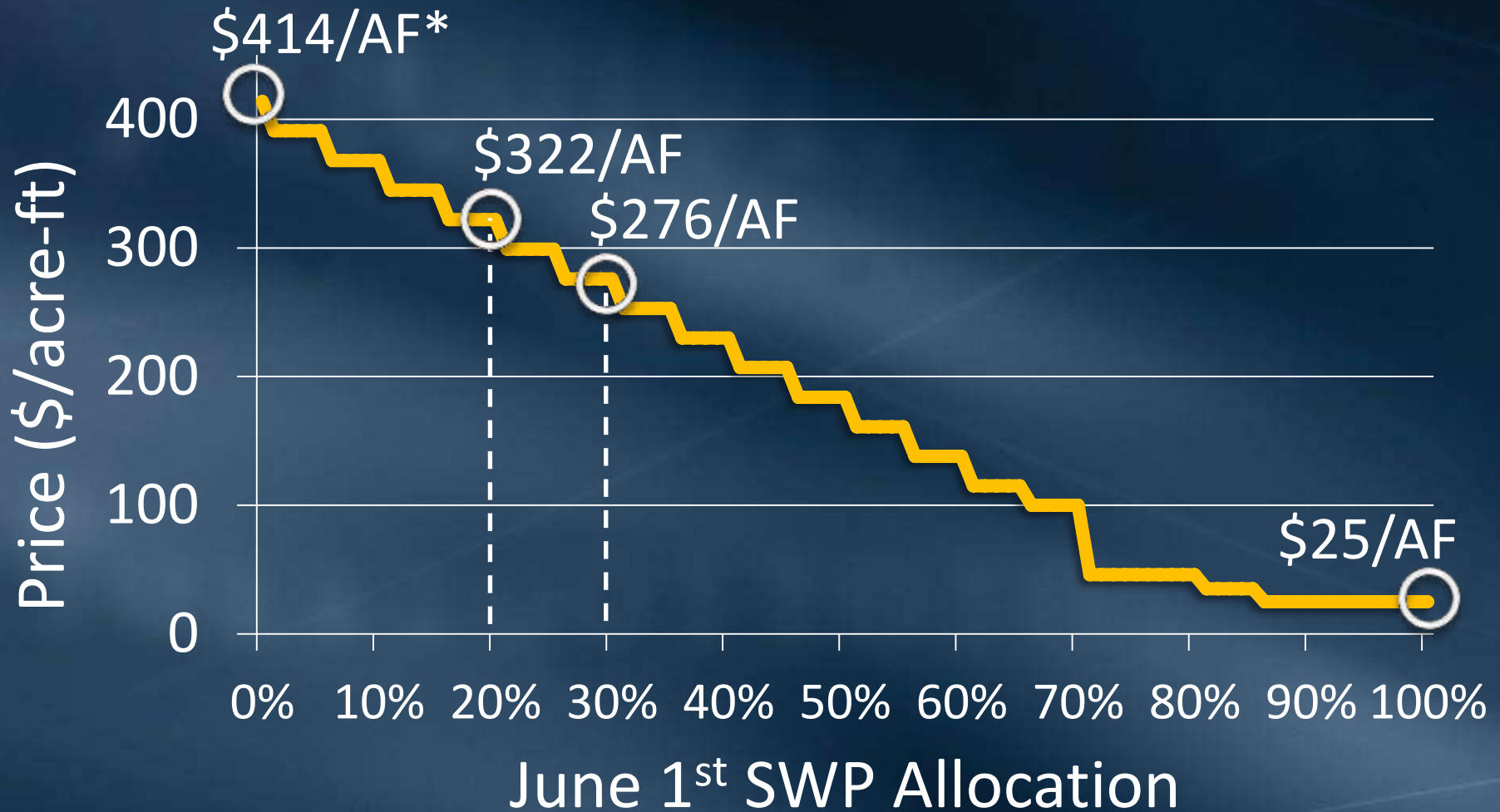
Water Pool Overview

- In June 2013, the Board authorized participation in the 2013 and 2014 Water Pool and Metropolitan secured 30,000 AF at \$253/AF
- Allows State Water Contractors (SWC) to sell SWP supplies to other SWC in 2015 and 2016 with a set price schedule
- Provides added value to SWC currently not fully using their SWP supplies

Water Pool Details

- DWR will manage the program
- No Delta carriage water losses
- Water allocated based on Table A
 - Metropolitan's share 46% if all SWCs participate
- Participants need to commit by late-February
- Price based on June 1st SWP Allocation

Water Pool Pricing Schedule



*Assumes DWR allows carryover supplies to be sold

Water Pool Available Supplies

- Amount available will depend on SWP Allocation and SWC participation
- Seeking approval for up to \$46 million
 - 100,000 AF X \$230/AF for two years
- If SWP Allocation higher than 40% the price will be lower

Water Pool Benefits

- New supplies at reasonable cost
- No losses
- Competitive with storage program costs

Board Options

- Option #1

- Adopt the CEQA determination
- Authorize General Manager to enter into a two-year agreement with DWR to pay up to \$46 million for SWP supplies

- Option #2

- Do not authorize the General Manager to enter into a two-year agreement with DWR to purchase additional SWP supplies

Recommendation

- Option #1

