



THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

Board Report

Water Resources Management Group

• Board Report on Conservation

Summary

This report provides a summary of conservation activities and expenditures for August 2025. Attached to this report is additional information in response to Directors' questions regarding the water savings efficacy of the Conservation program.

Purpose

Informational

Detailed Report

Conservation Expenditures – FY2024/25 & FY2025/26 ⁽¹⁾

	Paid ⁽²⁾	Committed ⁽³⁾
Regional Devices	\$1.0 M	\$1.1 M
Member Agency Administered	\$6.0 M	\$6.7 M
Turf Replacement	\$14.7 M	\$29.3 M
Advertising	\$1.4 M	\$0.9 M
Other	\$2.4 M	\$1.7 M
TOTAL	\$25.5 M	\$39.7 M

(1) The Conservation Program biennial expenditure authorization is \$98.2 million.

(2) Paid as of 7/1/2024 - 8/31/2025. Financial reporting on cash basis.

(3) Committed dollars as of September 15, 2025

Summary of Expenditures in August 2025: \$829,405 ⁽¹⁾

Lifetime Water Savings to be achieved by all rebates in August 2025: 2,020 AF

FY2024/25-FY2025/26: 54,407 AF lifetime water savings



Turf Replacement Rebates:

August: 278,372 ft² replaced

FY2024/25-FY2025/26: 6,926,211 ft² replaced



Clothes Washers:

August: 453 units rebated

FY2024/25-FY2025/26: 8,660 units rebated



Trees (part of Turf Replacement Program):

August: 186 trees rebated

FY2024/25-FY2025/26: 2,459 units rebated



Toilets:

August: 12 units rebated

FY2024/25-FY2025/26: 16,044 units rebated



Smart Controllers:

August: 243 units rebated

FY2024/25-FY2025/26: 6,665 units rebated



Sprinkler Nozzles:

August: 507 units rebated

FY2024/25-FY2025/26: 20,781 units rebated

(1) Expenditures may include advertising and Water Savings Incentive Program activity in addition to the incentives highlighted above.

Date of Report: October 14, 2025

ATTACHMENT 1:

Estimating the Efficacy of the Regional Conservation Program – Additional Information

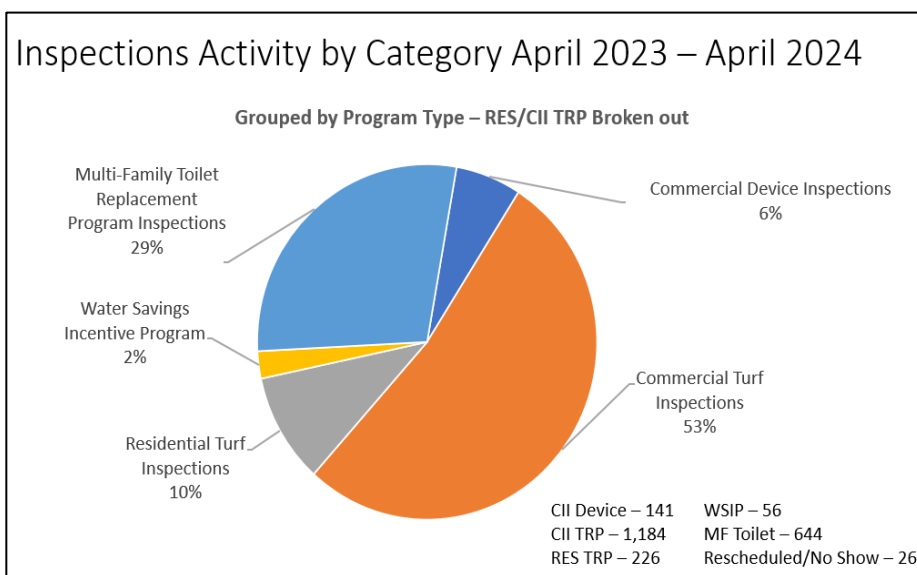
Metropolitan uses several strategies to minimize risk and seek maximum water savings through its suite of water use efficiency incentive programs. These strategies include adoption of industry-wide assumptions to estimate water savings per measure, ensuring rebate-qualifying devices or models meet or exceed performance standards, and verifying the installation of measures through a robust inspection program.

