The QSA and Its Impact on California Water

June 5, 2003
Southern California’s Historic Imported Water Supply Foundation

- **Colorado River Aqueduct:**
  - Historic backbone, low-cost core supply
  - Past and current regional and state planning relies upon full Colorado River Aqueduct

- **State Water Project:**
  - Historic supplement to Colorado River supply
  - Supply varies widely each year with runoff
  - All CalFed plans to improve State Water Project assume a full Colorado River Aqueduct
  - Lower Colorado River supplies puts added stress on State Water Project
Stresses to Southern California’s imported water supply foundation

Colorado River Aqueduct:
- Built to carry 1.25 million acre-feet a year
- So Cal’s imported supply cut by more than half this year
  - Supply reduced by 655,300 af

State Water Project (SWP):
- No new or additional water supplies from SWP anticipated
- Supply varies widely year to year:
  - 1991 – 20%
  - 2000 – 100%
  - 2001 – 39%
  - 2002 – 65%
State Water Project in 2003

• Late-season storms increased allocation
• SWP allocation increased in late April and early May
  - MWD will receive a minimum of additional 400,000 af this year (total of 1.4 million af)
• Before April 22nd, SWP allocation was at 50% (1 million af)
300,000 AF gap in Southern California’s imported core supply this year

- 2003 revised demand = 2.3 million af
- 2003 core supply = 2.0 million af
  - SWP = 1.4 million af
  - CRA = 594,300 af
- 2003 water supply gap = 305,700 af
- Before April 22, gap was 705,700 af
Southern California’s imported water supply

- Colorado River: 1,250,000 af
- SWP: 676,000 af
- Total = 1.9 maf

2003 Supply
- Colorado River: 594,300 af
- SWP: 1,400,000 af
- Transfers/Storage: 305,700 af
- Total = 2.3 maf
Southern California’s imported DRY year water supply WITHOUT QSA

Total Deliveries: 2,500,000 af

- SWP: 580,000 af
- Colorado River: 590,000 af
- Northern/Central CA Programs: 329,000 af
- Southern CA Storage Programs: 620,000 af
- Northern CA Transfers: 381,000 af
# Additional Supplies Needed

At 50% SWP Allocation

<table>
<thead>
<tr>
<th>Replacement Supply Source</th>
<th>Amount (AF)</th>
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<tbody>
<tr>
<td>Arizona groundwater</td>
<td>80,900</td>
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<tr>
<td>Arvin Edison/Kern County</td>
<td>48,000</td>
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<tr>
<td>Sacramento Valley transfers</td>
<td>133,600</td>
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<tr>
<td>Desert Water Agency/CVWD exchange</td>
<td>27,500</td>
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<tr>
<td>San Bernardino Valley MWD program</td>
<td>30,000</td>
</tr>
<tr>
<td>Semitropic</td>
<td>70,000</td>
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<tr>
<td>Additional Northern/Central CA transfers</td>
<td>194,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>584,000</strong></td>
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Quantification Settlement Agreement (QSA)

- Involves four water agencies:
  - Metropolitan Water District of Southern California
  - San Diego County Water Authority
  - Imperial Irrigation District
  - Coachella Valley Water District

- Includes eight core, long-term water supply programs that provide up to 36 million acre-feet

- Gives California 14 years to implement transfers and other programs to reduce state’s draw on Colorado River from 5.2 million acre-feet to its 4.4 million acre-feet basic annual apportionment (a “soft landing”)

- Resolves long-standing conflicts between water agencies
Agreement (Continued)

- Agreement quantifies and limits agricultural agencies’ (IID and Coachella) Colorado River water use
- Water conserved by agricultural agencies moves to urban agencies
- Encompasses dozens of legal documents and agreements among the water agencies
- QSA’s December 31, 2002, deadline missed
- Revised 2003 QSA agreement reached by State and 4 Agencies’ negotiators March 12, 2003
## QSA Unlocks Up to 36 Million af of Supplies

