

The Metropolitan Water District of Southern California

Agenda

The mission of the Metropolitan Water District of Southern California is to provide its service area with adequate and reliable supplies of high-quality water to meet present and future needs in an environmentally and economically responsible way.

OWA Committee

T. Quinn, Chair
M. Katz, Vice Chair
L. Ackerman
D. Alvarez
J. Armstrong
G. Cordero
D. Erdman
M. Gold
C. Kurtz
J. Lewitt
J. McMillan
C. Miller
B. Pressman
G. Shepherd Romey

One Water and Adaptation Committee

Meeting with Board of Directors *

May 12, 2025

1:30 p.m.

Monday, May 12, 2025 Meeting Schedule

**09:00 a.m. EOT
11:00 a.m. LEG
12:00 p.m. Break
12:30 p.m. OPE
01:30 p.m. OWA**

Written public comments received by 5:00 p.m. the business day before the meeting is scheduled will be posted under the Submitted Items and Responses tab available here:
<https://mwdh2o.legistar.com/Legislation.aspx>.

The listen-only phone line is available at 1-877-853-5257; enter meeting ID: 873 4767 0235.

Members of the public may present their comments to the Board on matters within their jurisdiction as listed on the agenda teleconference and in-person. To provide public comment by teleconference dial 1-833-548-0276 and enter meeting ID: 876 9484 9772 or to join by computer [click here](#).

MWD Headquarters Building • 700 N. Alameda Street • Los Angeles, CA 90012

Teleconference Locations:

Springhill Suites at the Dunes • 215 10th Street • Marina, CA 93933

3008 W. 82nd Place • Inglewood, CA 90305

Hotel Pacific • 300 Pacific Street • Monterey, CA 93940

400 Cannery Row • Monterey, CA 93940

2 Mineral King • Irvine, CA 92602

* The Metropolitan Water District's meeting of this Committee is noticed as a joint committee meeting with the Board of Directors for the purpose of compliance with the Brown Act. Members of the Board who are not assigned to this Committee may participate as members of the Board, whether or not a quorum of the Board is present. In order to preserve the function of the committee as advisory to the Board, members of the Board who are not assigned to this Committee will not vote on matters before this Committee.

- 1. Opportunity for members of the public to address the committee on matters within the committee's jurisdiction (As required by Gov. Code Section 54954.3(a))**

**** CONSENT CALENDAR ITEMS -- ACTION ****

2. CONSENT CALENDAR OTHER ITEMS - ACTION

- A. Approval of the Minutes of the Meeting One Water and Adaptation Committee for April 7, 2025 [21-4521](#)

Attachments: [05122025 OWA 2A \(04072025\) Minutes](#)

3. CONSENT CALENDAR ITEMS - ACTION

- 7-6 Authorize an amendment to LRP Agreement to extend the start of operation deadline for San Diego Pure Water North City Project Phase 1; adopt CEQA determination that the proposed action was previously addressed in the City of San Diego's adopted 2018 Final EIR/EIS and that no further CEQA review is required [21-4499](#)

Attachments: [05132025 OWA 7-6 B-L](#)
[05122025 OWA 7-6 Presentation](#)

**** END OF CONSENT CALENDAR ITEMS ****

4. OTHER BOARD ITEMS - ACTION

- 8-5 Authorize the General Manager to amend the Delivery and Exchange Agreement between Metropolitan and Coachella for 35,000 acre-feet; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA [21-4498](#)

Attachments: [05132025 OWA 8-5 B-L \(Revised Attachment\)](#)
[05132025 OWA 8-5 Presentation](#)

5. BOARD INFORMATION ITEMS

NONE

6. COMMITTEE ITEMS

- a. Advancing Resilience through Distributed Stormwater Capture and Conservation [21-4522](#)
Guest Panelist:
Deborah Bloome, Senior Policy Director Accelerate Resilience LA
Janet Clements, President/Chief Executive Officer One Water Econ
Ed Harrington, Financial Advisor WaterNow Alliance
Devon Provo, Senior Policy Manager Accelerate Resilience LA

Attachments: [05122025 OWA 6a Presentation](#)

- b. Climate Action Plan Annual Update [21-4523](#)

Attachments: [05122025 OWA 6b Report](#)
[05122025 OWA 6b Presentation](#)

- c. Update on Water Surplus Drought Management [21-4524](#)

Attachments: [05122025 OWA 6c Report](#)
[05122025 OWA 6c Presentation](#)

7. MANAGEMENT ANNOUNCEMENTS AND HIGHLIGHTS

- a. Bay-Delta Resources activities [21-4525](#)
Colorado River Resources activities
Sustainability, Resilience and Innovation activities
Water Resources Management activities

Attachments: [05122025 OWA 7a Bay-Delta Resources Activities.pdf](#)
[05122025 OWA 7a Colorado River Resources Activities.pdf](#)
[05122025 OWA 7a Sustainability, Resilience and Innovation Activities](#)
[05122025 OWA 7a Water Resources Management Activities](#)

8. FOLLOW-UP ITEMS

NONE

9. FUTURE AGENDA ITEMS

10. ADJOURNMENT

NOTE: This committee reviews items and makes a recommendation for final action to the full Board of Directors. Final action will be taken by the Board of Directors. Committee agendas may be obtained on Metropolitan's Web site <https://mwdh2o.legistar.com/Calendar.aspx>. This committee will not take any final action that is binding on the Board, even when a quorum of the Board is present.

Writings relating to open session agenda items distributed to Directors less than 72 hours prior to a regular meeting are available for public inspection at Metropolitan's Headquarters Building and on Metropolitan's Web site <https://mwdh2o.legistar.com/Calendar.aspx>.

Requests for a disability-related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Board Executive Secretary in advance of the meeting to ensure availability of the requested service or accommodation.

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MINUTES

ONE WATER AND ADAPTATION COMMITTEE

April 7, 2025

Vice Chair Katz called the meeting to order at 3:00 p.m.

Members present: Directors Ackerman, Alvarez, Armstrong, Cordero, Erdman, Gold, Katz, Kurtz, Lewitt, McMillan, and Miller.

Members absent: Directors Pressman and Quinn.

Other Board Members present: Directors Camacho, Fellow, Goldberg, Lefevre, McCoy, Ortega, Seckel, and Shepherd Romey.

Committee Staff present: Bednarski, Crosson, Goshi, Hasencamp, Munguia, Rubin, Schlotterbeck, and Upadhyay.

1. OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE COMMITTEE ON MATTERS WITHIN THE COMMITTEE'S JURISDICTION

Public Speakers included:

1. Caty Wagner, Sierra Club, spoke in opposition of 6c.
2. Ron Stalk, Friends of the River, spoke in opposition of 6c.

CONSENT CALENDAR ITEMS -- ACTION

2. CONSENT CALENDAR OTHER ITEMS -- ACTION

- A.** Approval of the Minutes of the Meeting One Water and Stewardship Committee for March 10, 2025

3. CONSENT CALENDAR ITEMS – ACTION

Director Ackerman read a recusal statement for item 7-16.

Director Erdman read a disclosure statement for item 7-16.

Director Cordero read a disclosure statement for items 7-14 and 7-15.

Director Miller requested to see the presentation for items 7-12 to 7-17.

Mr. Brandon Goshi, Manager, Water Resource Management, provided brief background information on the Conjunctive Use Program and introduced Mr. Matthew Hacker who gave an overview presentation of items 7-12 to 7-17.

7-11 Subject: Authorize the General Manager to extend California Contractor Forbearance for Intentionally Created Surplus; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

 Motion: Authorize the General Manager to extend California Contractor Forbearance for Intentionally Created Surplus.

 Presented by: None.

7-12 Subject: Authorize the General Manager to terminate the Foothill Area Conjunctive Use Program Agreement; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

 Motion: Authorize the General Manager to terminate the Foothill Area Conjunctive Use Program Agreement.

 Presented by: Matthew D. Hacker, Sr. Resource Specialist

7-13 Subject: Authorize the General Manager to terminate the Live Oak Basin Conjunctive Use Program Agreement; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA.

 Motion: Authorize the General Manager to terminate the Live Oak Basin Conjunctive Use Program Agreement.

 Presented by: Matthew D. Hacker, Sr. Resource Specialist

7-14 Subject: Authorize the General Manager to terminate the Long Beach Conjunctive Use Program Agreement; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

 Motion: Authorize the General Manager to terminate the Long Beach Conjunctive Use Program Agreement.

 Presented by: Matthew D. Hacker, Sr. Resource Specialist

7-15 Subject: Authorize the General Manager to terminate the Long Beach Expansion into Lakewood Conjunctive Use Program Agreement; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

 Motion: Authorize the General Manager to terminate the Long Beach Expansion into the Lakewood Conjunctive Use Program Agreement.

 Presented by: Matthew D. Hacker, Sr. Resource Specialist

7-16 Subject: Authorize the General Manager to terminate the Orange County Conjunctive Use Program Agreement; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

 Motion: Authorize the General Manager to terminate the Orange County Conjunctive Use Program Agreement.

 Presented by: Matthew D. Hacker, Sr. Resource Specialist

7-17 Subject: Authorize the General Manager to terminate the Compton Conjunctive Use Program Agreement; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

 Motion: Authorize the General Manager to terminate the Compton Conjunctive Use Program Agreement.

 Presented by: Matthew D. Hacker, Sr. Resource Specialist

Director Miller made a motion, seconded by Director Kurtz, to approve the consent calendar consisting of items 2a, 7-11, 7-12, 7-13, 7-14, 7-15, 7-16, and 7-17.

The vote was:

Ayes: Directors Ackerman, Alvarez, Armstrong, Cordero, Erdman, Gold, Katz, Kurtz, Lewitt, McMillan, and Miller.

Noes: None.

Recusals: Director Ackerman (item 7-16).

Abstentions: Director Alvarez (item 2a).

Absent: Directors Pressman and Quinn.

The motion for item 2a passed by a vote of 10 ayes, 0 noes, 1 abstention, and 2 absent.

The motion for item 7-16 passed by a vote of 10, ayes, 0 noes, 0 abstentions, 1 recusal, and 2 absent.

The motion for items 7-11, 7-12, 7-13, 7-14, 7-15, and 7-17 passed by a vote of 11 ayes, 0 noes, 0 abstentions, and 2 absent.

END OF CONSENT CALENDAR ITEMS

4. OTHER BOARD ITEMS – ACTION

NONE.

5. BOARD INFORMATION ITEMS

NONE.

6. COMMITTEE ITEMS

a. Subject: Conservation Quarterly Update

Presented by: Elise M. Goldman, Manager, Water Efficiency Team

The following Director provided comments or asked questions.

1. Gold

Staff responded to the Directors' question.

b. Subject: Update on Water Surplus and Drought Management

Presented by: Larry Lai, Resource Specialist, Water Resource Management

The following Directors provided comments or asked questions.

1. Katz

Staff responded to the Directors' question.

- c. Subject: Sites Reservoir Project Benefits and Risks Part 1
- Presented by: Maureen Martin, Manager,
 Bay-Delta Science and Regulatory Strategy

The following Directors provided comments or asked questions.

1. Katz

Staff responded to the Directors' question.

- d. Subject: Update on Basin States Discussions Regarding Post-2026
 Operational Guidelines
- Presented by: Shanti Rossett, Special Projects Manager

The following Directors provided comments or asked questions.

1. Gold
2. Kurtz

Staff responded to Directors' questions and comments.

- e. Subject: Carbon Sequestration and Capture Opportunities
- Presented by: Liz Crosson, Chief Sustainability
 Resiliency & Innovation Officer

The following Directors provided comments or asked questions.

1. Erdman
2. Seckel
3. Miller
4. Gold
5. Ortega

Staff responded to Directors' questions and comments.

- f. Subject: Report on the Delta Conveyance Design and Construction
 Authority Meeting
- Presented by: Maureen Martin, Manager,
 Bay-Delta Science and Regulatory Strategy

Ms. Martin provided the report.

- g. Subject: Report on the Delta Conveyance Design and Construction
 Authority Meeting

Presented by: Director Gloria Cordero

Director Cordero provided the report.

7. MANAGEMENT ANNOUNCEMENT AND HIGHLIGHTS

- a. Subject: Bay-Delta Resources activities
 Colorado River Resources activities
 Sustainability, Resilience, and Innovation activities
 Water Resource Management activities

John Bednarski, Assistant General Manager, remarked that there was nothing more to report on beyond the written reports attached to the meeting agenda.

8. FOLLOW UP ITEMS

None.

9. FUTURE AGENDA ITEMS

None.

10. ADJOURNMENT

The next meeting will be held on May 12, 2025

The meeting adjourned at 4:44p.m.

Mel Katz
Vice Chair



- **Board of Directors**
One Water and Adaptation Committee

5/13/2025 Board Meeting

7-6

Subject

Authorize an amendment to LRP Agreement to extend the start of operation deadline for San Diego Pure Water North City Project Phase 1; adopt CEQA determination that the proposed action was previously addressed in the City of San Diego's adopted 2018 Final EIR/EIS and that no further CEQA review is required

Executive Summary

This letter requests authorization for Metropolitan to approve the San Diego County Water Authority's (SDCWA) request to amend the Local Resources Program Agreement extending the start of operation deadline from June 30, 2025, to June 30, 2028, for the San Diego Pure Water North City Project Phase 1 (Project) consistent with the adopted framework under the Local Resources Program (LRP).

The LRP provides financial incentives to encourage the development of local water supplies in Southern California. Each LRP agreement includes milestones for timely construction, operation, and production. In June 2021, the Board adopted a framework and evaluation criteria for considering future extension requests. In October 2021, the Board approved a framework for amending program agreements to provide additional flexibility to agencies to return projects to operation after a disruption. Under the approved framework for extension requests, member agencies may request an extension to the start of operation of their LRP project by up to three additional fiscal years if the member agency conforms to the approved criteria.

