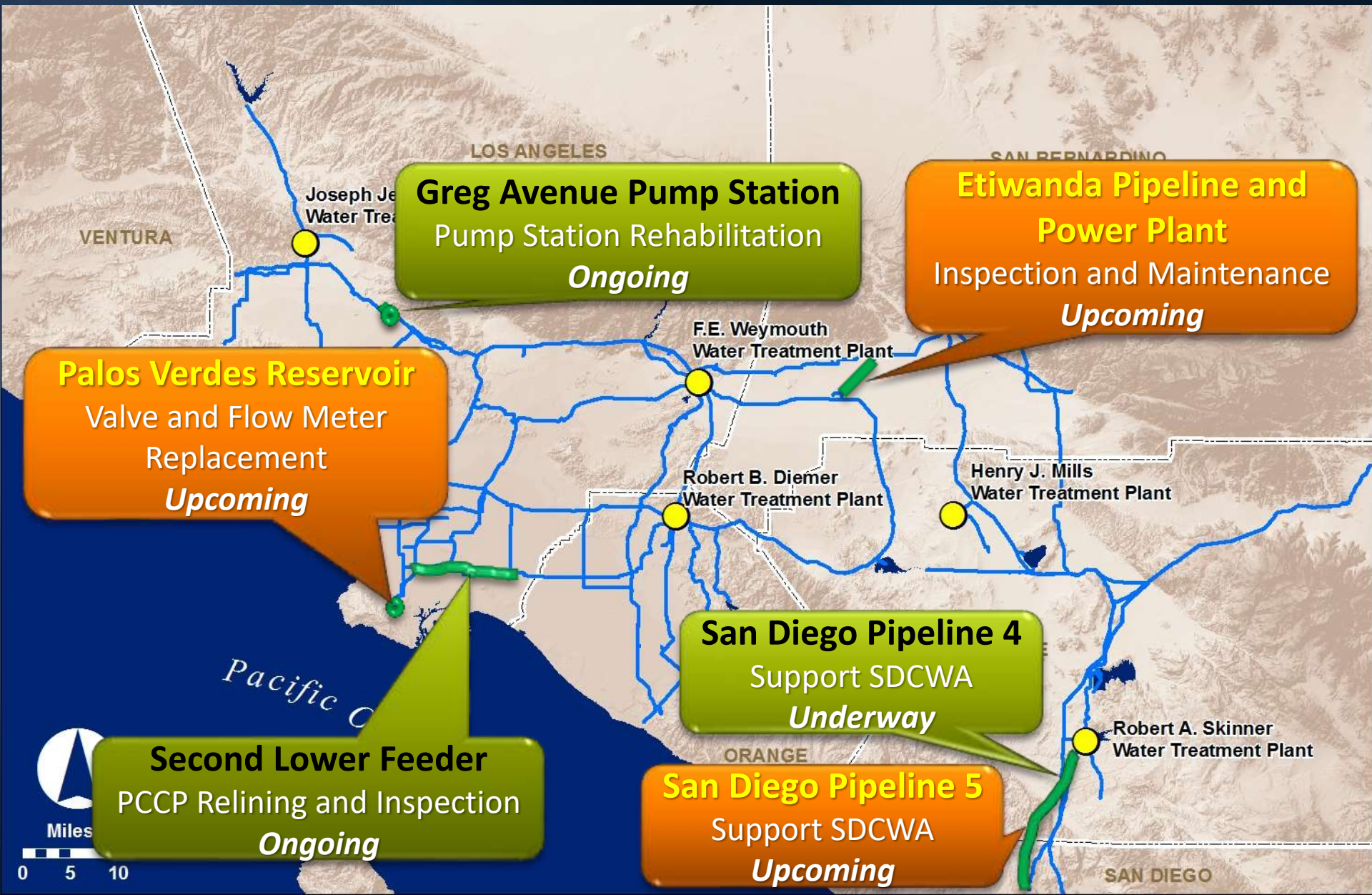
Water System Operations Manager's Report

Engineering and Operations Committee
Item 7a
March 9, 2020

Current Operational Conditions

- 2020 SWP Allocation is 15%
- SWP blend targets are 0% at Weymouth, Diemer and Skinner plants
- CRA is at a 3-pump flow
- Managing storage based on WSDM principles
- February 2020 deliveries of 91 TAF were 42 TAF higher than February 2019