Inspection Program Highlights

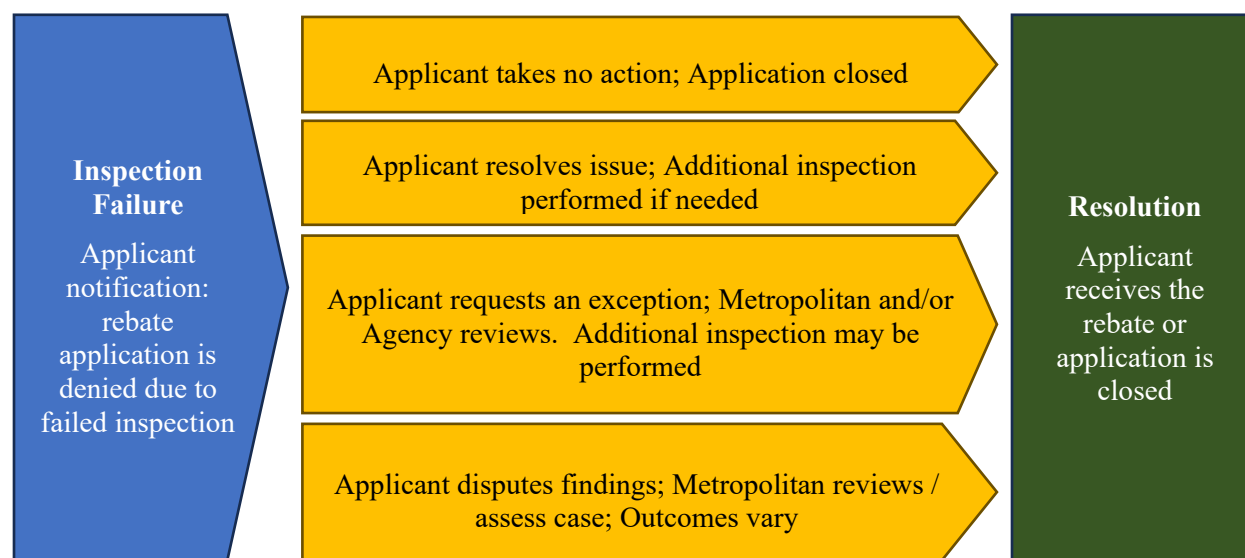
Metropolitan inspects a minimum of ten percent of device and residential turf replacement applications processed.

Higher value applications (exceeding \$10,000) and all commercial turf replacement projects are automatically selected for inspection.

From April 2023–April 2024, 2,280 physical inspections were performed.



In the case of a failed inspection, the following analysis is conducted.



Board Report Board Report on Conservation

Metropolitan staff work with member and/or retail agency staff to ensure applicants meet program policies. Applicants are provided ample opportunity to correct issues and remain eligible for an incentive.

Exceptions Process: An "exception" is defined as an approval to waive or modify a specific program requirement due to special cause or consideration. Applicants may submit an exception request for both the Turf Replacement and Device Rebate Programs if they feel their project has special cause or requires additional consideration. The general process follows:

- Applicant submits an exception request, which is elevated to MWD review.
- Requests are separated by program (e.g., Turf Replacement Program or Device Rebate Program).
- Member/Retail Agencies are included in the decision if they have co-funding.
- Reviews include past participation check, photo review (aerial imagery, inspections, customer-submitted, Google Street View, etc.), and other supporting documentation.
- The decision to approve or deny the request is made or elevated for additional review.

Aerial/Remote Inspections: In addition to random physical inspections, Metropolitan's Regional Program Vendor utilizes *Nearmap* products (high-resolution aerial imagery and mapping) to perform aerial inspections for MWD's Turf Replacement Program. Remote inspections are performed via phone and/or email and may require photo verification of installed device.

Program Modification Processes

2011 Long Term Conservation Program (LTCP): The 2011 LTCP provided policy and programmatic guidance for Metropolitan's Conservation Credits Program (CCP) that has continued to prove valuable today. The LTCP set guidance that influenced or resulted in the current Turf Replacement Program, addition of other outdoor water use efficiency equipment like rain barrels and cisterns and provided guidance that arguably influenced Metropolitan's co-sponsorship of AB 1572 (Non-Functional Turf legislation).

Monthly Water Use Efficiency Meeting: Conservation staff meet with water conservation representatives from member and retail agencies monthly to share and review information pertinent to Metropolitan's CCP. These Water Use Efficiency (WUE) meetings usually include updates on Metropolitan Board activities related to Conservation, program activities, policies and strategic activities, and marketing and outreach activities.

Quarterly Program Advisory Committee Meeting: The Program Advisory Committee (PAC) meets quarterly and is comprised of a subset of the WUE meetings, and the PAC generally reviews program policies and activities, and may consider new measures, review studies and analyses, and bring recommendations to WET staff to elevate to management for consideration. Occasional sub-committees may more actively pursue select issues in greater detail.