Proposed Action(s)/Recommendation(s) and Options

Staff Recommendation: Option #1

Option #1

Authorize an amendment to LRP Agreement to extend the start of operation deadline for San Diego Pure Water North City Project Phase 1; adopt CEQA determination that the proposed action was previously addressed in the City of San Diego's adopted 2018 Final EIR/EIS and that no further CEQA review is required

Fiscal Impact: No new fiscal obligations will result from the proposed amendment. Payments to the Project are included in the budget and are currently projected to begin in 2025. Payments to the Project will be shifted by three years to begin in 2028. The maximum financial obligations were provided when the Board approved the LRP Agreement for this Project on December 10, 2019, and remaining at up to \$285.6 million for a project yield of 840,000 acre-feet (AF) over 25 years.

Business Analysis: The Project would help Metropolitan support local supply development and meet legislative mandates while alleviating the burden on Metropolitan's infrastructure and reducing overall system costs.

Option #2

Do not extend the LRP Agreement start of operation deadline for San Diego Pure Water North City Project Phase 1.

Fiscal Impact: Metropolitan's financial commitment for up to \$285.6 million over 25 years would be removed from the budget forecast.

Business Analysis: Metropolitan would no longer provide financial incentives for the Project and potentially delay meeting the LRP's target goals.

Alternatives Considered

Not applicable

Applicable Policy

By Minute Item 49923, dated October 14, 2014, the Board approved refinements to the Local Resources Program to encourage additional local resource production.

By Minute Item 51356, dated October 9, 2018, the Board approved an interim Local Resources Program target yield of 170,000 AFY of new water production.

By Minute Item 51835, dated December 10, 2019, the Board approved authorizing the General Manager to enter into a Local Resources Program Agreement with the San Diego County Water Authority and the City of San Diego for the San Diego Pure Water North City Project Phase 1 for up to 33,600 AFY of recycled water.

By Minute Item 52415, dated June 8, 2021, the Board approved changes to the start-of-operation timing for four Local Resources Program Projects and formally adopted the policy described in the board letter for evaluation of future LRP extension requests.

Related Board Action(s)/Future Action(s)

Not applicable

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

On December 10, 2019, the Board acted as a Responsible Agency and certified that it reviewed and considered the information in the City of San Diego's 2018 Final Environmental Impact Report/ Environmental Impact Statement (EIR/EIS) and Mitigation Monitoring and Reporting Program, and adopted the Lead Agency's findings and Statement of Overriding Considerations; and approved the terms and conditions of an LRP agreement for the San Diego Pure Water North City Phase 1 Project. The proposed action to extend the LRP Agreement start of operation deadline represents a minor modification affecting only the fiscal aspects of the project. Thus, the previous environmental documentation acted on by the Board in conjunction with the LRP project complies with CEQA, and no further action is required.

CEQA determination for Option #2:

None required

Details and Background

Background

In 1982, Metropolitan created the LRP to provide financial incentives to help local agencies develop water recycling and groundwater recovery projects and, therefore, assist Metropolitan in reaching its regional water reliability goals. Since the LRP's inception, Metropolitan has provided about \$548 million in incentives for the development of more than 3.2 million AF of recycled water and 1.3 million AF of recovered groundwater. There are 117 projects currently under contract. LRP projects increase water supply reliability, reduce imported water demands, decrease the burden on Metropolitan's infrastructure, reduce system costs, and free up conveyance capacity. In addition, the LRP helps Metropolitan meet its legislative mandates under Senate Bill 60 to expand water conservation, recycling, and groundwater storage and replenishment measures. Overall, the LRP benefits all member agencies regardless of the project location.

In December 2019, the Board authorized the General Manager to enter into an LRP Agreement with SDCWA and the City of San Diego (City) for the San Diego Pure Water North City Project Phase 1 (Project). In August 2020, the LRP Agreement (Agreement) was executed. The Project met its first milestone for start-of-construction by August 17, 2022.

San Diego Pure Water Project Phase 1 (Project)

The Project is part of the City's multi-phased Pure Water Program, which will produce a local, sustainable, and drought-resilient supply of 92,972 AF per year. The Agreement is for Phase 1 of the Project consisting of the construction of the North City Pure Water Facility (NCPWF) that will purify tertiary recycled water from the existing North City Water Reclamation Facility (not part of the Agreement). The Project will produce up to 33,600 AF per year of potable reuse via surface water augmentation at the Miramar Reservoir. The Project facilities under the Agreement include the NCPWF, pump stations, conveyance pipelines to deliver purified water to the Miramar Reservoir, and the influent structure and necessary facilities, such as a subaqueous pipeline that will discharge the Project water into the reservoir. The NCPWF will include advanced treatment processes such as ozone, biological filtration, reverse osmosis, ultraviolet disinfection, and an advanced oxidation process. The advanced treatment process will treat tertiary-treated recycled water to produce purified water suitable for surface water augmentation. The Agreement will be amended to clarify that the Project water is advanced treated and suitable for potable indirect reuse via surface water augmentation as approved by the Board in 2019.

2021 Framework and Criteria for Evaluating the Request to Extend the Start-of-Operation

In June 2021, the Board approved a framework and evaluation criteria proposed by staff for extensions due to delays in the start-of-operation milestones for the LRP projects. To qualify, the project must have an active agreement and currently be under construction. The member agency must also meet the following four criteria: (1) formally request an extension and describe the reasons for the delay; (2) affirm that all parties to the Agreement are still pursuing the project; (3) provide a revised schedule; and (4) affirm that the project will start operation within the requested extension (not to exceed three fiscal years).

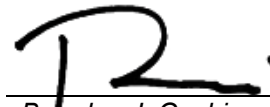
SDCWA's Request to Extend the Start-of-Operation Deadline – Agreement Amendment

On March 13, 2025, SDCWA, on behalf of the City, submitted a formal request to Metropolitan for an extension to the Project's start of operation due to construction delays and legal-related issues, as described in their letter (**Attachment 1**). The Project has an active LRP Agreement and is under construction. Metropolitan staff determined their request satisfied the Board established criteria to seek an extension because the letter formally requested an extension, described the reasons for the delay, affirmed that all parties to the Agreement continue to pursue the Project, provided a revised schedule, and affirmed that the Project would start operating within the requested extension of three fiscal years.

The Project was underway during the global COVID-19 pandemic, and the macroeconomic pressures severely affected the cost of construction commodities and the delivery of critical materials and equipment. The Project was impacted by significant price increases, the inability to obtain pricing commitments, and challenges in obtaining construction materials. These supply chain challenges resulted in time delays in the delivery of key materials and equipment. The Project also experienced construction delays due to differing siting conditions and tunnel delays. Construction of the NCPWF has seen several design changes, including structural, drainage, electrical, and controller modifications driven by regulatory requirements and additional operational safety measures.

Legal challenges also contributed to delays in Project implementation. After advertising construction for the Project, the Association of General Contractors (AGC) initiated litigation against the City related to joint apprenticeship language in their construction contracts. The court issued an injunction that prohibited proceeding with construction while in litigation. The state subsequently passed legislation requiring project labor agreements (PLAs) for pure water projects receiving State Revolving Fund loan financing. The City removed joint apprenticeship language from all Project contracts, successfully negotiated PLAs with applicable labor and construction groups, and settled with AGC. As a result of litigation and changes in state law, Project construction was delayed approximately 18 months.

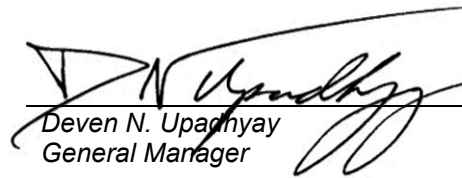
If the Board grants SDCWA's extension request, the Agreement will terminate 25 years following the new start-of-operation deadline. **Attachment 2** summarizes the Project's current LRP contract terms and the revised terms if the Board approves the extension request. Metropolitan would not incur any new financial obligations from such an extension. The Project is included in the budget, and the current forecast includes payments to the Project starting in 2025. If the extension is granted, staff will shift the timing of the payments by three years. If the extension request is not granted, the Agreement will terminate, and the estimated payments to the Project will be removed from the forecasted expenditures of the LRP.



Brandon J. Goshi
Interim Manager, Water Resource Management

4/28/2025

Date



Deven N. Upadhyay
General Manager

4/28/2025

Date

Attachment 1 – SDCWA Letter Requesting Start-of-Operation Extension

Attachment 2 – LRP Project Requesting Start-of-Operation Extensions

Ref# wrm12699745

Brandon Goshi

Interim Water Resource Management Group Manager
700 Alameda St
Los Angeles, CA 90012

March 13, 2025

RE: MWD's Local Resource Program Agreement No. 191282 for San Diego Pure Water North City Project Phase 1

Dear Mr. Goshi,

*Hi
Brandon*

The San Diego County Water Authority (Water Authority) is submitting this letter to Metropolitan Water District of Southern California (MWD) to formally request a three-fiscal-year extension to the contractual date for start of operations under the above referenced Local Resources Program (LRP) Agreement (Agreement).

On August 17, 2020, the Water Authority, the City of San Diego (City), and MWD executed the above referenced Agreement for the San Diego Pure Water North City Project (Project) which will be owned and operated by the City of San Diego (City), a member agency of the Water Authority.

On behalf of the City, the Water Authority is requesting to extend the start of operation from June 30, 2025, to June 30, 2028, due to unforeseen delays including supply chain challenges resulting from the COVID-19 pandemic, unforeseen construction delays, and legal challenges. This request is consistent with the requirements outlined in the June 8, 2021, Item 7-7 approved by the Water Planning and Stewardship Committee and MWD's Board of Directors.

In addition to the extension, the Water Authority requests amendments to the Agreement to improve its clarity and make it more consistent with the Project.

The Project is currently 70% complete and the City is fully committed to bringing the project online as a local and sustainable water source for the region. The City will meet the requested three-fiscal-year LRP extension deadline and strives to bring the Project online sooner, if possible. The Water Authority remains supportive of the City in completing the Project according to the revised schedule.

Attached is a letter from the City with additional information detailing reasons for the delay and its commitment to completing the Project on schedule. Also attached is a revised schedule for Project implementation with a revised start of operations date as required by MWD.

Thank you for considering our request. If you have any questions, please contact Jesica Cleaver at JCleaver@sdewa.org or 858-522-6764.

Sincerely,



Meena Westford
Director of Imported Water

Attachment – Extension Request Letter from City of San Diego and Revised Project Schedule

CC: Kira Alonzo, MWD, Water Resource Management Group
Nadia Hardjadinata, MWD, Water Resource Management Group
Tracy Abundez, MWD, Water Resource Management Group



February 13, 2025

Dan Denham, General Manager
San Diego County Water Authority
4677 Overland Avenue
San Diego, California 92123

Re: MWD's Local Resources Program Agreement No. 191282 for San Diego Pure Water North City Project Phase 1

Dear Mr. Denham:

This letter is required for the San Diego County Water Authority (SDCWA) to initiate a request to Metropolitan Water District of Southern California (MWD) to extend for three fiscal years the contractual date for start of operations under the above referenced Local Resources Program (LRP) Agreement (Agreement).

The San Diego Pure Water North City Project (Project) will be owned and operated by the City of San Diego (City). The City is constructing a multi-phased Pure Water San Diego Program. The Project is the first phase of the San Diego Pure Water Program and will provide up to 33,600 AFY of purified water to the Miramar Reservoir for surface water augmentation. Future phases of the City of San Diego's Pure Water Program are not part of this agreement.

As you know, on August 17, 2020, the City, MWD, and SDCWA executed the above referenced Agreement. The City is requesting to extend the start of operation from June 30, 2025, to June 30, 2028, due to unforeseen delays including supply chain challenges resulting from the COVID-19 pandemic, unforeseen construction delays, and legal challenges. This request is consistent with the requirements outlined in the June 8, 2021, Item 7-7 approved by the Water Planning and Stewardship Committee and MWD's Board of Directors.

In addition to the extension, the City of San Diego requests amendments to clarify the LRP Agreement and make it more consistent with the Project.

Background

The City of San Diego's Pure Water program is a multi-phased project to produce a local, sustainable, and drought proof supply of 92,972-acre feet of water per year. Phase 1 of the program consists of the City of San Diego Pure Water North City Project which will treat tertiary

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Dan Denham
General Manager
February 13, 2025

recycled water from the North City Water Reclamation Facility to produce an anticipated 33,600-acre feet annually of water for potable reuse via surface water augmentation at the Miramar Reservoir. This LRP Agreement focuses on Phase 1 of the City of San Diego's Pure Water program, which is the City of San Diego Pure Water North City Project Phase 1 (Project).

The Project facilities under this Agreement only include the North City Pure Water Facility (NCPWF), the North City Pure Water pump stations and conveyance pipeline to deliver purified water to the Miramar Reservoir, and the influent structure and necessary facilities such as a subaqueous pipeline that will discharge the Project water into the reservoir. NCPWF will include advanced treatment processes such as ozone, biological activated carbon filters, membrane filtration, reverse osmosis, ultraviolet disinfection, and an advanced oxidation process. The advanced treatment process will treat tertiary treated recycled water from the North City Water Reclamation Plant to produce purified water suitable for surface water augmentation at the Miramar Reservoir. North City Water Reclamation Plant is not part of this Agreement.

Reason for Requested Extension

The City of San Diego is requesting an extension of the schedule set forth in Exhibit D due to the following delays to the project implementation timeline.

The City of San Diego Pure Water project is the most complex capital improvement program project undertaken by the City of San Diego, which is comprised of 12 individual projects. Early site work for the Project began on May 22, 2019, and the Project is approximately 70% complete as of early 2025. The delays that the Project experienced include supply chain challenges resulting from the COVID-19 pandemic, unforeseen construction delays, and legal challenges. Since being identified, and to the extent possible, these risks have largely been mitigated. Following is more detail on delays to the Project as rationale for this request for extension.

The Project got underway during the global COVID-19 pandemic and was affected by macroeconomic pressures that severely impacted the cost of construction commodities and the delivery of critical materials and equipment. Like many construction projects, this Project was impacted by significant price increases, the inability to obtain pricing commitments, and challenges in obtaining construction materials resulting in an uncertain construction environment. These supply chain challenges impacted the delivery time for key materials and equipment, ultimately delaying the Project.