Ensuring Continued System Reliability

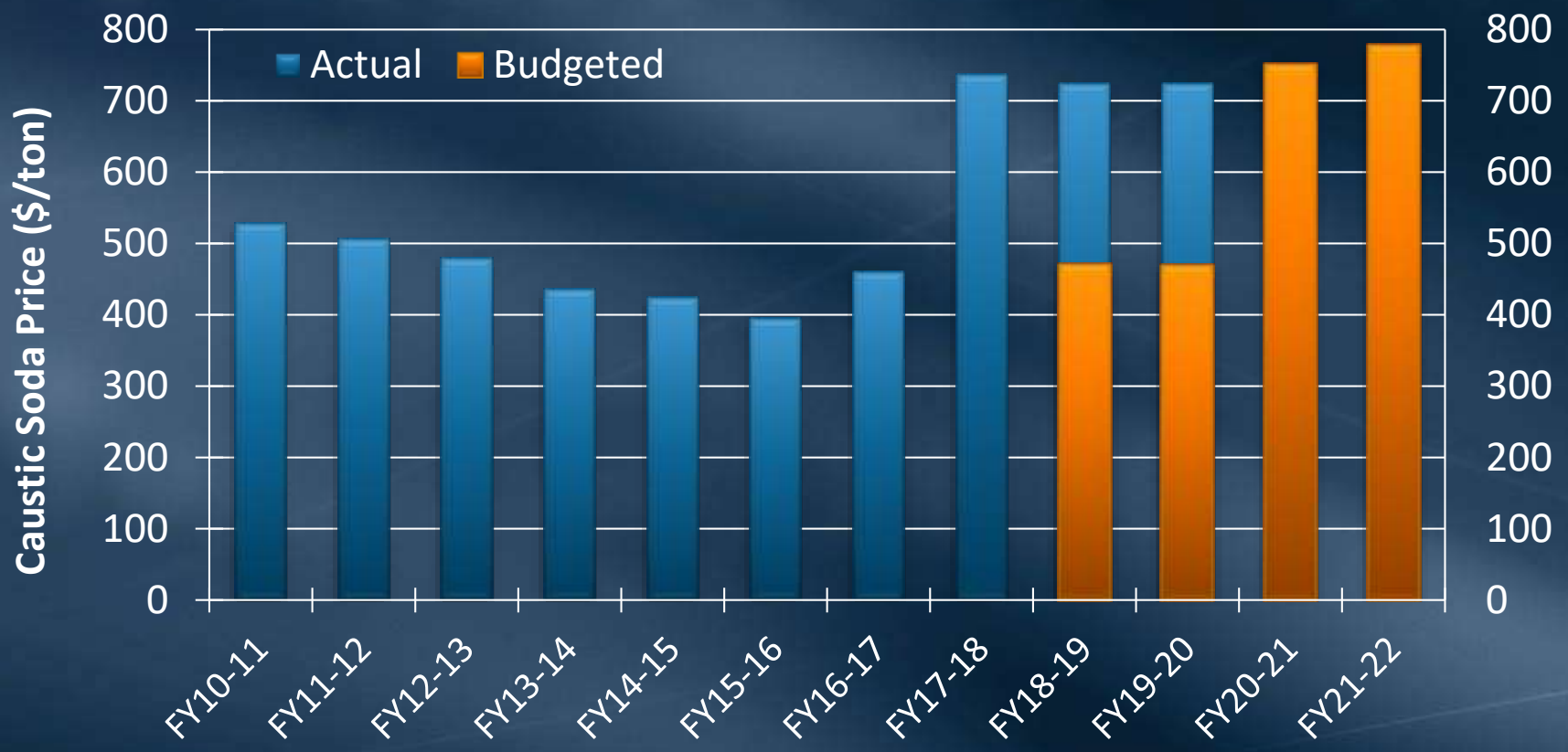


Variable Treatment Cost Increases

- Variable treatment cost affected by higher chemical commodity prices, power rates, and solids disposal costs
- Four chemicals (alum, caustic soda, liquid oxygen, and polyDADMAC) make up about 85% of the total chemical cost
  - Alum costs have been relatively stable; significant cost increases for other three chemicals
- Higher SWP blends increase chemical use and solids generated at treatment plants

