



Information on Exchange Agreements with Desert Water Agency and Coachella Valley Water District

Water Planning and Stewardship Committee

Item 9-2

March 11, 2019

California Service Areas



Managing Exchange Water

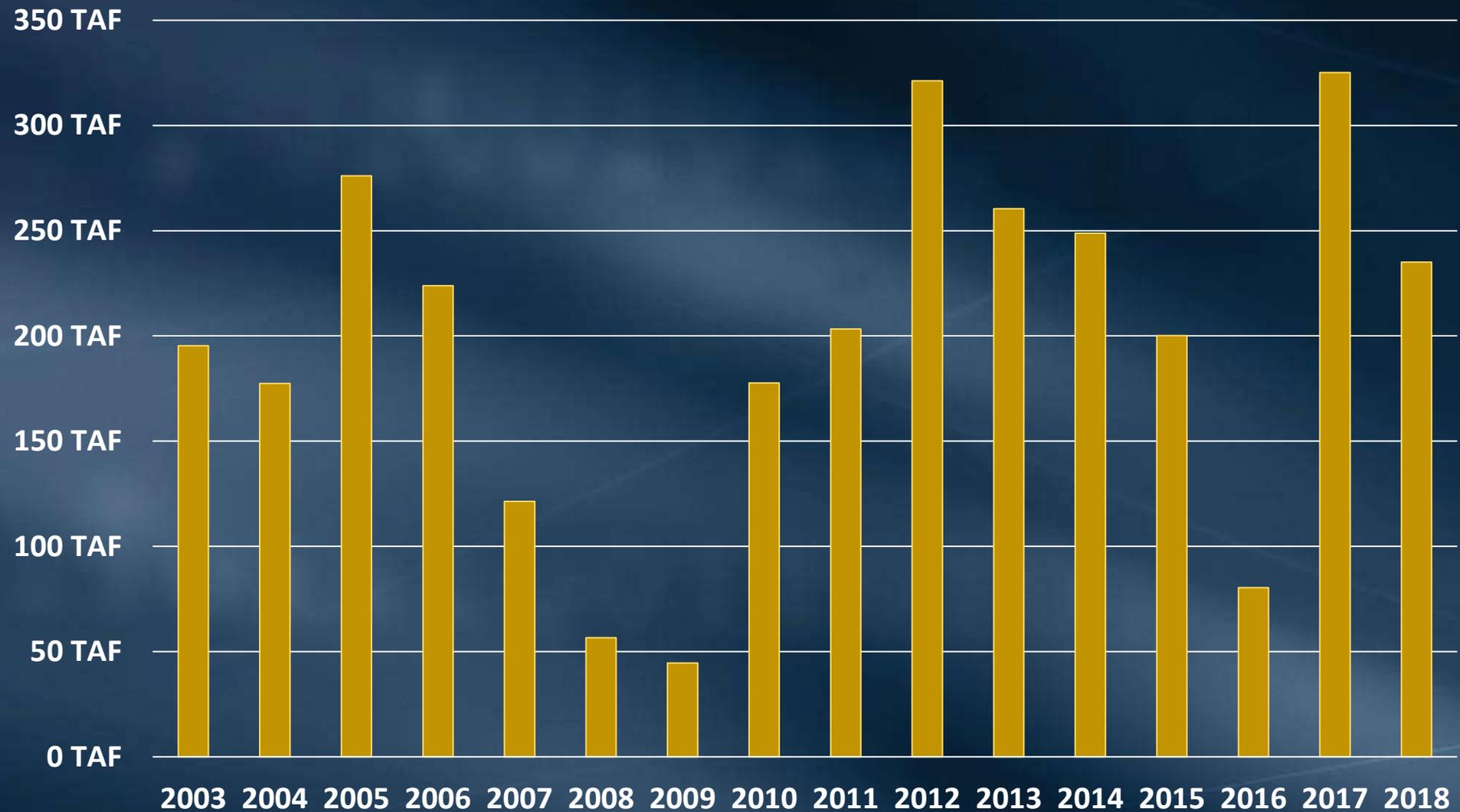
- Metropolitan exchanges Coachella/Desert's Table A supplies each year
- Separate exchange agreements required for other SWP supplies and transfers
- Metropolitan schedule and manages Coachella/Desert's SWP water
 - **Helps meet SWP exclusive area demands**

Managing Exchange Water (cont.)

- Metropolitan may deliver Colorado River water in advance of receiving Coachella/Desert's SWP water
 - Advance Delivery Account
 - No cost for storage; no storage losses



Advance Delivery Account End of Year Balance



Managing Exchange Water (cont.)

- 100,000 acre-feet Table A transfer
 - Reduces SWP fixed and variable cost
 - Option to call back transfer in any year
 - Never exercised the option

2019 Proposed Amendments

- Share equally the operational benefits and risks of SWP supplies
 - Benefits acquiring additional SWP supplies shared equally
 - Increased sharing of risks and costs of managing and storing SWP supplies
 - Desert and Coachella would pay a portion of Metropolitan's SWP storage costs
- Consolidate exchange agreements

2019 Proposed Amendments (cont.)

- Extend term from year 2035 through SWP contract extension
 - Continue assurance to access SWP supplies
- Eliminate 100 TAF Table A call-back provision
 - Increases certainty for Coachella/Desert
- Allow for deferred Colorado River exchange deliveries
 - Would help Colorado River Aqueduct in dry years
- Simplified payment structure

Coachella 35 TAF Agreement

- QSA related Colorado River agreement
- MWD provides Coachella 35 TAF annually
 - Coachella reimburses Metropolitan for delivery costs
- Proposed amendment allows an average delivery of 35 TAF annually through 2026
 - Metropolitan would be able to defer deliveries in dry years
- Annual payment schedule developed

Next Steps

- Finalize negotiating proposed amendments
- Seek Board Authorization to amend agreements with Coachella and Desert this spring

