



Metropolitan's 2018 State Water Project Charges

Water Planning and Stewardship Committee

Item 6a

November 13, 2017

State Water Project Facilities



State Water Charges Highlights

- **Calendar year 2018 fixed charges down \$19.5 million**
 - **Conservation increased \$1 million**
 - **Transportation decreased \$20 million**
- **Fiscal year 2017-2018 projected costs including variable are \$57 million under budget**

SWP Fixed Charges Comparison Calendar Year



Conservation

Where Delta Fixed Charges Have Changed

DWR managing Conservation costs - small overall increase in Delta Charges - \$2 million

- Future

- \$2 million increase in charges

- \$1.8 million increase in energy charges

- Past

- (\$2.8) million decrease

Proposed Bay Delta Biological Opinion and Habitat Restoration Expenditures

(\$'s in millions)



Transportation

Transportation Fixed Charges Reduced \$20 million

- (\$4.7) million Capital
 - Cost and Debt Service Reduction
 - Rate Management Credits Adjustment
- (\$15.4) million Minimum Operation and Maintenance
 - Cost increase
 - Cost reclassification
 - Reservoir storage changes

Transportation Operation and Maintenance Comparison

(\$'s in millions)

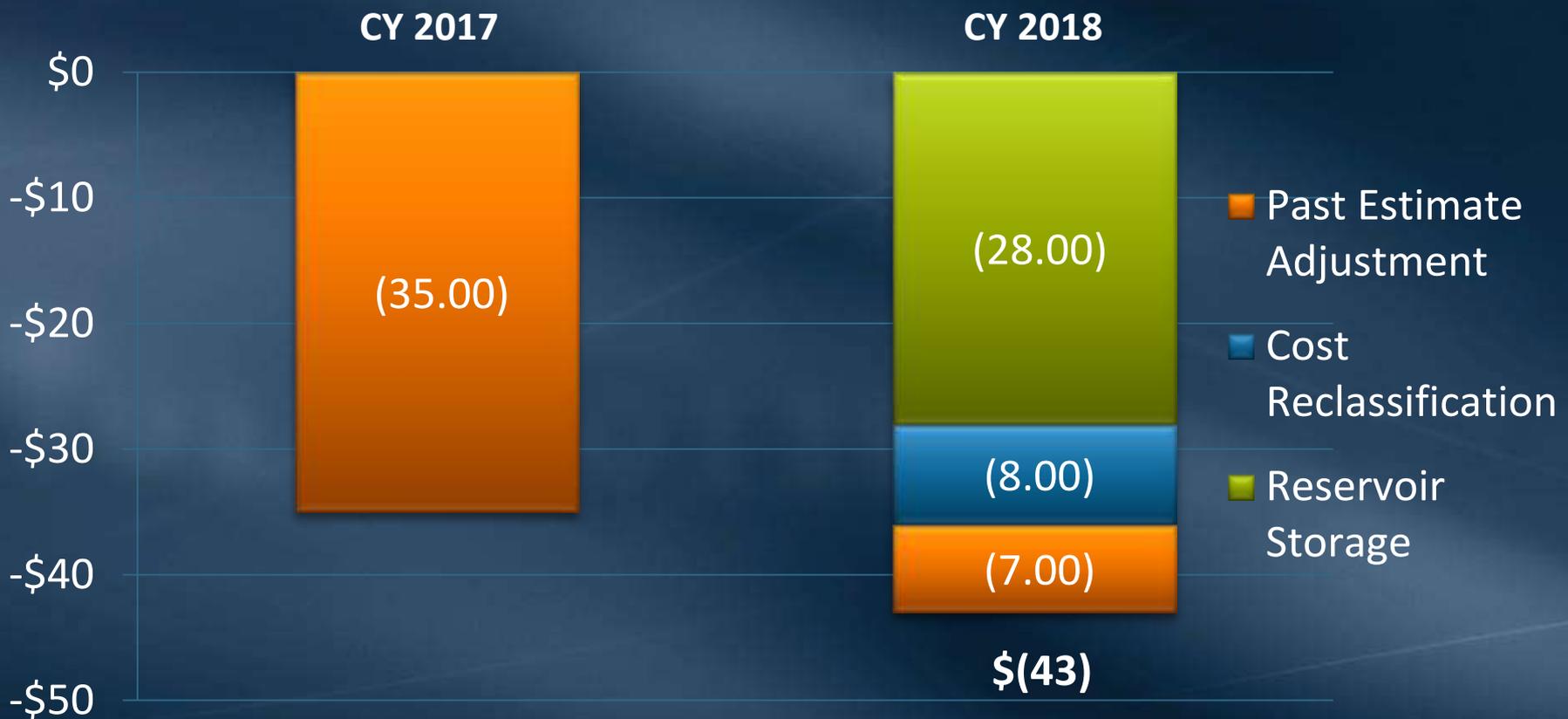


Changes in Reservoir Storage Affect Charges



Analysis of True-Up of Transportation of Past Costs

(\$'s in millions)