The Project has seen delays on the construction side due to unforeseen challenges including differing site conditions, tunneling delays, and supply chain issues. Construction of the North City Pure Water Facility has seen several construction changes which have caused delays to the project including structural modifications, drainage modifications, controller and electrical modifications, changes driven by regulatory requirements, and additional operational safety measures. Construction at the North City Water Reclamation Plant, which is crucial to the Project, has also seen delays. Upgrades to the plant must be completed while the plant remains in operation 24/7, which brings a unique level of complexity to the project. This portion the Project has seen delays due to varied site conditions, design modifications, and electrical equipment procurement delays.

Legal challenges have been another contributing factor in Project implementation delays. In November 2018, the City Council authorized the City of San Diego Public Utilities Department to

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Dan Denham
General Manager
February 13, 2025

begin advertising for construction of the Project. After advertisement of associated projects, the Association of General Contractors (AGC) initiated litigation against the City, alleging that joint apprenticeship language in three of the construction contracts violated the City's Proposition A requirements. The Court issued an injunction that prohibited proceeding with construction while the litigation was resolved. The State subsequently passed legislation requiring project labor agreements (PLAs) for Pure Water projects that received State Revolving Fund loan financing and in November 2019 the City Council approved removing joint apprenticeship language from all the Pure Water contracts. The City then successfully negotiated project labor agreements (PLAs for Pure Water with applicable labor and construction groups. In November 2019, the City settled with AGC. As a result of this litigation and the change in state law requiring PLAs, construction of the Project was delayed approximately 18 months.

The City of San Diego believes that these unforeseen delays are sufficient rationale to request an extension to the start of operations consistent with the requirements outlined in the June 8, 2021, Item 7-7 approved by the Water Planning and Stewardship Committee and MWD's Board of Directors.

Commitment to Continuing to Pursue the Pure Water North City Project

The San Diego Pure Water North City Project Phase 1 is currently 70% complete and the City of San Diego is fully committed to bringing the project online as a local and sustainable water source for the region. The following are updates on the Project implementation:

The Project has met major milestones including installation of approximately 21 of 30 miles of pipeline, completion of 12 of 15 tunnels, installation of the subaqueous pipeline at Miramar reservoir, completion of testing of two of the four new secondary clarifiers at the North City Water Reclamation Plant, completion of the operations and maintenance building exterior, while we continue the installation of major process equipment at the North City Pure Water Facility.

In addition to construction implementation, the City continues to prepare for implementation of the Project operations and maintenance needs. The City has hired fifteen of 20 operations positions, nine of 17 maintenance positions, and five of seven engineering and administrative positions. Of the positions where certifications are required, eight out of ten required Advanced Water Treatment (AWT) Certifications have been obtained. Additional AWT training is scheduled for early 2025. The City also continues to work toward obtaining necessary contracts for chemicals, services, and other specialized parts and labor.

The City will meet the requested 36-month LRP extension deadline and strives to bring the Project online sooner, if possible. Attached is a summary schedule of Project implementation with a revised start of operations date as required by MWD.

If you have any questions or need additional information, please contact Ally Berenter, at (619) 541-3642 or aberenter@sanidiego.gov.

Page 4
Dan Denham
General Manager
February 13, 2025

Thank you for your consideration of our request. The City of San Diego looks forward to working with SDCWA and MWD staff on seeking approval of this request and bringing this important water supply to MWD's service area.

Sincerely,



Juan Guerreiro
Director of Public Utilities
City of San Diego

Attachment 1 – Revised Schedule San Diego Pure Water North City Project Phase 1

cc: Lisa Celaya, Executive Assistant Director, Public Utilities Department
Doug Campbell, Assistant Director, Public Utilities Department
Alexandra Berenter, Deputy Director, Public Utilities Department

Page 5
Dan Denham
General Manager
February 13, 2025

Attachment 1

Revised San Diego Pure Water Program Implementation Schedule

Revised Date	Activity
April 19, 2022	Commence Construction
December 2025	Begin Start Up and Commissioning
April 2026	Conduct Partial Flow System Acceptance Test
May 2026	Conduct UV Validation Testing for DDW
July 2026	Receive DDW Approval for Surface Water Discharge to Miramar Reservoir at 7.5 MGD
November 2026	Complete Full Flow System Acceptance Test
February 2027	Obtain DDW Approval for 30 MGD Operations
July 1, 2027-June 30, 2028	Project Allowable Yield begins

LOCAL RESOURCES PROGRAM (LRP) PROJECT REQUESTING START-OF-OPERATION EXTENSION

Project Information	
<i>LRP Project</i>	San Diego Pure Water North City Project Phase 1
<i>Member Agency</i>	San Diego County Water Authority (SDCWA)
<i>Ultimate Yield (AF)</i>	33,600 AF
<i>Date of Agreement Execution</i>	August 17, 2020
Extension Timeline	
<i>Start-of-Operation Milestone</i>	June 30, 2025
<i>Revised Start-of-Operation Milestone</i>	June 30, 2028
<i>Length of Extension Request</i>	36 months
Additional Information	
<i>Project currently under construction?</i> <input checked="" type="checkbox"/>	
<i>Member agency affirmed all parties pursuing project?</i> <input checked="" type="checkbox"/>	
<i>Member agency provided revised schedule?</i> <input checked="" type="checkbox"/>	
<i>Member agency affirmed that the project will start operation within 3 fiscal years?</i> <input checked="" type="checkbox"/>	
Reasons for Requested Extension	
The extension request is due to unforeseen delays including supply chain challenges resulting from the COVID-19 pandemic, unforeseen construction delays, and legal challenges.	



One Water and Adaptation Committee

Authorize an amendment to LRP Agreement to extend start-of-operation deadline for San Diego Pure Water North City Project Phase I

Item 7-6

May 13, 2025

Item 7-6

Amendment to LRP Agreement for San Diego Pure Water North City Project Phase I

Subject

Authorize an amendment to LRP Agreement to extend the start of operation deadline for San Diego Pure Water North City Project Phase I

Purpose

To obtain Board approval to amend the LRP Agreement to extend the start of operation deadline for the San Diego Pure Water North City Project Phase I

Recommendation and Fiscal Impact

Staff recommends authorizing an amendment to the LRP Agreement to grant an extension to the start of operation deadline for the San Diego Pure Water North City Project Phase I.

No new fiscal obligations result from the proposed amendment. Payments will be shifted by three years, beginning in 2028.

Local Resources Program

Background

Provides incentives for Metropolitan's member agencies to develop new local projects to increase water supply reliability in the region



Recycled Water
(1982)



Groundwater Recovery
(1991)



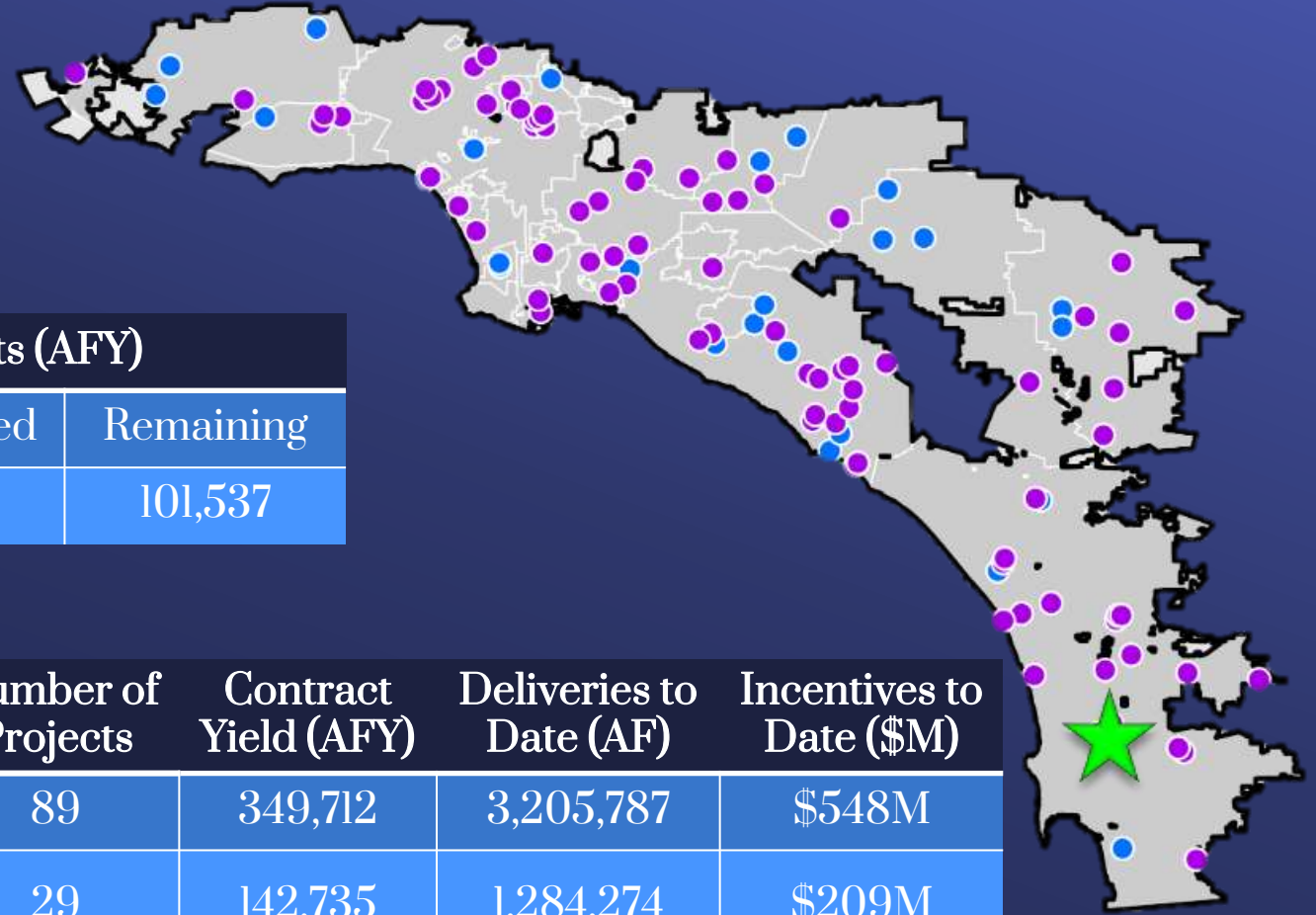
Seawater Desalination
(2014)

Local Resources Program

Program Status

LRP Targets (AFY)		
Target	Committed	Remaining
170,000	68,463	101,537

Type	Number of Projects	Contract Yield (AFY)	Deliveries to Date (AF)	Incentives to Date (\$M)
● Recycling	89	349,712	3,205,787	\$548M
● Groundwater Recovery	29	142,735	1,284,274	\$209M
Total	118	492,447	4,490,061	\$757M



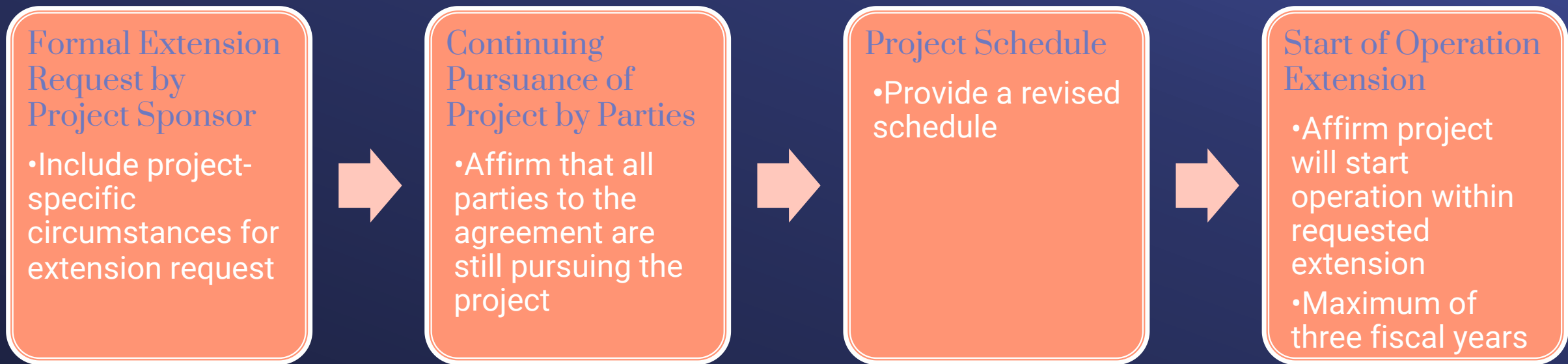
San Diego Pure Water North City Project Phase I

Project Details

- On December 10, 2019, the Board authorized the General Manager to enter into an LRP agreement with SDCWA and the City of San Diego
- North City Pure Water Facility
 - Advanced treatment processes (ozone, biological filtration, reverse osmosis, and ultraviolet disinfection)
 - Pipelines, pump stations, influent structure
 - Capacity: 33,600 acre-feet
- Purified water for surface water augmentation at Miramar Reservoir

Approved LRP Framework

- On June 8, 2021, the Board approved framework and criteria for member agency requests to extend the start of operation milestone
 - Project must be under construction and have an active LRP agreement
- Evaluation criteria for extensions:



- Extension requests meeting evaluation criteria must be approved by the Board.