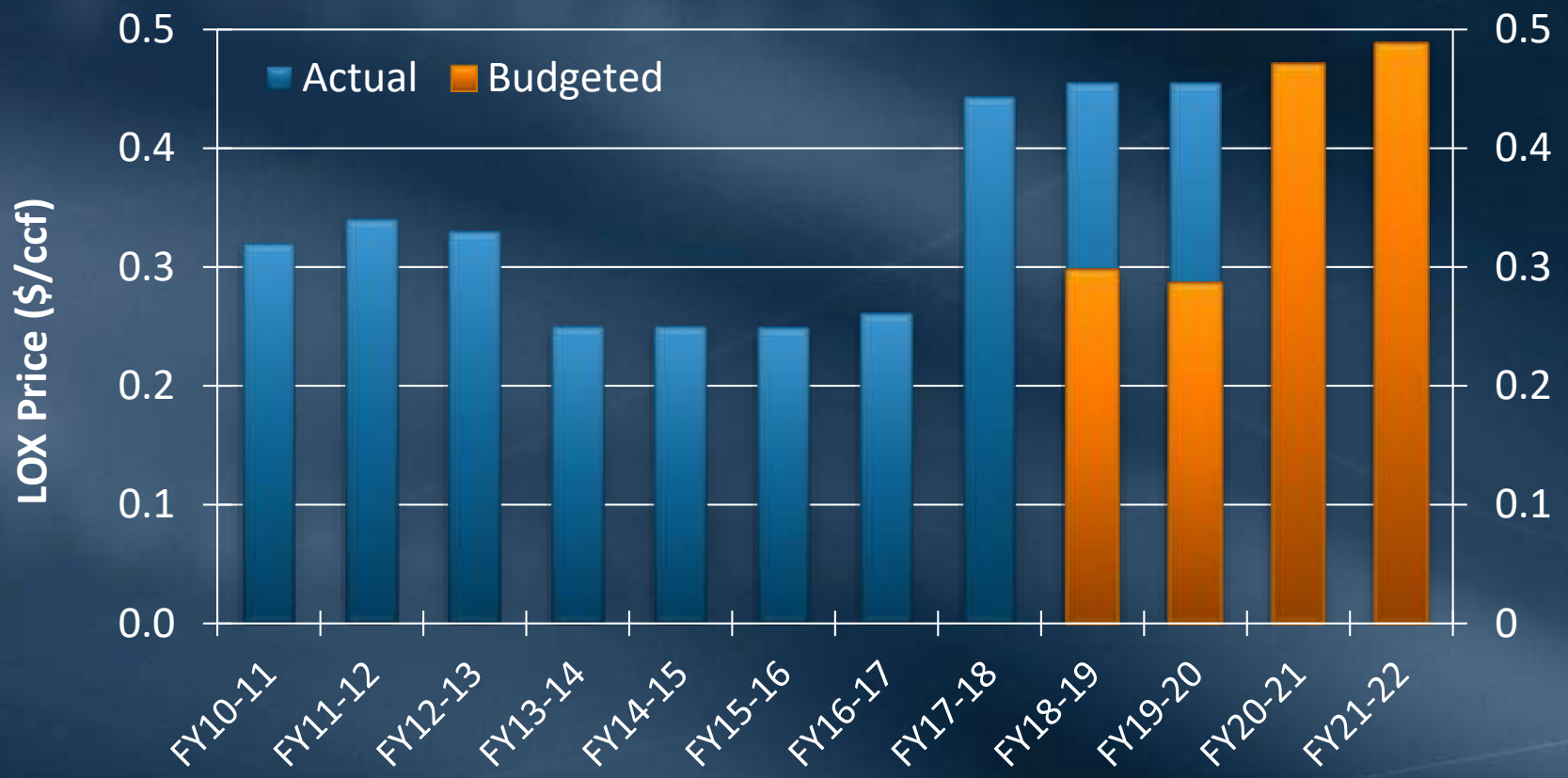
Caustic Soda Price Increases

Restriction of global supply due to environmental regulations and initiatives, and Hurricane Harvey