<table>
<thead>
<tr>
<th>QSA Core Programs</th>
<th>Annual Yield</th>
<th>Long-Term Yield</th>
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<tbody>
<tr>
<td>SDCWA-IID Transfer</td>
<td>200,000&lt;sup&gt;1&lt;/sup&gt; af</td>
<td>17 million&lt;sup&gt;2&lt;/sup&gt; af</td>
</tr>
<tr>
<td>MWD-IID Transfer</td>
<td>110,000 af</td>
<td>1.6 million&lt;sup&gt;3&lt;/sup&gt; af</td>
</tr>
<tr>
<td>CVWD-IID Transfer</td>
<td>100,000 af</td>
<td>3.2 million af</td>
</tr>
<tr>
<td>MWD-Palo Verde Irrigation District (PVID) Transfer</td>
<td>78,600&lt;sup&gt;4&lt;/sup&gt; af</td>
<td>2.75 million af</td>
</tr>
<tr>
<td>All American-Coachella canal lining water to MWD</td>
<td>77,700 af</td>
<td>8.5 million&lt;sup&gt;5&lt;/sup&gt; af</td>
</tr>
<tr>
<td>Elimination of CVWD call rights on MWD-IID transfer</td>
<td>30,000&lt;sup&gt;6&lt;/sup&gt; af</td>
<td>750,000 af</td>
</tr>
<tr>
<td>AAC/CC canal lining water to San Luis Rey Indians</td>
<td>16,000 af</td>
<td>1.8 million&lt;sup&gt;7&lt;/sup&gt; af</td>
</tr>
<tr>
<td>Reduction in MWD’s Present Perfected Rights obligations</td>
<td>14,500 af</td>
<td>1.1 million af</td>
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<tr>
<td><strong>QSA Core Programs’ Total</strong></td>
<td><strong>626,800 af</strong></td>
<td><strong>36.7 million af</strong></td>
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<tr>
<td>Amount of QSA Core Program water made available to MWD Service Area</td>
<td>526,800 af</td>
<td>33.5 million af</td>
</tr>
<tr>
<td>Interim Surplus Guidelines’ Water to MWD</td>
<td>178,571&lt;sup&gt;8&lt;/sup&gt; af</td>
<td>2.5 million af</td>
</tr>
<tr>
<td><strong>Total amount of water made available to MWD service area through the QSA</strong></td>
<td><strong>705,371 af</strong></td>
<td><strong>36 million af</strong></td>
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1. Annual yield after initial ramp-up. 2. Total water deliveries for 75 years; first 45-year term yield: 10 million af. 3. Through the QSA, MWD gains a 15-year extension to its existing agreement with IID. 4. Average annual yield; annual range is up to 111,000 af. 5. Program lasts for 110 years. 6. CVWD call rights are 50,000 af/year on the 1988 MWD-IID transfer. Through the QSA, CVWD gives up that call right in return for 20,000 af/year from MWD, for a net gain to MWD of 30,000 af/year. 7. For first 110 years. 8. Averaged over the 14 years of the Interim Surplus Guidelines operation.
No-QSA Alternative: Northern / Central CA Impacts

- Increased Pressure on Northern and Central water supplies
- To replace lost Colorado River surplus includes actions such as:
  - 133,000 AF from Rice Farmers in 2003 (Sacramento Valley)
  - 194,000 AF in additional (North and Central Valley) water transfers planned at 50% SWP allocation
  - If enhanced conservation is not achieved, more transfers will be needed
  - Unprecedented, rapid draw-down of storage
QSA Benefits to Urban Southern California

- **Short-term benefits:**
  - Interim Surplus Guidelines
  - Relief from water quality concerns
QSA Benefits to Urban Southern California

- **Long-term benefits:**
  - Up to 36 million acre-feet of water supplies
  - Relief from a portion of miscellaneous PPRs
  - Quantification of agricultural water
  - AAC lining for 110 years
  - Ability to implement Palo Verde Irrigation District program
  - Freedom to pursue additional transfers
  - Relief from Coachella call rights on IID/MWD transfer
  - Additional 15 years for MWD/IID transfer