Start of Operation Extension

Request Details

- SDCWA submitted formal request to extend start-of-operation milestone from June 30, 2025 to June 30, 2028.
 - Parties are committed to the completion of the project
 - Project will begin operation on or before June 30, 2028
- Reasons for additional time needed
 - Supply chain challenges impacted ability to acquire construction materials and equipment
 - Design modifications due to differing site conditions
 - Legal challenges and changes in state law requiring project labor agreements

Summary

- Extension request meets Board-approved criteria
- All other terms of existing LRP Agreement remain unchanged
 - Amendment changes the start of operation milestone
- No further CEQA review is required
- No change to the maximum financial commitment approved by the Board
 - Shifts the timing of expenditures

Board Options

- Option #1

Authorize an amendment to LRP Agreement to extend the start of operation deadline for the San Diego Pure Water North City Project Phase I; adopt CEQA determination that the proposed action was previously addressed in the City of San Diego's adopted 2018 Final EIR/EIS and that no future CEQA review is required
- Option #2

Do not extend the LRP Agreement start of operation deadline for the San Diego Pure Water North City Project Phase I

Staff Recommendation

- Option #1

Authorize an amendment to LRP Agreement to extend the start of operation deadline for the San Diego Pure Water North City Project Phase I; adopt CEQA determination that the proposed action was previously addressed in the City of San Diego's adopted 2018 Final EIR/EIS and that no future CEQA review is required





- **Board of Directors**
One Water and Adaptation Committee

5/13/2025 Board Meeting

Revised 8-5

Subject

Authorize the General Manager to amend the Delivery and Exchange Agreement between Metropolitan and Coachella Valley Water District for 35,000 acre-feet; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

This letter seeks authority to amend the terms of the Delivery and Exchange Agreement Between Metropolitan and Coachella Valley Water District (Coachella) for 35,000 acre-feet to provide operational and monetary benefits for the parties. The amendment would cover the exchange of water from 2027–2035 and would include both the option of pre-delivering up to 200,000 acre-feet of exchange water prior to December 31, 2026, and flexibility in the timing of providing exchange water between 2027–2035. Coachella would pay a total cost of \$400 per acre-foot for the exchange, with costs escalating beginning in 2027. The escalation rate will vary between 3.9 percent and 4.8 percent depending on the volume delivered by December 31, 2026. Payments for exchange water delivered between 2027–2035 would be spread out evenly based on the remaining volume to be exchanged in that time period providing revenue/expense certainty for both agencies.

Proposed Action(s)/Recommendation(s) and Options

Staff Recommendation: Option #1

Option #1

Authorize the General Manager to amend the Delivery and Exchange Agreement between Metropolitan and Coachella Valley Water District for 35,000 acre-feet.

Fiscal Impact: Increased revenue of up to \$80 million over two years for the pre-delivery of exchange water to Coachella

Business Analysis: The proposed amendment would extend operational flexibility for the 35,000 acre-foot exchange and would increase Metropolitan's dry-year supply reliability

Option #2

Do not approve the proposed amendment.

Fiscal Impact: None

Business Analysis: Metropolitan would not benefit from the proposed amendment to the 35,000 acre-foot Delivery and Exchange Agreement.

Alternatives Considered

Not applicable

Applicable Policy

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities.

By Minute Item 42820, dated February 10, 1998, the Board approved a policy principle to protect Metropolitan's interests in and increase its dependable entitlements to Colorado River water, while collaborating with other water agencies.

Related Board Action(s)/Future Action(s)

By Minute Item 51834, in December 2019, Metropolitan's Board approved entering into amendments to the exchange and delivery agreements with Desert Water Agency and Coachella Valley Water District, which included amending the terms of the 35,000 acre-foot exchange through 2026.

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is not defined as a project under CEQA because it involves organizational or administrative activities or general policy and procedure making that will not result in a direct or indirect physical change to the environment (Public Resources Code Section 21065; State CEQA Guidelines Section 15378(b)(2) and (5)). In addition, the proposed action is not subject to CEQA because it involves the creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. (State CEQA Guidelines Section 15378(b)(4)).

CEQA determination for Option #2:

None required

Details and Background

Background

Under one of the agreements related to the Quantification Settlement Agreement, Metropolitan provides up to 35,000 acre-feet (AF) per year of its State Water Project supplies to Coachella and then exchanges that water for Colorado River supplies. Metropolitan delivers the Colorado River water to either the Coachella Canal or upper Coachella Valley at Whitewater for which Coachella reimburses Metropolitan for the cost of the delivery. The agreement related to this 35,000 AF exchange was amended in 2019 to provide greater operational flexibility and to simplify the payment structure. The changes provided by the 2019 amendment expire at the end of 2026.

Proposed Amendment

The parties are proposing to amend the agreement as summarized here:

- The amendment covers the exchange of water between 2027-2035.
- The maximum total volume of water that will be delivered under this agreement is 315,000 AF.
- Of the total volume of water that will be delivered, up to 200,000 AF may be provided as water delivery to Whitewater by December 31, 2026. Water delivered by December 31, 2026, may not be charged against the advanced delivery account.
- For the period 2027-2035, Coachella will determine the amount of water it wishes to have delivered to Whitewater each year and Metropolitan will deliver that amount at its discretion, provided that the full 315,000 AF is delivered to Coachella by 2035.
- Coachella will pay a total cost of \$400/AF for the exchange. This payment will be escalated starting in 2027 with the rate dependent on the volume of water delivered by December 31, 2026, according to the table below:


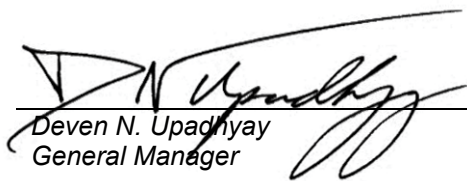
Volume Delivered by December 31, 2026	Escalation Rate (%)
0 – 199,999 AF	4.8%
200,000 AF	3.9%

- For payment purposes, for the period 2027-2035, the remaining total exchange volume in 2027 will be divided into equal annual volumetric installments.

A detailed term sheet is attached (**Attachment 1**).

Benefits of Proposed Amendment

The proposed amendment would build upon the existing benefits of the Delivery and Exchange Agreement for both Metropolitan and Coachella. The amendment would allow Metropolitan to pre-deliver water in 2025-2026 to meet a portion of the 2027-2035 exchange obligations in addition to continued operational flexibility through 2035. This amendment will also provide Metropolitan with additional revenue of up to \$80 million in the short term and greater water supply planning, revenue/expense certainty, and dry-year water supply reliability in the 2027-2035 time period.

 <hr/> Brandon J. Goshi Interim Manager, Water Resource Management	4/28/2025 Date
 <hr/> Deven N. Upadhyay General Manager	4/28/2025 Date

Attachment 1 – Coachella/Metropolitan Exchange Agreement

Ref# wrm12701363

COACHELLA/METROPOLITAN EXCHANGE AGREEMENT

1. The Delivery and Exchange Agreement Between Metropolitan and Coachella for 35,000 AF was amended in 2019. That amendment expires in 2026.
2. Term of this new Exchange Agreement Amendment: 2027-2035, with the understanding that predelivery of a portion of this water may occur in 2025 and 2026.
3. This Exchange Agreement Amendment would cover the conditions for delivery of the 35,000 AF exchange through 2035, commensurate with the termination date of the Desert/Coachella/Metropolitan SWP Exchange Agreement.
4. Metropolitan and Coachella agree to work toward extending the terms of this Exchange Agreement to 2077, provided that the Desert/Coachella/Metropolitan SWP Exchange Agreement has been extended to 2085.
5. The maximum total volume of water that will be delivered under this amendment is 315,000 AF. Of this volume, up to 200,000 AF may be provided as water delivery to Whitewater by December 31, 2026, and not charged against the advance delivery account. For the period 2027–2035, Coachella will determine the amount of water it wishes to have delivered at Whitewater, and Metropolitan will deliver that amount of exchange water at its discretion, provided that the full amount requested is delivered to Whitewater by 2035.
6. In each year through 2035, Metropolitan and Coachella would jointly consult on how much water would be delivered under this Exchange Agreement each year. As conditions may change during the year, the agencies may agree on changing the delivery schedule on a regular basis.
7. Any water delivered from this amendment before 2026 will satisfy the obligations under this amendment, and not replace the delivery obligation under the 2019 Second Amendment to the Delivery and Exchange Agreement Between Metropolitan and Coachella for 35,000 Acre-Feet.
8. Coachella will pay a total cost of \$400/AF for the exchange. This payment will be escalated starting in 2027. The escalation rate will vary based on the amount of water delivered by December 31, 2026, according to the following table. And the cost will be rounded to the nearest dollar.

Table 1: Escalation Rate

Volume Delivered by December 31, 2026	Escalation Rate (%)
0–199,999 AF	4.8%
200,000 AF	3.9%

9. For the 2025 and 2026 billing, Metropolitan will invoice Coachella by June 30 for any water exchanged, or scheduled to be exchanged, in the prior fiscal year (July 1–June 30)
10. For the 2027 to 2035 billing, Metropolitan will invoice Coachella by June 30 for the previous fiscal year according to the following methodology. This is for billing purposes only, and does not commit Metropolitan to an annual volume delivery obligation. If Coachella requests delivery of the 200,000 AF under Section 5 and Metropolitan is unable or chooses not to deliver the water, then the rate shall be computed as if the water requested was fully delivered.

- a. Remaining volume = 315,000 AF (maximum volume under this agreement) – total volume delivered and billed in the 2025 and 2026 invoices. For example, if the volume delivered was 200,000 AF, then the remaining volume is 115,000 AF.
 - b. Annual delivery volume = Remaining volume/9 years (2027–2035). If the remaining volume is 115,000 AF, then annual delivery volume is 115,000 AF/9 years = 12,778 AF/yr.
 - c. Annual billing from Metropolitan = annual delivery volume x \$400/AF x annual escalator.
11. For any year that Coachella desires to have the water covered under this amendment delivered to the Coachella Canal, there shall be an adjustment to the cost of supply on the following invoice for the volume of water delivered to the Coachella Canal (Table 2-3).
- a. If the volume of water delivered to the Coachella Canal in a year exceeds the volume on the following invoice, the adjustment will continue on future invoices until the appropriate volume has been accounted for.
 - b. If the volume of water delivered to the Coachella Canal in a year exceeds the volume remaining to be billed under this amendment, a reconciliation will occur on the next invoice.
12. There will be a final true-up of total water delivered under this amendment at the end of 2035.

**Table 2: Adjustment to Cost of Supply
Delivery to Whitewater Service Connection
When Delivery by December 31, 2026 is 0–199,999 AF**

CY	Cost for Delivery at Whitewater Service Connection (\$/AF)	Cost for Delivery at Imperial Dam (\$/AF)
2025	\$400.00	\$250.00
2026	\$400.00	\$250.00
2027	\$419.00	\$262.00
2028	\$439.00	\$275.00
2029	\$460.00	\$288.00
2030	\$483.00	\$302.00
2031	\$506.00	\$316.00
2032	\$530.00	\$331.00
2033	\$555.00	\$347.00
2034	\$582.00	\$364.00
2035	\$610.00	\$381.00

**Table 3: Adjustment to Cost of Supply
Delivery to Whitewater Service Connection**

When Delivery by December 31, 2026 is 200,000 AFCY	Cost for Delivery at Whitewater Service Connection (\$/AF)	Cost for Delivery at Imperial Dam (\$/AF)
2025	\$400.00	\$250.00
2026	\$400.00	\$250.00
2027	\$416.00	\$260.00
2028	\$432.00	\$270.00
2029	\$449.00	\$280.00
2030	\$466.00	\$291.00
2031	\$484.00	\$303.00
2032	\$503.00	\$315.00
2033	\$523.00	\$327.00
2034	\$543.00	\$340.00
2035	\$564.00	\$353.00



One Water and Adaptation Committee

Authorize Amendment to Coachella Valley Water District Exchange

Item 8-5

May 13, 2025

Item 8-5

Authorize Amendment to Coachella Valley Water District Exchange

Subject

Authorize the General Manager to amend the Delivery and Exchange Agreement between Metropolitan and Coachella for 35,000 acre-feet; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Purpose

To obtain Board approval to amend the Delivery and Exchange Agreement between Metropolitan and Coachella for 35,000 acre-feet for the period between 2027 - 2035

Recommendation and Fiscal Impact

Authorize the General Manager to amend the Delivery and Exchange Agreement. The amendment would provide additional revenue of up to \$80 Million over the next two years for the pre-delivery of exchange water to Coachella.

Budget

2025-2026 budget and rates assume \$60M/year in new revenues from water sales. This action would increase revenue of up to \$80 Million in the next two years.

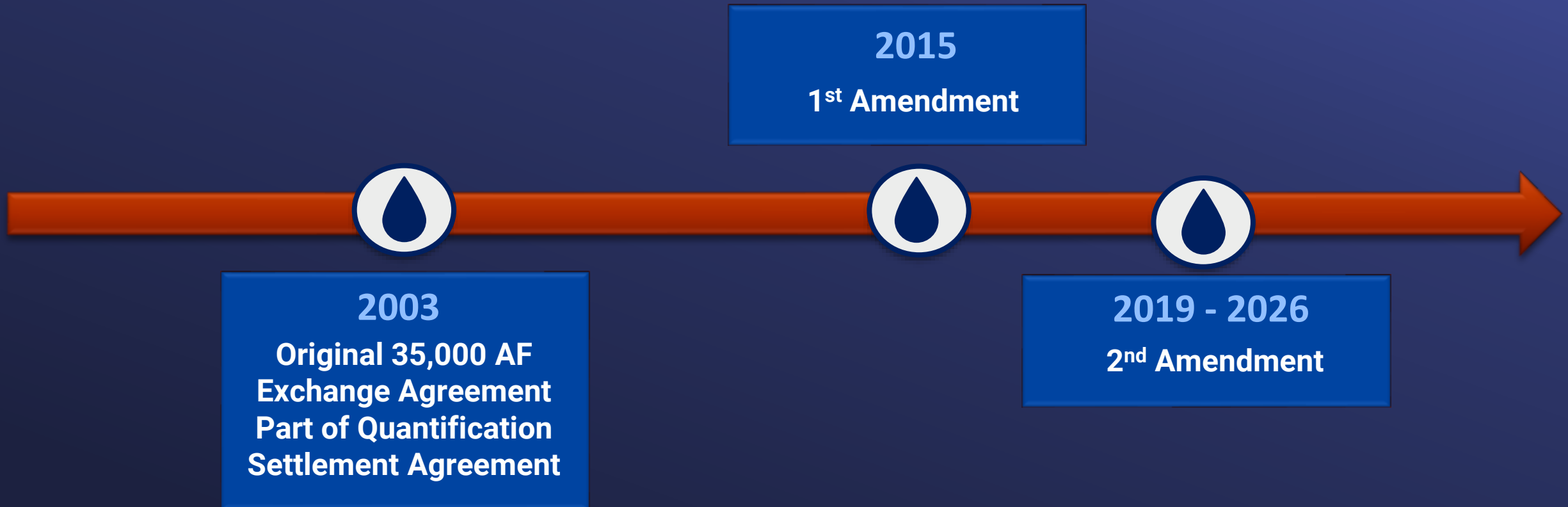
Metropolitan Has Multiple Exchange Agreements with the Coachella Valley Water District

Long Term
Table A
Transfer
Agreement
*with DWCV

CVWD-MWD
35 TAF
Exchange

CVWD-
MWD 15
TAF
Exchange

Background of Amendments to the 35,000 AF Exchange Agreement



3rd Amendment to the 35 TAF Exchange Agreement Terms



- Term: 2027 - 2035
- Volume: 315 TAF Total (35 TAF/year)
- Delivery:

2025-2026

Pre-delivery
Up to 200,000 AF

2027-2035

Deliver Remaining Volume with
Flexibility

- Payment:

2025-2026

\$400/AF
Payment at Delivery

2027-2035

Escalation 3.9% / 4.8%*
Payment in Equal Installments

*Lower escalation rate applied if Coachella approves pre-delivery of full 200 TAF

Exchanges Provide Benefits to Both Parties

CVWD Benefits

- Exchanges provide more certainty for water supply
- Water in the ground now

Metropolitan Benefits

- System flexibility from 2027 – 2035
- Up to \$80 Million of additional revenue over two years
 - Additional tool to address budget and rates assumption of \$60M/year in new revenues from water sales

Board Options

- Option #1

Authorize the General Manager to amend the Delivery and Exchange Agreement between Metropolitan and Coachella for 35,000 acre-feet

- Option #2

Do not authorize the General Manager to amend the Delivery and Exchange Agreement between Metropolitan and Coachella for 35,000 acre-feet

Staff Recommendation

- Option #1





Advancing Resilience Through Distributed Stormwater Capture & Conservation

ARLA

ONEWATER
— ECON —



waternow
alliance
water leaders. resilient solutions.



craftwater™
engineering, inc.

