The Metropolitan Water District of Southern California

NEWS RELEASE

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METROPOLITAN BOARD APPROVES NATION'S LARGEST CONSERVATION PROGRAM TO MEET UNPRECEDENTED CONSUMER DEMAND IN DROUGHT'S FOURTH YEAR

MWD board boosts district conservation budget to record $450 million

Facing an unprecedented drought, the board of directors of the Metropolitan Water District of Southern California today approved the nation's largest turf removal and water conservation program that over the next decade is expected to generate enough water savings to nearly fill the region's largest reservoir—Diamond Valley Lake.

The significant expansion of the turf removal component is expected to remove about 175 million square feet of lawn, more than triple Gov. Jerry Brown's goal for the entire state. The total conservation program is projected to save more than 70 million gallons of water a day for Southern California, or enough water for 160,000 households.

Metropolitan's board at a special meeting added $350 million to the district's conservation budget to a new total of $450 million over two years. Together with local rebate programs of more than $50 million, the total regional investment will be more than half a billion dollars and using existing revenues will be done without impacting water rates.

Along with the conservation budget increase, Metropolitan's board also modified the agency's turf removal program to ensure rebates continue to be available to homeowners, businesses and public agencies throughout the Southland during the drought. Program changes establish rebate tiers based on the amount of turf being removed, with the intent of reaching as many residents and businesses as possible.

"Our goal is to equitably provide rebate funds to as many people as possible and lock-in permanent changes in water use by transforming to drought-tolerant landscapes that better fit our Mediterranean climate," said Metropolitan board Chairman Randy Record. "Today's action finds the sweet spot between capitalizing on historic interest in turf removal and having a sustainable conservation rebate program."

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Metropolitan General Manager Jeffrey Kightlinger said today's program changes will allow more households throughout the region to access funding, reaching up to more than 400,000 consumers.

"Already more than one-third of residential applicants are from disadvantaged communities," Kightlinger said. "In addition, funding will be specifically set aside for water efficient devices to ensure customers who live in multifamily housing and represent about half of Southern Californians also will have access to rebates."

With the extraordinary level of public awareness and participation, Metropolitan has paid out more than $88 million of the $100 million in its previous conservation budget. However, public interest in water-saving rebates, primarily turf removal incentives, continues to set records. Earlier this month, Metropolitan reached a new weekly record of $49 million for conservation rebate reservations.

Today, Metropolitan's turf removal program currently has requests for more than 100 million square feet, the equivalent of about 60,000 front yards. Since Gov. Brown's April 1 executive order to reduce statewide residential water use by 25 percent, monthly applications have increased 20-fold to up to 10,000 applications.

"Removing turf secures long-term water saving benefits as more people turn to California Friendly® landscapes. This will help the region greatly in future droughts as more and more Californians replace turf that serves no function," Kightlinger said.

"Although Gov. Brown has called on Californians to remove 50 million square-feet of turf in this drought, our region alone will easily more than triple his goal," he added.

Under changes to the turf program, residential customers can receive $2 per square foot for up to 3,000 square feet of turf removed or as much as $6,000. About 90 percent of residential rebate requests are for less than 3,000 square feet. Many local agencies provide additional incentives that can increase the funds available to homeowners.

Public agencies are eligible for an incentive of $2 per square foot for the first 3,000 square feet and $1 per square foot of turf removed above that, up to a total annual limit of $50,000 per property. Commercial and other non-residential applicants are eligible for a turf removal incentive of $1 per square foot up to a total annual limit of $25,000 per property. About 85 percent of commercial applications are for 25,000 square-feet or less.

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Kightlinger said the district will direct funds from higher-than-expected water sales during the four-year drought toward the conservation program while maintaining all its targets for maintaining financial reserves and underwriting some capital needs on a pay-as-you-go basis.

“As a result, no long-term rate impact is expected from investing this temporary increase in revenues into long-term water savings. This is a historic one-time investment in conservation as opposed to a new long-term spending initiative that would have rate impacts,” he said.

To keep pace with the unparalleled public demand, Kightlinger said additional actions may be necessary, including more modifications to the turf removal program.

“We generally attempt to use rebate programs to influence consumer decisions when an outside financial incentive seems necessary. The explosion in consumer interest in the turf removal suggests that the future market may need less of a rebate incentive than before, which is very good news for our region's future water picture,” Kightlinger said.

For drought updates and water-saving information, visit bewaterwise.com.

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The Metropolitan Water District of Southern California is a cooperative of 26 cities and water agencies serving nearly 19 million people in six counties. The district imports water from the Colorado River and Northern California to supplement local supplies, and helps its members to develop increased water conservation, recycling, storage and other resource-management programs.