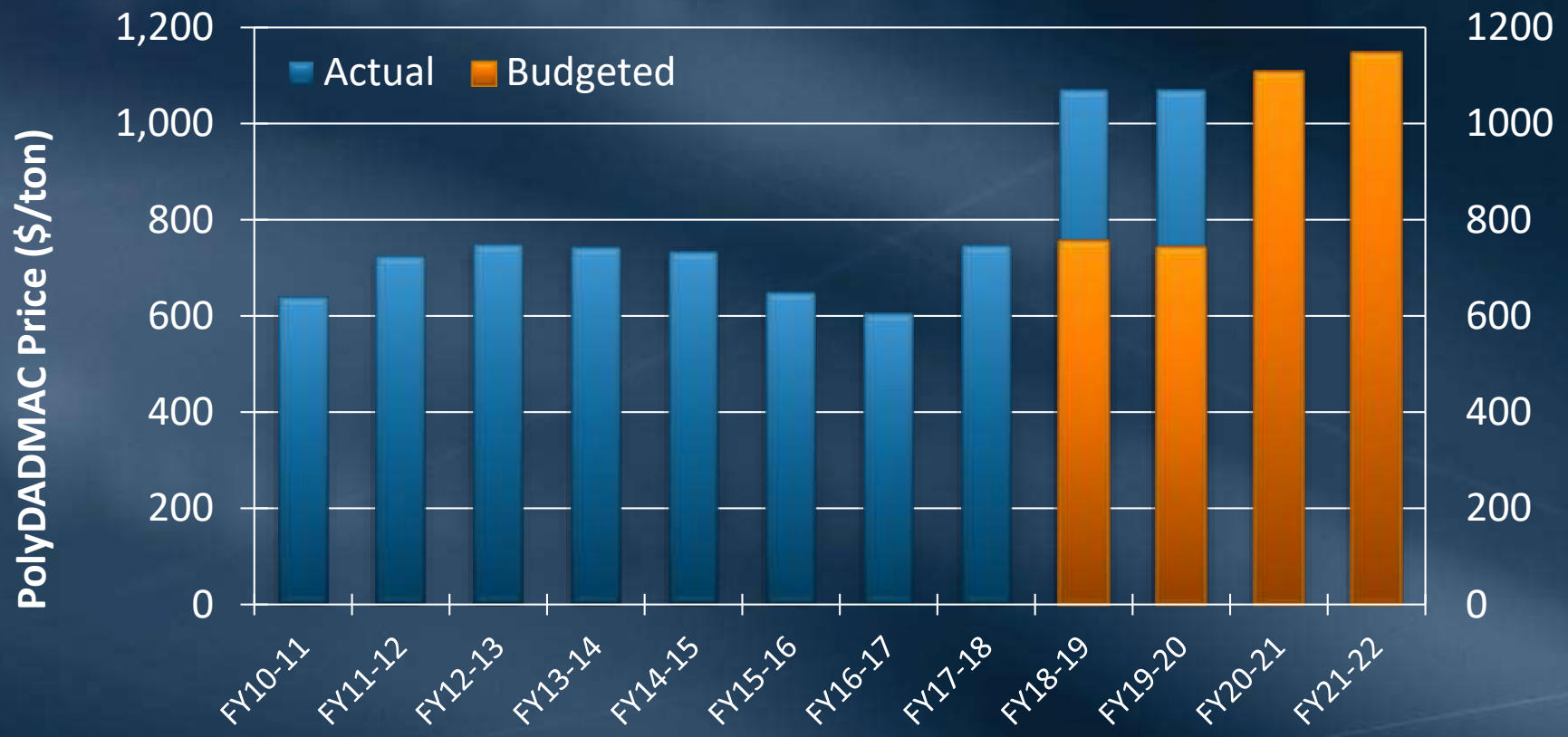
Liquid Oxygen (LOX) Price Increases

Higher electricity costs during LOX production



PolyDADMAC Price Increases

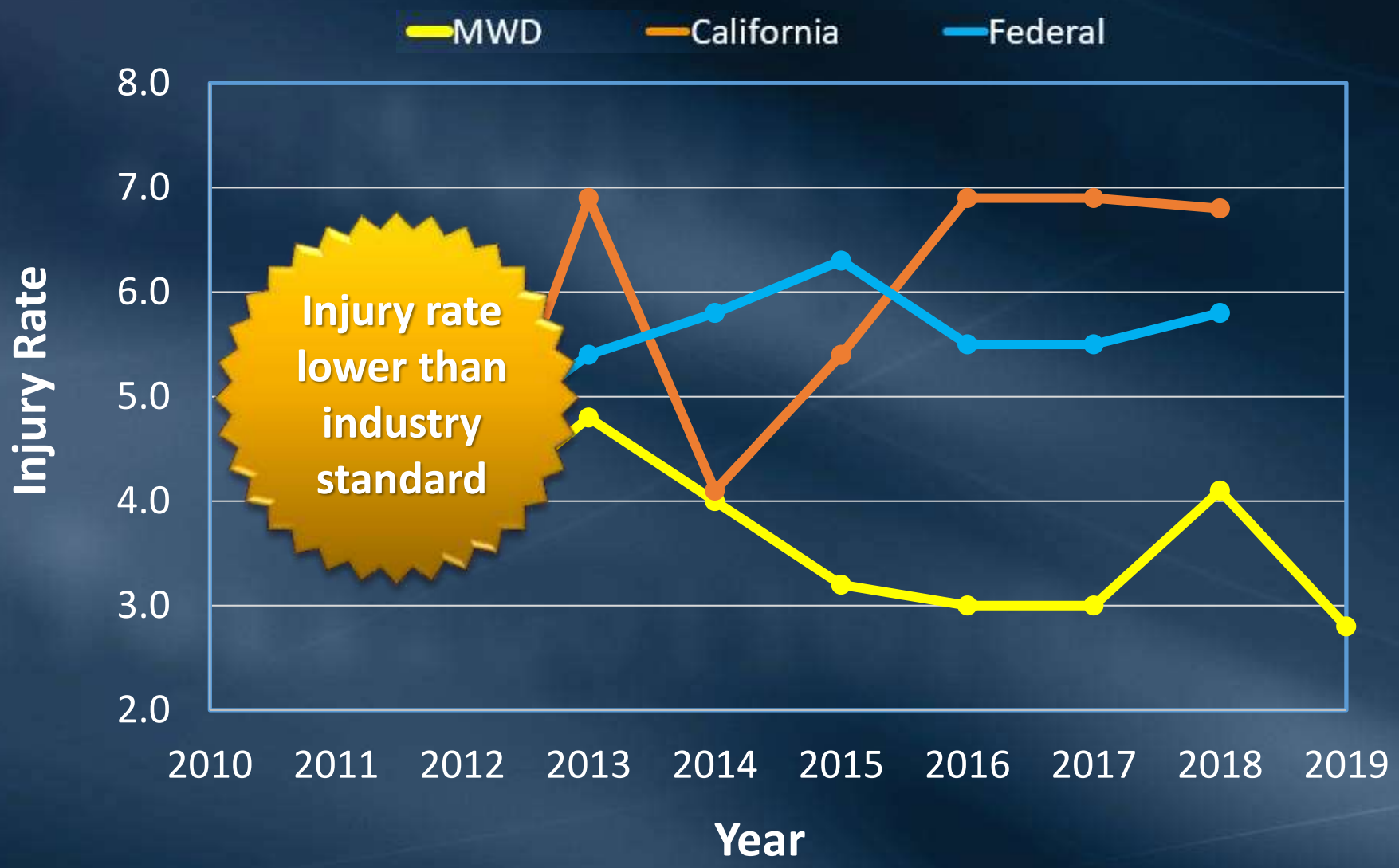
Restricted availability of raw materials and higher transportation (labor and fuel) costs



Solids Disposal Cost Increases

- Solids disposal costs increased due to regulatory-driven change of disposal facility in late 2017
  - Facility ordered by Regional Board to stop accepting treatment solids due to salt/mineral levels above Basin Plan requirements
  - New disposal site results in higher cost per ton of solids disposed (up to 115% increase) from each plant
- Solids generated at treatment plants increase with higher SWP blends

MWD Injury Rate vs. Industry Average




THE METROPOLITAN WATER DISTRICT OF
SOUTHERN CALIFORNIA
1928