The Nature
Conservancy

One Water and Adaptation Committee
May 12, 2025
Item 6a

Accelerate Resilience L.A. (ARLA) activates communities, organizations and governments to expedite climate resilience.

Grantmaking | Research | Multi-Agency Collaboration | Technology

Today's Presentation

1. Present Study Findings:

- Enhanced conservation is a scalable source of water supply
- Conservation co-benefits create co-funding opportunities

2. Share Implementation Opportunity:

- Potential Pilot Program with Los Angeles County Department of Public Works

*“Reliability means meeting all of the region’s water demands through a combination of Metropolitan supplies, local supplies, and **increased conservation.**”*

- IRP Needs Assessment, 2022

ROADMAP

Implement Enhanced Multi-benefit
Stormwater Capture Incentives

UPDATE INCENTIVE PROGRAM
OFFERINGS

1

2

APPROPRIATELY MONETIZE
THE VALUE OF
CONSERVATION

IDENTIFY OPPORTUNITY
AREAS & PRIORITY BMPs

3

4

SET AN OUTDOOR
CONSERVATION TARGET

IDENTIFY AND CALCULATE
CO-BENEFITS' VALUE

5

6

IDENTIFY FUNDING &
SPENDING TO ACHIEVE TARGET

PRIORITIZE EQUITY
OUTCOMES

7

8

ADOPT PROGRAM ADMIN
STRATEGY

Roadmap to Enhanced Incentive Strategy

1. Update Incentive Program Offerings

2. Appropriately Monetize Value of Conservation

3. Identify Opportunities Areas and Priority BMPs

4. Set an Outdoor Conservation Target

5. Identify and Calculate the Value of Co-benefits

6. Identify Funding and Spending Needed to Achieve Target

7. Prioritize Equity Outcomes

8. Adopt an Appropriate Program Administration Strategy

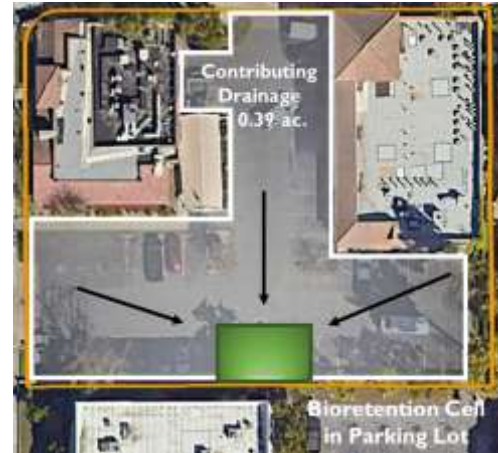
The Roadmap Supports MWD's CAMP4W



- **Contributes to all CAMP4W themes**
- **Informs and helps achieve CAMP4W time-bound targets** to close supply gaps
- **Provides a methodology to evaluate environmental co-benefits** for CAMP4W
- **Offers creative funding strategies** to evolve MWD's business model
- **Proposes a cooperative funding model** to deepen MWD's regional partnerships
- **Develops an equity framework** to ensure conservation programs benefit those most in need.
- **Demonstrates how MWD can support workforce development** by connecting training programs to job pipelines

Study Approach

- Modeled stormwater capture & landscape transformation opportunities across property types
- Quantified and monetized the co-benefits of modeled BMPs
- Evaluated multi-payor co-funding models based on benefits



Landscape Transformation



Above Ground Cistern



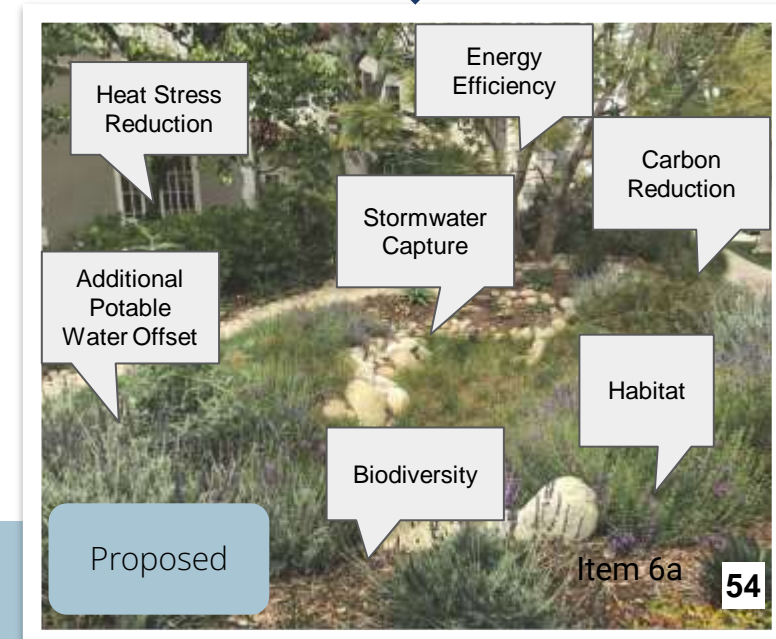
Engineered Bioretention

Enhance Incentive Program to Unlock New Opportunities

Shifting from Turf Conversion to Landscape Transformation Increases Water Supply and Other Benefits

Incentivize:

- **Landscape Transformation**
- **Enhanced bioretention BMPs** for CII properties
- **Cisterns** sized to meet remaining irrigation needs and provide protection against wildfire damages



Multiple Benefits Leads to Multiple Partners

Partnerships increase access to water supply and potential co-funders for incentive programs

Multiple Benefits

- Potable water offset
- Stormwater capture*
- Fire risk reduction
- Carbon reduction
- Air quality improvement
- Community uplift
- Habitat and biodiversity
- Energy savings
- Heat stress reduction
- Green Jobs



Multiple Funders

- Flood Control District
- Municipal stormwater agencies
- State/federal agencies
- Municipal sustainability programs
- Job Training Programs
- Electric Utilities
- Retail Water Providers
- Corporations
- Customers

Example Scenario: Single-Family Residential & CII Costs

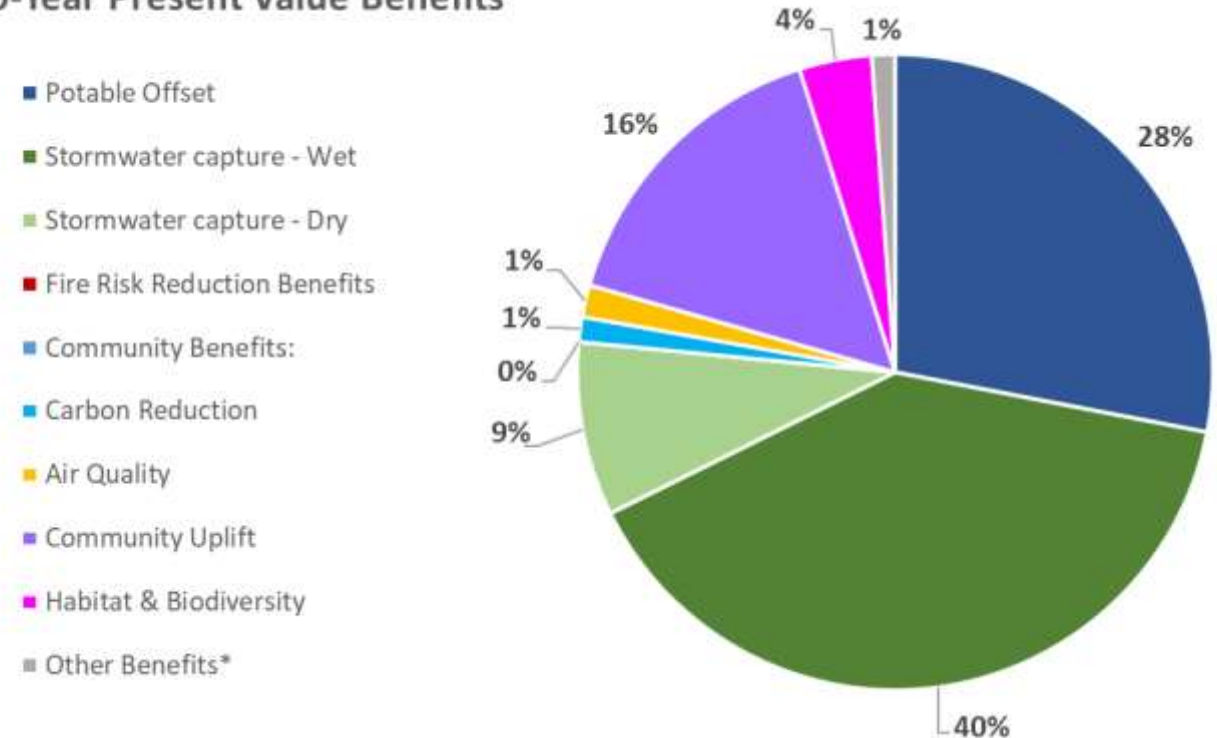
Contribution source	Ratio	Amount
Los Angeles County	40%	\$1,500,000
Metropolitan Water District	40%	\$1,500,000
Retail Water agencies	5%	\$187,000
Customers	5%	\$187,000
Local Govt/grants/other	10%	\$375,000
Total	100%	\$3,750,000

- Rebates to nearly 200 homes and several CII / Large Landscape properties
- 28 AF potable water offset
- Approximately 196,000 square feet of turf transformed
- 52 AF stormwater captured during storm events

Example Scenario: Single-Family Residential & CII Benefits

- 45% Residential Landscape Transformation with 10% install cisterns
- 30% budget on CII/ large landscape, bioretention for 85th percentile storm
- 15% program admin
- Avg. Cost (MWD share) - **\$1,844 AF/year**

30-Year Present Value Benefits



Opportunity: Potential LA County / MWD Pilot Program

- Potential interest from LA County DPW to leverage Safe, Clean Water Program funds
- Pilot: Direct install and/or hybrid rebate for landscape transformation, cisterns & bioretention on Single-Family and CII properties
 - \$1.5M MWD Contribution
 - \$1.5M Potential Match from SCWP
 - Additional Opportunities (State, local agencies)



Pilot Program Opportunity

Goals

- Create pathway to close water supply gaps and advance CAMP4W Targets
- Deepen regional partnerships and leverage outside funding
- Increase Disadvantaged Community participation in conservation programs
- Advance workforce development

Desired Outcomes

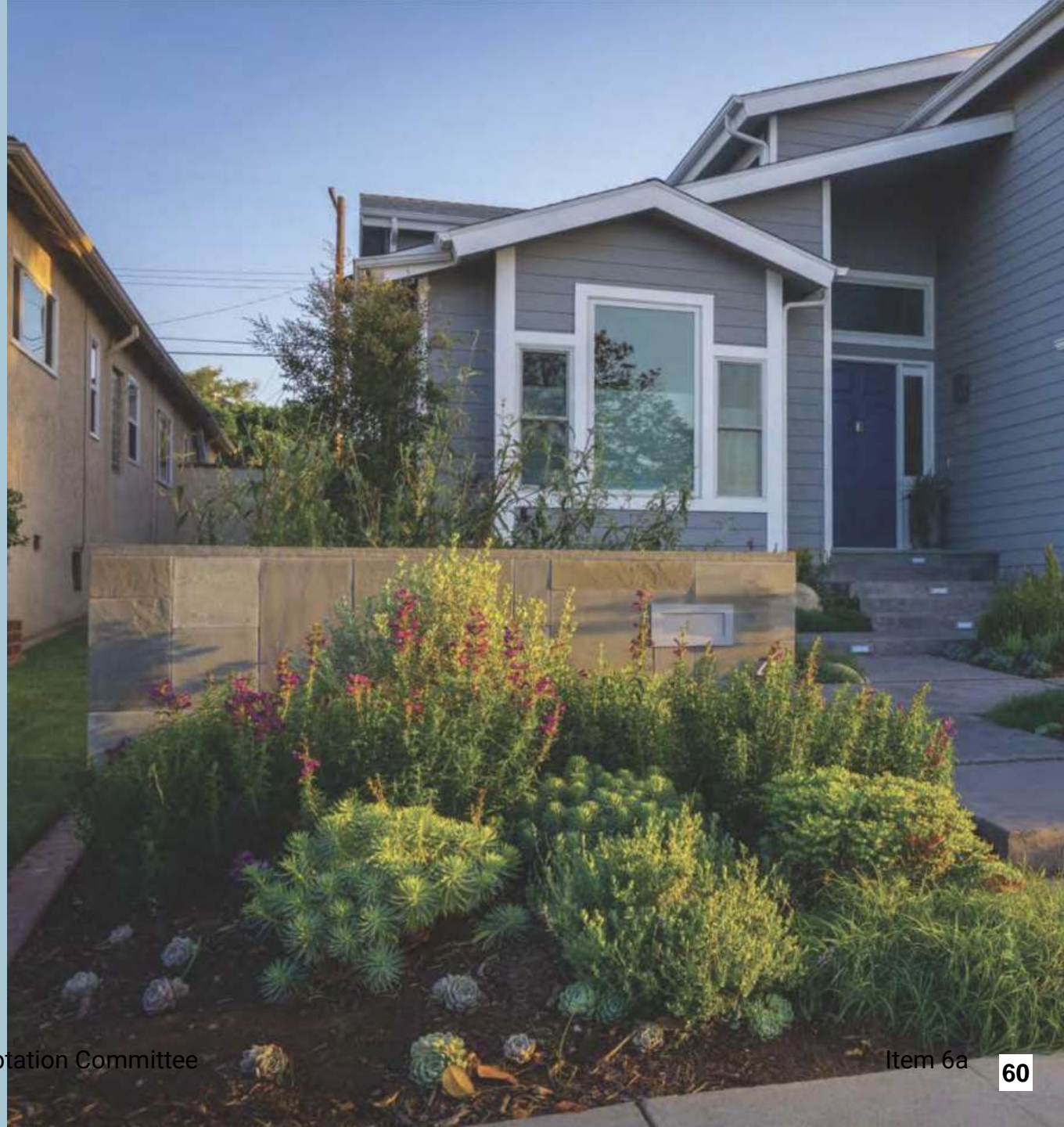
- Retrofit up to 200 homes and a few businesses
- Monitor and study co-benefits
- Test portfolio funding model
- Position MWD to lead regional partnerships and oversee outcomes based contracts for: direct install, workforce development, etc.