Board Report Board Report on Conservation

Turf Replacement Program Modifications: The chronology below illustrates modifications over time to Metropolitan's Turf Replacement Program that show consistent program and incentive review and modification to meet targets.

Metropolitan's Turf Programs

- 2007: Rebates for Artificial Turf begin (Board Letter (BL) 8-4, July)
 - \$0.30/sf available as Member Agency subsidy (pre-MAAP)
 - Staff recognized low rebate value compared to cost
- November 2008: with Member Agency input, staff propose \$1/sf incentive (BL Revised 8-2, November)
 - Cite need to motivate participation by residential and commercial customers
 - Metropolitan still providing \$0.30/sf; Grant funds (\$0.70/sf) brings total to \$1/sf
- May 2010: Artificial turf removed from eligibility
 - Health concerns, urban heat island, costs among reasons cited
 - MAAP "Customized Projects" can still be used for athletic fields, school grounds
- 2013 (BL 8-3, September 2013): Staff propose to add Turf Removal rebate to Regional program
 - Allows for participation throughout Metropolitan's service area
 - More flexibility for agencies to participate in/incentivize landscape projects
- 2014 (BL 8-6, May 2014) Staff propose to increase Turf Removal incentive to \$2/sf
 - Partly in response to Governor's state-wide Drought Proclamation
- 2018: Staff proposes revised program: Landscape Transformation Program at \$1/sf
 - Uses "Watershed" approach (more environmentally friendly)
 - More program controls
 - Improved inspection and review protocols
- 2019: To spur participation, staff propose \$2/sf incentive, a name change to Turf Replacement Program for clarity and marketing purposes (BL 8-4, February 2019), and other modifications including:
 - Increase the maximum square footage to 5,000 sq. ft. for residential projects and 50,000 sq. ft. for commercial projects, which will allow larger properties, such as schools and parks, to participate in the program.
 - Change the plant requirement from five plants per 100 sq. ft. to three plants per 100 sq. ft. to allow for the utilization of larger plants and make the projects more affordable for participants.
- 2021: Additional \$1/sf added for public agency sites (BL 7-9, November 2021)
- 2022: Multiplier and Reversion Studies
 - Multiplier findings: for every property that receives a rebate, 1.3 more will change without an incentive. Reversion findings: between 1-1.5% of rebate participants perform a reversion. Higher likelihood of reversion when house is sold.
- 2023: Board authorizes new tree rebate offering \$100/tree (max. 5) to be added to the Turf Replacement Program (BL 7-4, August 2023)

Board Report Board Report on Conservation

Strategies to Aid Program Modification

In addition to information gained from the WUE and PAC meetings, WET staff employ other strategies to aid in determining program development and/or changes.

Water Savings Incentive Program (WSIP): WSIP provides financial incentives for customized water efficiency projects including:

- Installation of commercial or industrial high-efficiency equipment
- Industrial process improvements
- Agricultural and landscape water efficiency improvements
- Water management services

The WSIP is a good vehicle to test measures for potential standard incentive consideration, as performance is measured prior to final incentives being paid. Multiple successful projects employing the same technology or approach may suggest a viable standard incentive.



Cooling Tower Efficiency Improvement Funded by WSIP

Innovative Conservation Program: "The Innovative Conservation Program (ICP), which was devised by the board as a component of the Community Partnering Program, was designed to provide grants to explore new and potential water-saving strategies and methods of new water conserving technologies." (BL 10-3, March 13, 2001). The ICP issues a call for proposals roughly biannually and reviews and selects proposals for funding pilot programs to test new measures, technologies, and strategies. Successful projects gain formal contracts with final reports included in deliverables. The ICP also leverages outside funding in most occurrences, and results in first-hand data and analyses for measure consideration in the CCP.

Other Partnerships and Pilots: Occasionally, Metropolitan works with other entities (NGOs, CBOs, Energy Utilities and other outside organizations) to undertake joint pilot programs that may also develop into full incentive programs. A current success story is Metropolitan's partnership with Southern California Gas Company (SoCal Gas). Under an MOU that was executed in 2014, Metropolitan and SoCal Gas have implemented joint, stand-alone incentive programs that result in both water and energy savings. The current single-family residential Direct Install program provides high-efficiency clothes washers, toilets, showerheads, aerators, and smart irrigation controllers to income-qualified and residents in underserved communities. These installations are subject to SoCal Gas's inspection program.