



Metropolitan Today & Tomorrow

2017



HISTORY



RELIABILITY



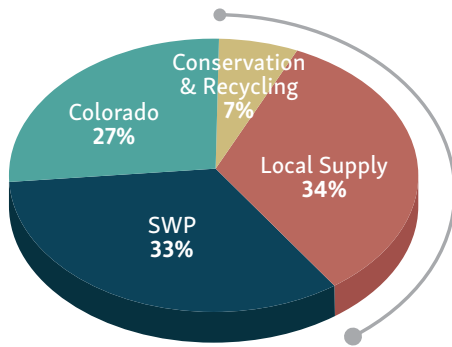
INNOVATION

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA



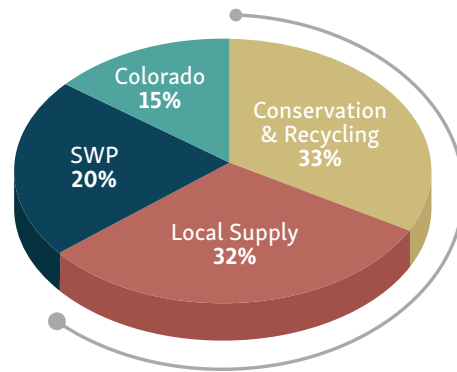
MWD Water Supply Strategy

Average Year Water Supply-1990 vs 2040



1990-41% Local

Greater Dependence on Imported Supply from State Water Project and Colorado River

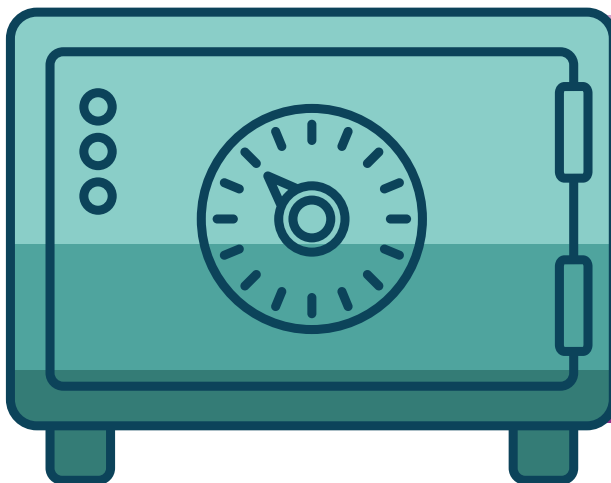


2040-65% Local

Emphasis on Conservation and Local Supplies

Metropolitan's Cumulative Investments Since 1990

Nearly \$1.3 billion



\$731 million
2,428,000
acre-feet saved

Conservation

\$422 million
2,430,000
acre-feet produced

Recycled
Water

\$145 million
853,000
acre-feet produced

Groundwater
Recovery



RECENT HIGHLIGHTS

Conservation & Drought Response

Southland residents took advantage of a \$450 million conservation rebate program. This included a very popular and successful turf removal incentive program that removed 170 million square feet of turf. Overall, the conservation rebate program lowered actual water use at twice the levels targeted in Metropolitan's own allocation plan. By doing so, Southern Californians met Gov. Brown's mandate to reduce water use by an average of 25 percent.

An award winning multi-media, multi-lingual advertising campaign ensured conservation tips and rebates were accessible to consumers and businesses.

Local Supplies

Metropolitan's Innovation Conservation Program received a record 100 research proposals from local businesses for approximately \$560,000 in new energy and water conservation projects.

Metropolitan's board authorized a pilot program with the Sanitation Districts of Los Angeles County to evaluate the potential to develop a major new recycled water project to replenish groundwater basins and boost regional supply reliability.

Financial Stability

A two-year budget and rate-setting process was approved which held rate increases to 4 percent for fiscal years 2016/17 and 2017/18 while maintaining services, despite drought-induced revenue losses. At the same time, strong reserve levels were maintained, as well as funding allocated for necessary capital investments.

The Delta and California WaterFix

Metropolitan continued to work with state and federal agencies on actions to improve the ecosystem in the Sacramento-San Joaquin Delta and shore up water supply reliability for the State Water Project which supplies more than 30 percent of the Southland's water.

Metropolitan's board approved the purchase of more than 20,000 acres in the Delta on five tracts and islands to protect the district's investment in the State Water Project and allow for potential improvements in state water operations.

The Colorado River

A pilot program with the Bard Water District in the southeast corner of California was launched to compensate farmers that forgo growing crops in the hot summer months, which frees up water supplies for Southern California.

Metropolitan's board approved the purchase of more than 12,000 acres of farmland in the Palo Verde Valley to protect the district's investment in its historic water conservation program.

Water Tomorrow

Metropolitan updated its Integrated Water Resources Plan, a roadmap to ensure regional water reliability. The plan includes increased targets for local supply development and conservation based on projected supplies and demands for the coming 25 years. The forward-looking plan is one of many Metropolitan projects addressing climate change impacts to water supply reliability.

LOOKING FORWARD



**Water Supply
Reliability**



**Sound
Investments**



**Stewardship and
Sustainability**



**Regional
Benefits**

TOP PRIORITIES

California WaterFix

The proposed California WaterFix will improve California's aging water delivery system. After a decade of study, public dialogue and scientific analysis, final environmental documents were released in late 2016. California WaterFix is an environmental supply project that modernizes the pumping of water from the Sacramento-San Joaquin Delta with three state-of-the-art fish-friendly intakes and two 40-foot diameter tunnels to divert water ahead of and away from sensitive habitat. This year, Metropolitan will consider proposed financing and operations of this modernized system and hopes to make an investment decision in the coming months.

Colorado River

Water from the Colorado River helped to transform Southern California into today's trillion-dollar economy since the first deliveries in 1941. Today, Metropolitan continues to build on years of innovation to keep supplies and demands in balance by advancing conservation, investing in local water management programs and habitat restoration.

Local Supplies

With drought, climate change and environmental demands changing the way we manage water, Metropolitan is committed to developing and investing in new sources of water including exploring the construction of the world's largest recycling facility. Metropolitan's current spending plan also calls for an investment of more than \$100 million for rebates and other conservation programs and a multi-lingual, multi-media outreach campaign.

Environment

Providing water supplies for our economy cannot be at the expense of the environment. Restoration efforts, including many funded by Metropolitan, are essential and will continue to be a top priority.

The ethic that motivated the creation of Metropolitan was based on leadership and shared ambition. It brought Colorado River water to the Southland 75 years ago in the name of the common good and continues to inspire Metropolitan as it adapts to ever-changing circumstances. The mission remains the same - to provide high-quality water and regional benefits to meet the future needs in an environmentally and economically responsible way. This is Metropolitan's proud legacy and defining principles for a vision that benefits Southern California far into the future.



"These are incredibly challenging times for Californians and water agencies. I'm grateful for the support of my board and proud of Metropolitan's leadership to ensure we prudently manage through the current drought, promote conservation and stewardship, invest in infrastructure and look to the future."

Chairman Randy Record
Metropolitan, Chairman of the Board

ABOUT METROPOLITAN

The Metropolitan Water District of Southern California is the Southland's water provider for a six-county region with a population of 19 million. From the engineered gravity-flow of the Colorado River Aqueduct, to sustainable water recycling and groundwater replenishment, to today's investments in innovation and conservation - Metropolitan thinks ahead.

THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA



P.O. Box 54153
Los Angeles, CA 90054-0153
mwdh2o.com
bewaterwise.com