Thank You

Please visit
acceleratela.org/incentives for
the full report and
recommendations

Contact ARLA for questions:

- dbloome@acceleratela.org





THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

Board Report

Sustainability, Resilience and Innovation Group

- **Climate Action Plan Annual Update**

Summary

The Metropolitan Board adopted a comprehensive Climate Action Plan (CAP) in 2022. The CAP is a blueprint for how Metropolitan will cost-effectively reduce Greenhouse Gas (GHG) emissions from its operations, including those associated with delivering water through Metropolitan's Colorado River Aqueduct, to reach the goal of reducing emissions 40 percent by 2030 and reach carbon neutrality by 2045.

This third Annual Progress Report (APR) highlights Metropolitan's key achievements from 2024 and outlines continued progress toward the goals set in the CAP. This report includes an updated GHG inventory and carbon budget, tracking ongoing efforts to reduce emissions across all of Metropolitan's operations. It also features success stories over the past year that showcase leadership, innovation, and cross-departmental collaboration.

Purpose

Informational

Attachments

Climate Action Plan Annual Update

Detailed Report

See attached.



The Metropolitan Water District
of Southern California

2024 Climate Action Plan Implementation Third Annual Progress Report

2023 Greenhouse Gas (GHG)
Inventory &
Implementation Update
(through December 2024)

Diamond Valley Lake



Prepared by:

**THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA**

700 North Alameda Street
Los Angeles, California 90012
(213) 217-6000

mwdh2o.com



SUSTAINABILITY
RESILIENCE
INNOVATION



Adán Ortega, Jr.

*Chair
Board of Directors*

Nancy Sutley

*Vice Chair
Board of Directors*

Deven Upadhyay

General Manager

Liz Crosson

*Chief Sustainability, Resilience and
Innovation Officer*

April 2025



Acknowledgments

Implementation of the Climate Action Plan and the development of this Annual Progress Report is not possible without the dedication, support and contributions of many groups and individuals throughout Metropolitan. Many thanks to the following staff who participated in the Climate Action Plan Implementation Working Group and those who contributed to the development of the Annual Progress Report.

Supervising Manager

Carolyn Schaffer
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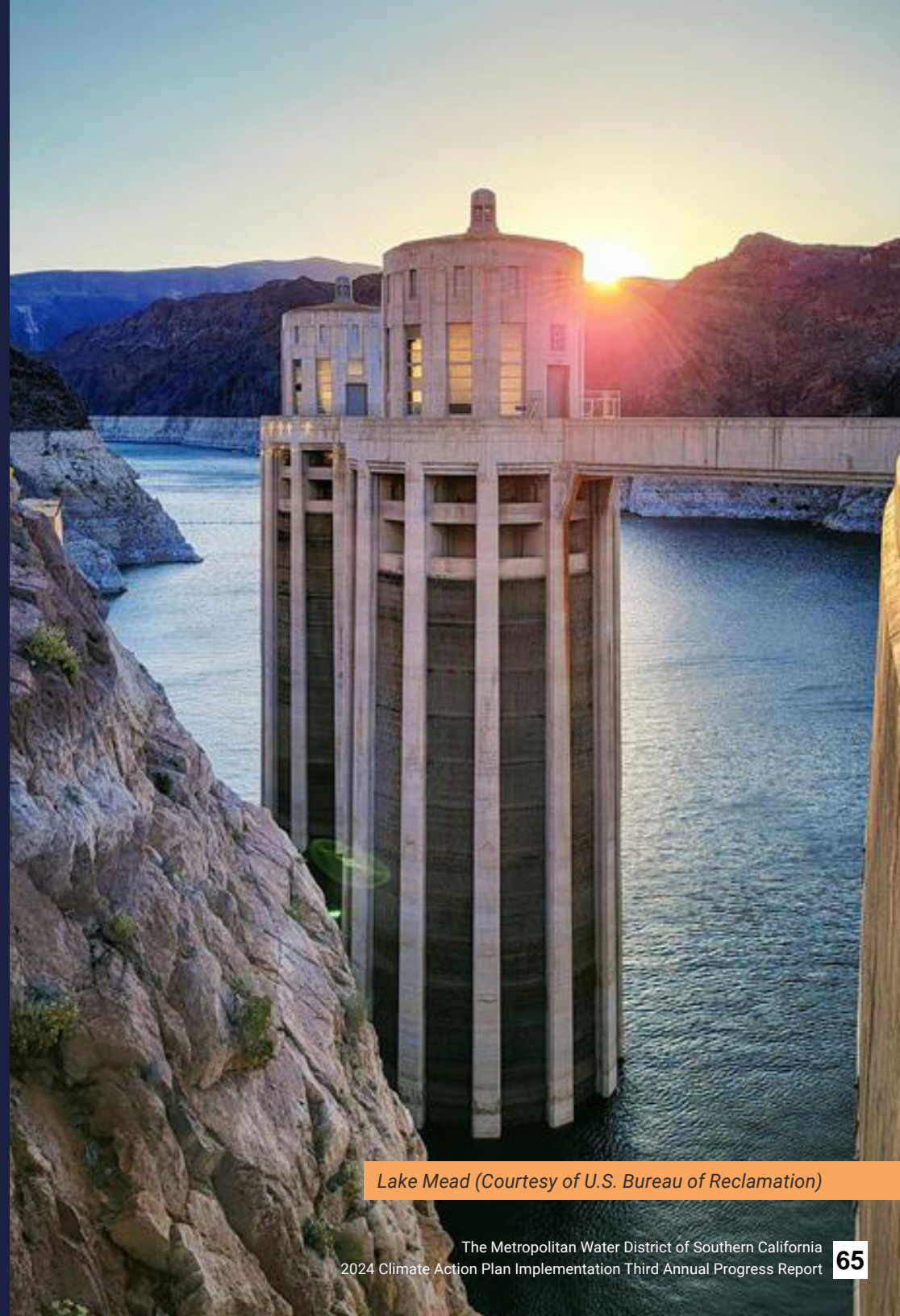
Kieran Callanan
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Lake Mead (Courtesy of U.S. Bureau of Reclamation)

Message From the Chief Sustainability, Resilience and Innovation Officer

“ As 2024 unfolded, climate change remained one of California’s most urgent challenges, particularly in managing our most precious resource – water. The state experienced dramatic shifts between extreme and increasingly intense wet and dry weather patterns. This volatility, along with heatwaves and firestorms, further underscored the need for continued climate action and adaptation efforts at Metropolitan.

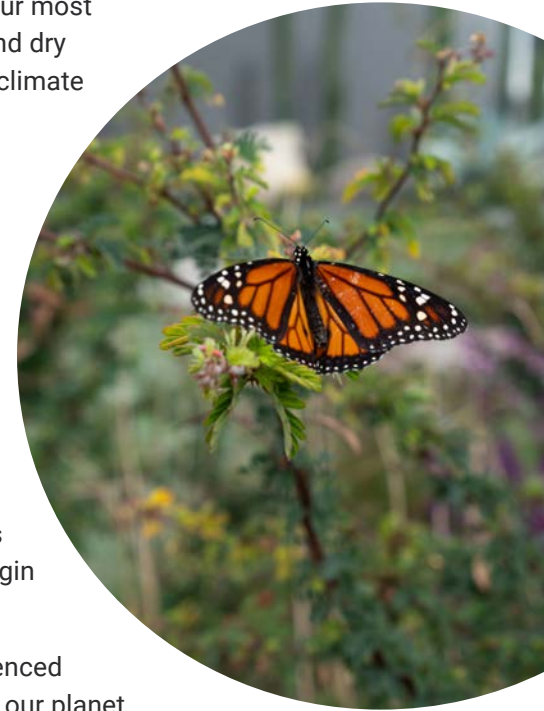
Across the agency this year, Metropolitan made significant progress on the strategies outlined in our Climate Action Plan (CAP) to reduce greenhouse gas (GHG) emissions, with the ultimate goal to reach carbon neutrality by 2045. Our board committed to increase the number of zero-emission vehicles (ZEVs) in our fleet, entered into an option agreement to build a large solar farm and battery energy storage system (BESS) on our land, and supported the use of the best available climate science in our planning and decision-making processes. Staff also shifted our primary data center energy use to 100% renewable energy.

Even as we further these clean energy solutions, several projects on the horizon will potentially increase our electricity use, including our planning for a large, advanced water purification facility, installation of new pumping and conveyance structures and expansion of charging infrastructure to support more ZEVs. Although these advancements are necessary to ensure Southern California’s long-term water and energy reliability and resilience, we must also consider the GHG emissions associated with these projects and additional opportunities to use carbon-free energy within our system. In 2025, we will begin to focus on strategic planning for our power supply as we adapt our water infrastructure to be more climate resilient.

I am proud of the work we accomplished this year and remain optimistic that, despite challenges ahead, our team of experienced and committed public servants will continue to deliver results for Metropolitan, our member agencies, our communities and our planet.



Liz Crosson
Chief Sustainability, Resilience and Innovation Officer



Metropolitan is a public agency and regional water wholesaler that delivers water to 26 member agencies that serve nearly 19 million people across six Southern California counties. Metropolitan is governed by a 38-member board of directors comprising representatives from each of Metropolitan’s member agencies. Metropolitan’s mission is to provide its 5,200-square-mile service area with adequate and reliable supplies of high-quality water to meet present and future needs in an environmentally and economically responsible way.

Introduction

Southern California's extreme temperatures, wildfires and abrupt swings in weather are clear signs of the disruption caused by climate change. To meet our mission to provide a reliable water supply for our service area, Metropolitan is answering the call to action to combat climate change by implementing our comprehensive CAP, adopted by Metropolitan's Board of Directors on May 10, 2022.

With a goal to reach carbon neutrality by 2045, the CAP is a blue print for how Metropolitan will cost-effectively reduce emissions from its operations, including those associated with delivering water through Metropolitan's Colorado River Aqueduct (CRA)¹. The CAP sets targets for reducing GHG emissions from Metropolitan's operations, including conveyance, storage, treatment, and delivery of water. The plan complements Metropolitan's existing long-range planning efforts, including the [Climate Adaptation Master Plan for Water](#) (CAMP4W), [Energy Sustainability Plan](#) (ESP), and [Capital Investment Plan](#).^{2,3,4} The CAP also helps Metropolitan prepare for future regulations while supporting California's GHG emission reduction goals.

1. Metropolitan's CAP only includes emissions from sources within its operational control, including the CRA. Emissions associated with water deliveries from the State Water Project, which is owned and operated by the California Department of Water Resources (DWR), are covered in DWR's CAP.
<https://water.ca.gov/Programs/All-Programs/Climate-Change-Program/Climate-Action-Plan>. For transparency Metropolitan includes the aggregated emissions of water delivered to Southern California from all sources on its CAPDash website at:
https://cap.rinconconsultants.com/Metropolitan_Water_District.
2. <https://www.mwdh2o.com/planning-for-tomorrow/addressing-climate-change/>
3. https://www.mwdh2o.com/media/16848/mwd_esp_report-1630_vol_1.pdf?key words=energy sustainability plan
4. https://d1q0afiq12ywwq.cloudfront.net/media/wxdazp1i/fy-2024_25-and-2025_26-cip-appendix-web.pdf

To promote transparency and demonstrate Metropolitan is meeting its GHG reduction targets, the CAP includes a timeline for completing each action and requires annual reporting and a five-year update in 2027.⁵ Additionally, the CAP meets state environmental regulations that allow Metropolitan to streamline future projects requiring GHG emissions analyses.

This third Annual Progress Report (APR) highlights Metropolitan's achievements in 2024 and provides an overview of its progress to complete the actions outlined in the CAP. The report also updates its GHG inventory and carbon budget, which tracks how Metropolitan has advanced its GHG reduction goals. Building on the comprehensive data publicly available via the online CAPDash website⁶, this APR highlights the success stories over the past year, including the leadership, contributions, and ingenuity across Metropolitan's departments as the organization continues on its path to reduce emissions and promote environmental stewardship and innovation.



[click on image above to view latest data](#)

5. <https://www.mwdh2o.com/media/12469/final-cap.pdf>
6. https://cap.rinconconsultants.com/Metropolitan_Water_District

How the CAP and CAMP4W Work Together

In April 2025, Metropolitan's Board approved the CAMP4W Implementation Strategy, which provides a roadmap to guide future investments and decision-making and institutionalize climate adaptation across the District. CAMP4W will ensure resilience efforts extend to water supplies, water quality, infrastructure, power supply, operations, workforce, public health, and financial sustainability.