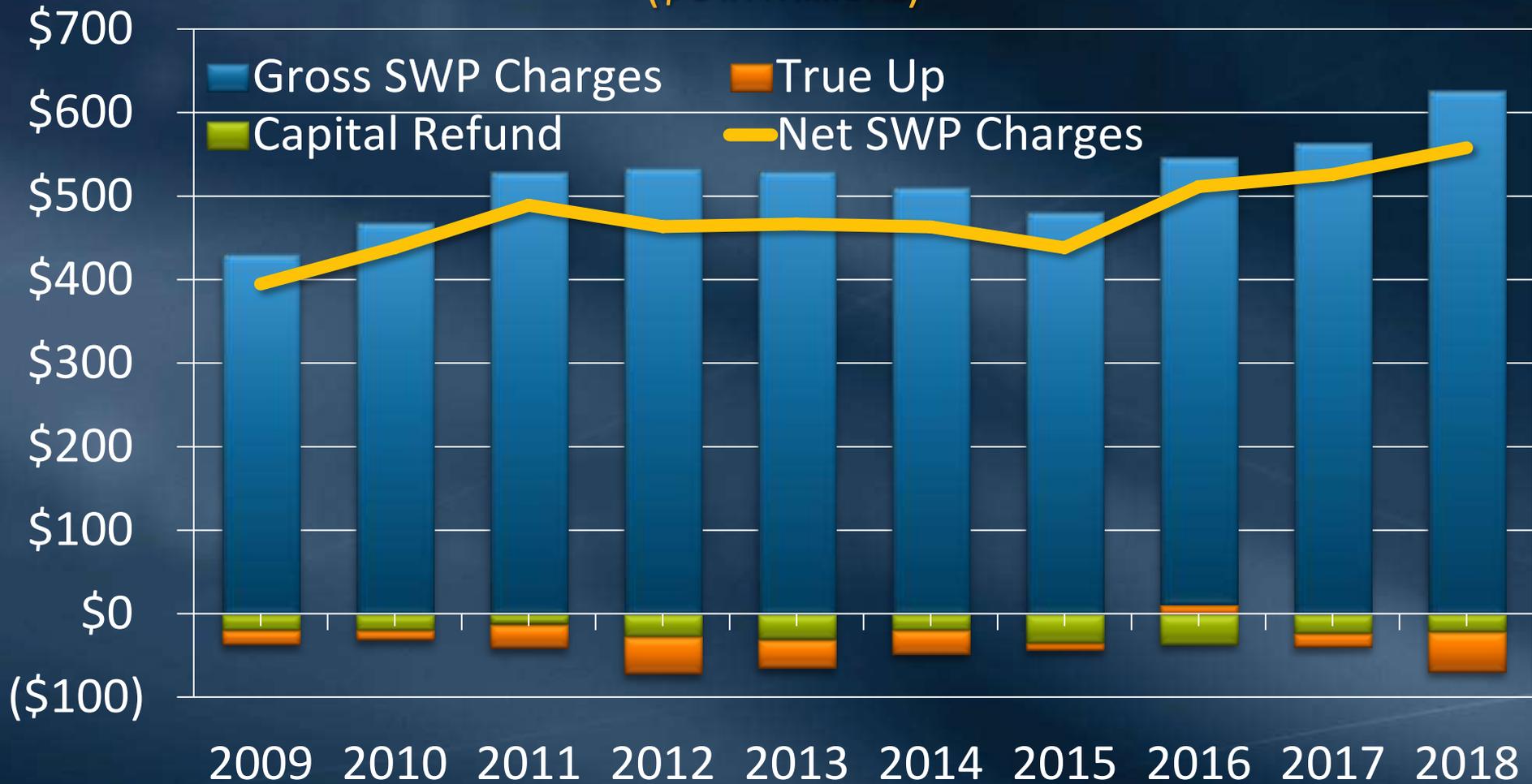


Fiscal Year Budget and Projected

State Water Project Charges

Fiscal Year Summary

(\$'s in millions)



Current FY 2017/18 SWP Net Charges Projection Below Budget



Oroville Spillway - June



Photo courtesy of DWR

Oroville Spillway - November



Photo courtesy of DWR

Updated Oroville Recovery Costs

DWR applying for FEMA reimbursement (up to 75% of costs)

Response and Cleanup

- Initial Estimate: \$274 million
- Updated Estimate: \$140-160 million

Reconstruction Work

- Initial Estimate: \$275 million
- Updated Estimate: > \$500 million through Jan 2019

Contract Extension will affect cost recovery period

Summary

- Annual fixed Project charges down
 - Reservoir water inventory adjustments
- Fiscal Year expenditures below budget
- Audit report on annual charges to be distributed in December
- Oroville Spillway project in progress
- Budget discussions up coming

