



Water System Operations Manager's Report

Engineering and Operations Committee

Item 7a

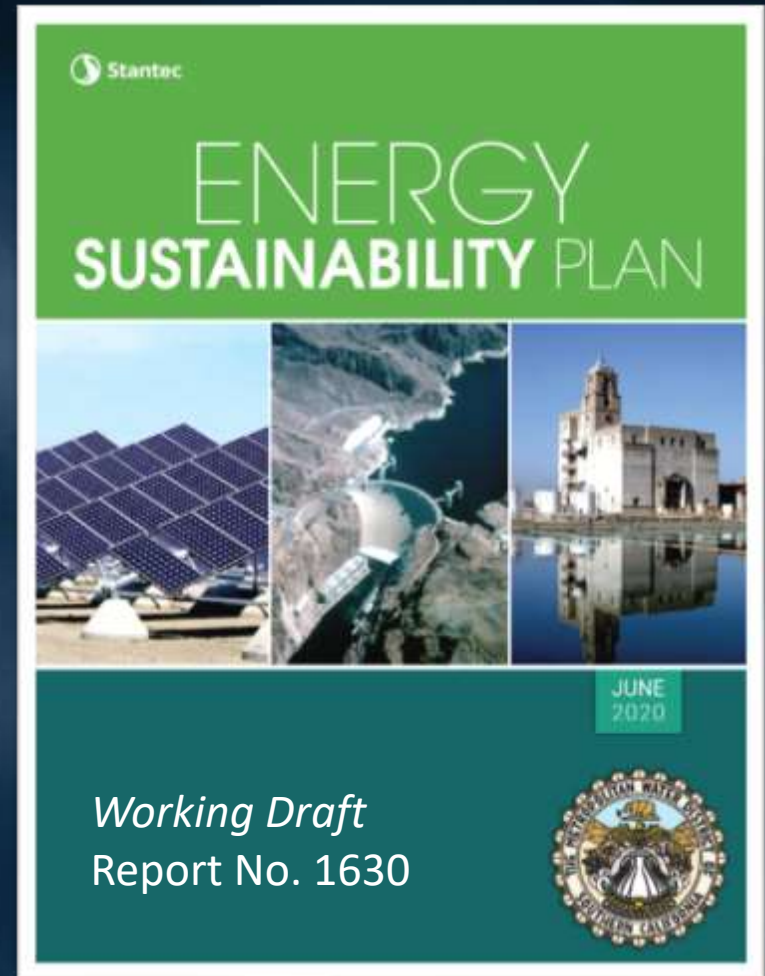
June 8, 2020

Current Operational Conditions

- 2020 SWP Allocation is 20%
- SWP blend targets are 0% at Weymouth, Diemer and Skinner plants
- CRA is at a 7-pump flow
- Managing storage based on WSDM principles
- May 2020 deliveries of 120 TAF were 19 TAF higher than May 2019

Energy Sustainability Plan (ESP)

- Board Update (July 2020)
 - Review and Feedback
- Near-Term Opportunities
 - Yorba Linda Power Plant Modifications
 - Battery Energy Storage
 - Projects subject to Board review and approval at a future date



Yorba Linda Power Plant Modifications

- Reconfigure Yorba Linda PP to directly serve Diemer (behind the SCE meter)
 - Reduces retail power costs and GHG emissions, with remaining renewable energy sold to third party
 - Requires SCE review of new interconnection, and SCE and CAISO metering reconfiguration
- Submitted application for SCE review during annual April filing period
- Project not in CIP and subject to future board funding decision