The CAP and CAMP4W work together – projects and programs created through these initiatives complement one another and achieve common goals. While the CAP is focused on reducing Metropolitan's GHG emissions that are contributing to climate change, CAMP4W helps Metropolitan make decisions about the future to better prepare the region for the impacts of climate change. For example, new BESS systems at three water treatment plants give Metropolitan the ability to store power generated from existing solar powered-energy systems – this meets CAMP4W objectives because it provides more diverse energy sources that improve Metropolitan's resilience and reliability. At the same time, the BESS systems deliver benefits under the CAP due to the improved air quality from the use of carbon-free power (CAP Scope 2, Measure E-4). Metropolitan will evaluate all future projects with consideration of strategies within CAMP4W and CAP to support objectives of both initiatives.



CAMP4W
**Climate Adaptation
Master Plan for Water**

Glossary of Terms

AB – Assembly Bill

ACF – Advanced Clean Fleet

APR – Annual Progress Report

AZNM – Arizona New Mexico subregion for electricity production

BAU – Business-As-Usual. Typically referring to BAU emissions, which are the expected emissions if no mitigative actions are taken.

BESS – Battery Energy Storage System

CAISO – California Independent System Operator

CAMP4W – Climate Adaptation Master Plan for Water

CAP – Climate Action Plan

CRA – Colorado River Aqueduct

CVRA – Climate Vulnerability and Risk Assessment

Diemer WTP – Robert B. Diemer Water Treatment Plant

ENV-SP – Envision Sustainability Professional

EV – Electric Vehicle

GHG – Greenhouse Gas

HVAC – Heating, Ventilation, and Air Conditioning

Jensen WTP – Joseph P. Jensen Water Treatment Plant

LADWP – Los Angeles Department of Water and Power

Metropolitan – The Metropolitan Water District of Southern California

Mills WTP – Henry J. Mills Water Treatment Plant

MMBTu – Metric Million British Thermal Unit

MT CO₂e – Metric Tons of Carbon Dioxide Equivalent

MWh – Megawatt-hour

PWSC – Pure Water Southern California

RFP – Request for Proposals

RRWP – Regional Recycled Water Project (evaluated in the CAP), now known as Pure Water Southern California

SB – Senate Bill

SCE – Southern California Edison

SF6/HFC Fugitive Emissions – Fugitive emissions of sulfur hexafluoride (SF6) from electrical equipment and hydrofluorocarbon (HFC) emissions from refrigerator units and use of welding gas.

Skinner WTP – Robert A. Skinner Water Treatment Plant

SRI – Sustainability, Resilience and Innovation

SUV – Sport Utility Vehicle

SWP – State Water Project

T&D – Transmission and Distribution. Referring to the delivery system of purchased electricity.

TCR – The Climate Registry

VMT – Vehicle Miles Traveled

Weymouth WTP – F.E. Weymouth Water Treatment Plant

WRM – Water Resource Management

WSO – Water System Operations

WTP – Water Treatment Plant

ZEV – Zero Emission Vehicle

Annual Progress Report Snapshot

Metropolitan's CAP identifies 42 measures to reduce Metropolitan's GHG emissions. The measures are divided into two categories – Phase 1 measures are designed to help Metropolitan reach their target to cut emissions by 40 percent by 2030. Phase 2 measures support the district's long-term goal to achieve carbon neutrality by 2045. These targets are consistent with Senate Bill 32, which requires GHG reductions of at least 40 percent below 1990 levels by 2030, and Assembly Bill 1279, mandating carbon neutrality as soon as possible, but no later than 2045.

Measures are considered either “quantifiable” or “supportive.” Quantifiable measures have clear GHG tracking metrics and performance standards, allowing Metropolitan to monitor their progress. Supportive measures do not directly reduce GHG emissions, but are critical to the overall success of the CAP. These supportive measures include studies that serve as a foundation for future projects, as well as set up the needed structure so that Metropolitan can carry out the actions outlined in the CAP, while also supporting collaboration across departments and organizations. This report summarizes key areas of progress made on the quantifiable and supportive measures included in Phase 1, and in some cases, Phase 2. For a summary of the implementation status of all CAP measures, please refer to the two summary tables in the Appendix.


Progress Recap: 2024 Highlights


- **Measure WC-3 (Turf Replacement):** The turf replacement program has achieved 196 percent of the 2030 water savings target, surpassing the 10,634 acre-feet goal by nearly 10,000 acre-feet (an acre-foot is about 326,000 gallons, enough water to serve roughly three Southern California households).
- **Measure EC-5 (Telecommuting):** The flexible schedules and telecommuting patterns of Metropolitan employees have saved an estimated 28,433,519 vehicle miles traveled (VMT) over the last three years, surpassing the 2030 target, and achieving 183 percent of the VMT savings goal.
- **Measure EE-1 (LED Conversion):** The continued efforts of facilities staff to convert lighting or replace burned out bulbs with LED lighting has achieved approximately 56 percent conversion to LED across facilities, representing 112 percent of the 2030 target.
- **Measure EC-3 (Commuter Fleet Electrification):** A recent commuter survey found that approximately 15.5 percent of the employee commuter fleet is comprised of zero emission vehicles (ZEV)/electric vehicles (EV), which is approximately 103 percent of the 2025 target. Further electrification will be supported by the investments made through the ZEV task-force and related programs as well as EV charger projects.
- **Measure E-3 (Carbon-free Retail Electricity):** In 2023, approximately 65 percent of the retail electricity Metropolitan purchased was renewable or carbon-free, achieving 74 percent of the 2030 target to have 88 percent of Metropolitan's retail electricity come from renewable sources.


Metropolitan has made significant progress on several of its quantifiable and supportive measures. Figure 1 summarizes the progress as of December 2024. Implementation status for quantifiable measures is indicated by the percent complete bar. Progress on supportive measures is indicated with one of the following implementation statuses.


Figure 1. Measure Implementation Progress

LEGEND


 **Pending or No Action** = No action has been taken or action is pending.

 **Underway** = Measure is in progress. Action has been taken but the measure is not yet complete.


 **Ongoing** = Measure is fully implemented and will continue.

 **Complete** = Measure is fully implemented. No additional action is required.


26%

 **Quantitative** = Measure has a quantifiable metric to track. Percent value represents progress towards the goal.


NO DATA


 **No Data** = Action has been taken, but there is insufficient data to quantify progress.


Scope I: Direct Emissions


**DC-1:** Conduct a survey of all natural gas consuming devices in offices, control buildings, and residential structures and establish a schedule to replace natural gas equipment with electric by 2025.


25%


**DC-2:** Reduce natural gas emissions by 50 percent by 2030 and 100 percent by 2045 through electrification.


**DC-3:** Update Metropolitan building standards to require all-electric construction for new buildings and retrofits.


**FL-1:** Conduct a ZEV/EV Feasibility Study to determine which fleet vehicles can be converted, what chargers/fueling stations are required, and where they should be located by the end of 2022.

**FL-2:** Adopt an ZEV/EV first policy for fleet vehicles to obtain ZEVs when technological, operational, or cost effectiveness parameters are met.


**FL-3:** Replace fossil fuel passenger fleet vehicles as identified in the ZEV/EV Feasibility Study (FL-1).

**FL-4:** Install EV charging and/or ZEV infrastructure at facilities pursuant to the findings of the ZEV/EV Feasibility Study (FL-1).

**AF-1:** Complete a pilot project on the use of renewable diesel rather than conventional diesel for all stationary equipment by 2025.

**AF-2:** Complete a pilot project of renewable diesel use in on-road and off-road vehicles by providing at least one renewable diesel tank at Metropolitan-owned fueling depots in 2021.

54%*

**AF-3:** Based on the results of the study in AF-2, Metropolitan will begin using renewable diesel fuel in 100 percent of Metropolitan’s diesel-consuming on-road and off-road vehicles by 2025.

* Percent complete based on 2023 data.

Scope 2: Indirect Emissions



E-1: Analyze marginal emissions rates and evaluate the feasibility of shifting energy use to lower emission periods.

0%

E-2: Connect the Yorba Linda Hydroelectric Power Plant behind Metropolitan's Southern California Edison (SCE) electricity meter to directly utilize carbon-free electricity at Metropolitan's Diemer WTP by 2025.

74%

E-3: In markets where available, Metropolitan will switch its retail accounts to green tariff options offered by power providers by 2025 to reduce the Scope 2 GHG emissions associated with retail electricity use.

0%

E-4: Install 3.5 MW battery storage systems at the Jensen, Skinner, and Weymouth WTPs. Investigate the use of a software system to track and optimize GHG emissions reduction due to time-of-use strategies by 2025.

53%

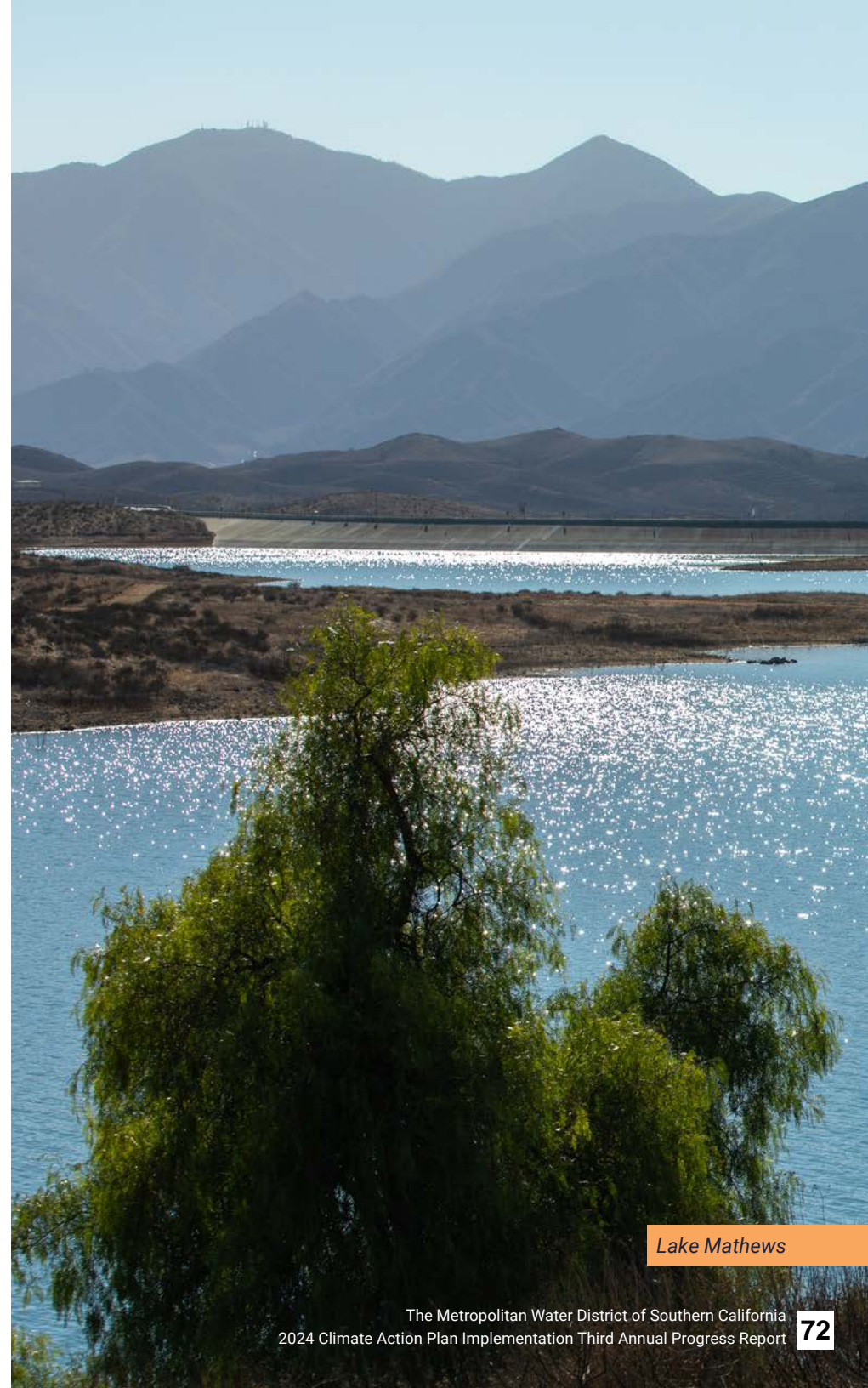
E-5: Manage Metropolitan's energy purchases to ensure cost-effective energy supply while achieving the required GHG emissions objective.

112%

EE-1: Convert all interior and exterior lighting at 50 percent of Metropolitan facilities to light emitting diode (LED) technologies by 2030 and 100 percent by 2045.



EE-2: Continue programs to analyze CRA pump efficiency and replace or refurbish pumps when cost effective.



Lake Mathews

Scope 3: Other Indirect Emissions and Sequestration



EC-1: Expand subsidized transit commute program to reduce employee commute miles.



EC-2: Expand employee use of carbon-free and low carbon transportation by providing education programs on the benefits of commute options including public transportation, EV/ZEV options, and vanpools.

103%
+

EC-3: Install ZEV and/or EV infrastructure as directed by the ZEV/EV Feasibility Study to support at least a 15 percent transition of employee-owned vehicles to ZEVs/EVs by 2025.



EC-4: Continue to offer benefits to employees who use alternative modes of transportation (e.g., public transportation, bikes).

183%
+

EC-5: Allow 50 percent of employees located at Metropolitan's headquarters to telecommute or utilize flexible schedules through 2030 to reduce travel time, VMT, and GHG emissions.

0.7%

WA-1: Develop and implement net zero-waste policies and programs at all facilities to reduce landfilled waste by 30 percent by 2030 and achieve zero landfilled waste by 2045.



WA-2: Implement a program to reduce organic waste at Metropolitan's Union Station building. Contract or team with local organizations and waste disposal companies to route organic waste to anaerobic digestion or composting facilities and edible food-to-food recovery centers.



WA-3: Develop and implement a sustainable procurement policy.



WC-1: Expand programs that educate customers on water conservation initiatives through workshops and speaking engagements.



WC-2: Continue to implement innovative water use efficiency programs.