Battery Energy Storage Projects

Skinner, Jensen, Weymouth, OC-88

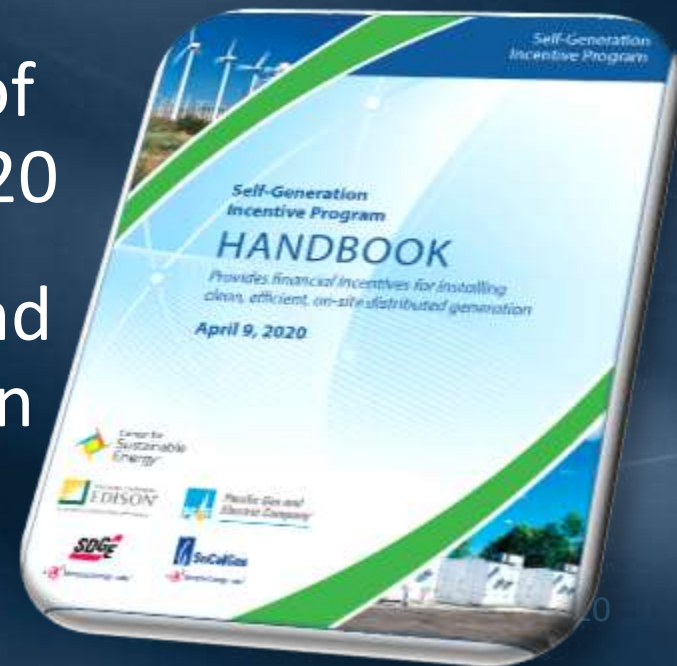
- Declining battery costs and enhanced financial incentives provide unique opportunity
- Metropolitan benefits
 - Improves operational flexibility to manage shifting TOU rates
 - Provides energy savings of \$80K to \$200K per year
 - Improves power system resiliency through a “microgrid” at each site
- Incentive applications submitted in May 2020
- Projects not in CIP



Battery Energy Storage Systems

Self-Generation Incentive Program (SGIP)

- CPUC program to foster new technologies
 - Temporary funding for wildfire resilience and local economic development based on location
 - Funds up to 100% of project cost (up to \$3M/project)
 - Incentives are limited and in high demand
- Refundable application fee of 5% of incentive amount submitted May 20
- Applications for Jensen, Skinner and OC-88 under review; Weymouth on waitlist



Water Quality Regulatory Activities

- Several water quality regulatory efforts ongoing at state and federal levels
 - Perchlorate, PFAS, Laboratory Accreditation, and Microplastics
- Metropolitan actively engaging through comment letters and coordination with industry groups
- Staff will provide detailed water quality update at future meeting



Perchlorate

- California

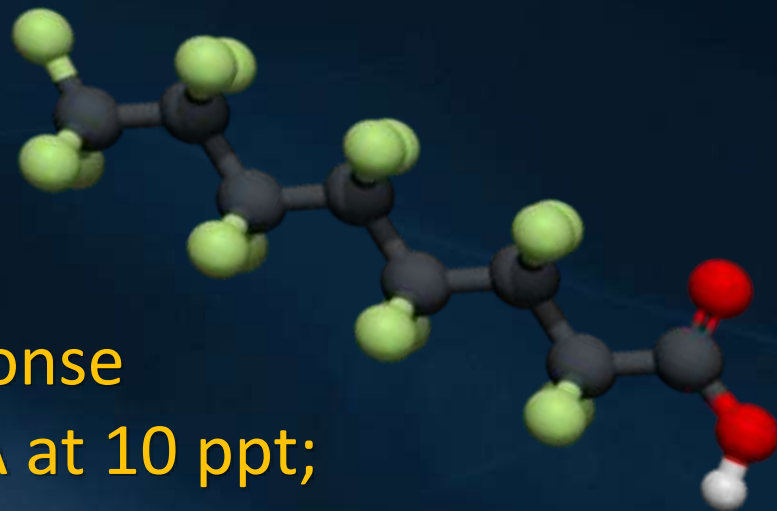
- SWRCB proposed lowering perchlorate detection limit from 4 to 2 ppb
- First of two-step process to review current MCL of 6 ppb, due to lowering of PHG to 1 ppb in 2015



- Federal

- USEPA solicited input on federal regulation in 2019
- Metropolitan had advocated for MCL protective of public health
- Final action expected in June 2020; current indications USEPA may not regulate perchlorate

PFOA/PFOS



- California

- SWRCB established new Response Levels in February 2020 (PFOA at 10 ppt; PFOS at 40 ppt)
- OEHHA initiated process to develop PHG for PFOA/PFOS (draft expected summer 2020)

- Federal

- USEPA preliminary determination to regulate PFOA/PFOS announced in March 2020
- Comments due June 10

Other State Regulatory Actions

- Environmental Lab Accreditation Program

- SWRCB adopted regulations on May 5
- Three years for labs to implement more stringent provisions



- Microplastics

- SWRCB proposed broad definition of microplastics on March 23
- Stakeholders, including Metropolitan, continue to collaborate on standardized testing methods

Nitrification/Chloramine Workshop

- Metropolitan conducted its annual Nitrification/Chloramine Workshop on May 28
- Over 150 participants representing 16 member and 38 retail/other agencies
- Water quality staff and an industry expert provided presentations during the 4-hour workshop via Zoom webinar