196%
+

WC-3: Continue Turf Removal Program to install an average of 1,500,000 square feet of water efficient landscapes per year through 2030 through the use of a rebate program.



WC-4: Provide funding for the development and monitoring of local stormwater recharge and use projects to evaluate the water supply benefit of stormwater.



WC-5: Continue to promote water efficiency technologies and innovative practices that can be adopted into future water conservation program updates.



CS-1: Study carbon capture protocols in the Sacramento-San Joaquin River Delta.



CS-2: Conduct a five-year research program to increase Metropolitan's knowledge of regenerative agriculture and carbon sequestration opportunities on Metropolitan properties in the Palo Verde Valley.

2024 Highlights

Metropolitan staff continue to drive progress on the CAP goals with their expertise, hard work, and experience, increasing resilience and spurring innovation across the district.

Envisioning Success

Metropolitan is committed to constructing and operating more sustainable and resilient infrastructure to deliver a reliable water supply to its 5,200-square-mile service area. To support professional development and employee engagement on sustainability initiatives, Metropolitan continues to offer the Institute for Sustainable Infrastructure Envision® training to help staff become certified Envision Sustainability Professionals (ENV-SPs). All the Envision® performance indicators advance sustainability, with one focusing on minimizing emissions. The training enables staff to communicate and apply Envision® practices and sustainability strategies directly to their specific roles and responsibilities during project development, construction, and day-to-day operations. As of February 2025, Metropolitan has 136 members of the Institute for Sustainable Infrastructure and 56 active Envision® Certified Professionals.



Sustainable Infrastructure Envision® training for staff



Metropolitan Headquarters Building Courtyard

Building the ZEV Program

ZEV Fleet

In 2024, Metropolitan continued to purchase zero-emission vehicles to meet CAP goals and the California Air Resources Board's (CARB's) Advanced Clean Fleets (ACF) regulation. Metropolitan purchased eight additional ZEVs in 2024, bringing the total number of fleet ZEVs to twenty. To comply with ACF requirements and ensure operational reliability, Metropolitan updated a 2023 study of its fleet inventory to develop short- and long-term vehicle replacement strategies, identifying high-priority vehicles to be replaced with ZEVs when feasible. The Fleet Services Unit is committed to meeting CAP goals without compromising the reliability of operations.

The CARB ACF regulation requires that as of Jan. 1, 2024, 50 percent of California's large fleet owners' purchases of new medium- and heavy-duty vehicles be ZEVs, with a mandate for a complete transition to a zero-emission fleet by Jan. 1, 2027.



Staff with latest additions to Met fleet electric vehicles

In addition to electric and hybrid vehicle purchases, Metropolitan continues to reduce emissions with the use of 15 electric forklifts and over 40 electric carts at its warehouses and at its Pure Water Southern California demonstration facility. The Fleet Services Unit is also replacing lower-tier diesel engines in portable and offroad equipment with new Tier 4 Final engines. These Tier 4 Final engines are the newest technology and the highest EPA-certified engine tier currently on the market, which can significantly reduce particulate matter and NOx emissions.



Electric Cart at Pure Water Southern California

Charging Infrastructure

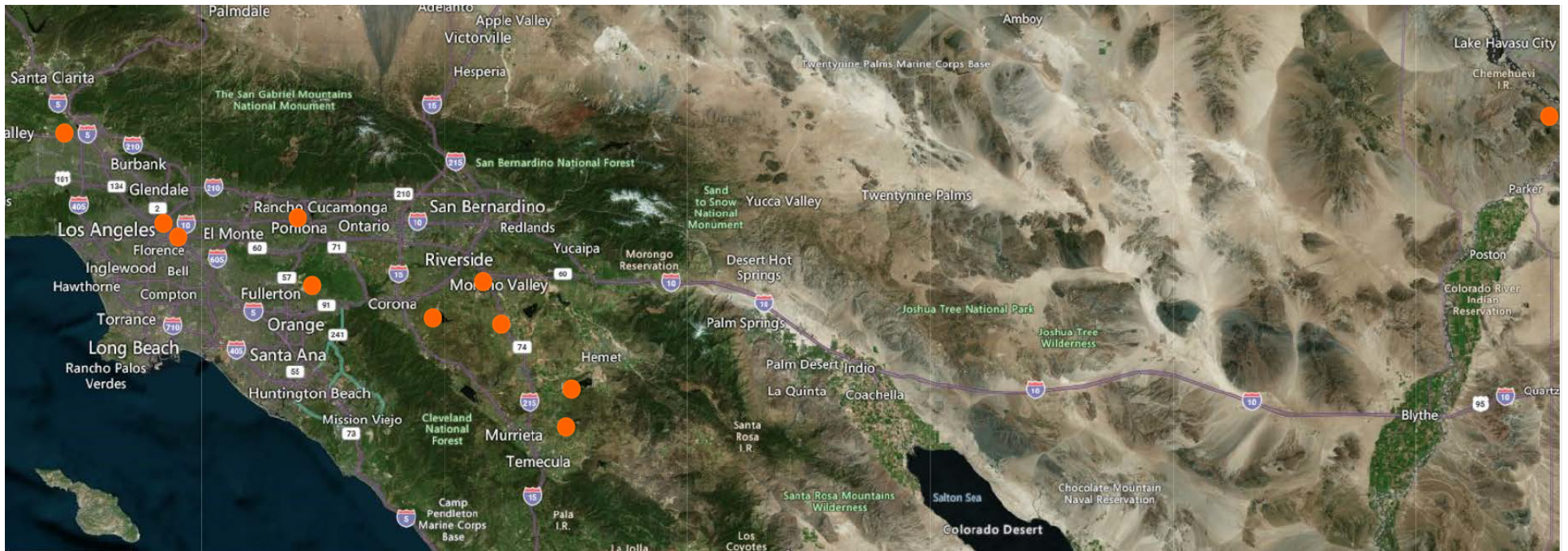
In 2024, the long-term capital project to build charging infrastructure for Fleet, Rideshare, and employee ZEVs continued, with an anticipated project completion date of 2031. Metropolitan conducted site visits for interested parties throughout Metropolitan to refine site plans and requirements for facilities requiring retrofits to build the infrastructure upgrades. While each facility's full-scale infrastructure is being designed and constructed, the Operations and Engineering groups collaborated on installing 16 chargers to support the ZEV fleet. To provide more charging options, the Fleet Services Unit established agreements for ZEV drivers to access commercial charging networks when on-site charging is not available. Commercial charging networks provide public EV charging for a fee.



Site investigation for charging infrastructure



Weymouth WTP Pilot Charger



Map of Metropolitan-owned ZEV chargers within service area

ZEV Equipment Trials

Metropolitan's ZEV transition team continued to partner with EV and equipment vendors in "try before you buy" efforts in 2024. These trials provide Metropolitan staff with the opportunity to test out new ZEV technology and determine if the vehicles meet Metropolitan's operational needs. At the same time, employees are able to provide vendors with valuable input about their experiences using the equipment. In 2024, staff at the Construction Services Unit and the Mills WTP test drove a Class 8 heavy duty electric dump truck to transport sludge. Staff at Lake Mathews and Skinner water treatment plants tested a Class 5 electric stake bed truck to explore possible operational uses of the vehicle at other locations. Fleet and Operations worked with warehouse employees to test a Class 7 electric box truck to deliver mail and equipment throughout Metropolitan's service area. Metropolitan shared feedback with the dealer on the usefulness, possible applications, and advancements in range and capacity for these vehicles.



Mechanics looking at the Class 7 electric truck at Weymouth WTP

ZEV Success Story

In 2024, the team at Jensen WTP quickly integrated use of a new Ford Lightning truck, which provides technology and function, while eliminating vehicle emissions.

"Smooth drive - inspired me to buy my own Lightning. As an operator these vehicles have helped us do our job more efficiently in different scenarios such as using the power outlets on the truck to pump out sumps without having to run extremely long extension cords possibly creating tripping hazards or shock hazards," said Cristian Zuniga, an operator for the Treatment and Water Quality Group's Jensen Unit.

"They are very quiet. I like the many sensors for the enhanced safety aspect. For use at the treatment plant, they seem like an amazing alternative due to not needing a combustible engine and the use of gas. I would like to see our whole fleet changed to EV at Jensen," said Jeffrey Potter, a team manager for the Treatment and Water Quality Group's Jensen Unit.

Metropolitan will continue to expand the number of electric trucks at Jensen and other facilities in 2025 and beyond.



A Jensen WTP operator drives a ZEV

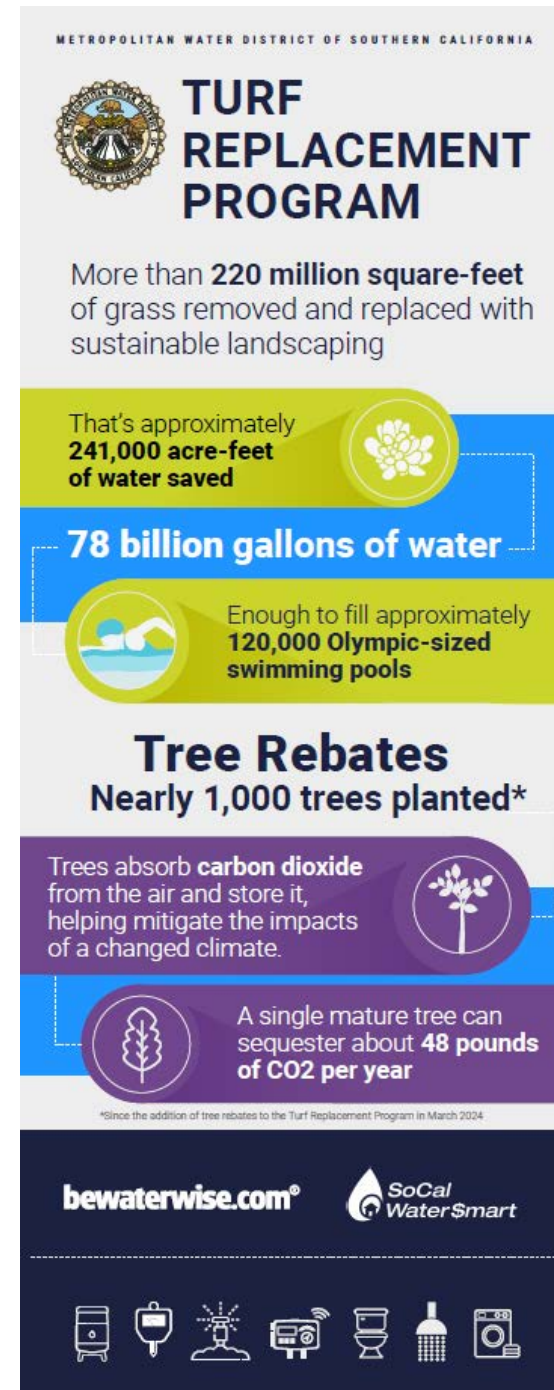
Using Green Energy for Data Center

In 2024, Metropolitan helped meet its renewable energy goals by using a vendor-operated off-site information technology data center that houses Metropolitan's high-performance servers, storage systems and networking equipment. Powered by green energy, this approach reduces GHG emissions, while also enhancing operational efficiency and produces cost savings because Metropolitan does not need to manage its own in-house data center, as done previously. This achievement is thanks to Metropolitan's Information Technology Group, which led the charge in 2022 to successfully migrate the data centers at its primary headquarters building and secondary location at Lake Mathews to off-site facilities.

This data center migration has yielded significant environmental benefits as the offsite facility offers demonstrably greener operations compared to Metropolitan's previous onsite data centers. These benefits include the use of 100 percent renewable energy, a closed-loop water recycling system that doubles the return of used cooling water to local resources, as well as efficiencies created by multiple tenants using the vendor's off-site facility. Metropolitan gains access to these advancements without incurring the capital expenditure, time, and risk associated with implementing them independently at its own facilities. The resulting reduction in carbon footprint, coupled with the secure locations and clean energy usage of the new facilities, strengthens Metropolitan's operational resilience.

Increasing Southern California's Tree Canopy

Metropolitan added a tree rebate to its Turf Replacement Program in March 2024 to help expand the region's tree canopy and produce environmental benefits. This rebate provides \$100 per tree for up to 5 trees planted as part of a turf replacement project. Metropolitan developed resources, including a recommended tree list and a tree planting and care guide, to encourage the installation of climate-appropriate trees and ensure proper tree health. This rebate is popular with turf replacement program participants, with over 1,400 trees planted to date.



Using Nature-based Solutions to Reduce GHG Emissions

In 2024, Metropolitan embarked on two ambitious projects located on Webb Tract, one of four Metropolitan-owned islands located in the Sacramento-San Joaquin Delta region of Contra Costa County. Funded by a \$20.9 million Nature-Based Solutions grant from the Sacramento-San Joaquin Delta Conservancy, one project will plant a rice crop on approximately 1,350 acres and another will convert over 2,000 acres to wetland habitat that will benefit the local ecosystem. Together, the two multi-benefit projects will stop and/or reverse subsidence on the deeply subsided island, reduce GHG emissions released by current and historical farming practices, and restore much needed habitat.

By reducing GHG emissions and sequestering carbon, the converted rice fields and wetlands will generate carbon credits that can be used to offset emissions under Metropolitan's CAP or sold on the open market to fund ongoing maintenance activities on the islands. When completed, the wild-life-friendly rice will provide wetland-adjacent ecosystem benefits, particularly for over-wintering waterfowl, and will also add to the overall climate benefits of Metropolitan's management actions on Webb Tract. If successful, the lessons learned from the projects will inform other farming or wetland projects on other subsided islands throughout the Delta region.

The grant from the Sacramento-San Joaquin Delta Conservancy assists a farming partner in converting the existing agriculture to rice. A request for proposals (RFP) to farm rice on Webb Tract was released in February 2025. Metropolitan expects to award a lease in early summer 2025, with the first 300 acres of rice planted spring 2026. The wetlands project design and environmental documentation is expected to be completed in late 2025 with construction expected to begin in spring 2026.



Metropolitan-owned Webb Tract in the Sacramento-San Joaquin Delta

Carbon-Free Energy Generation and Storage on Metropolitan's Property

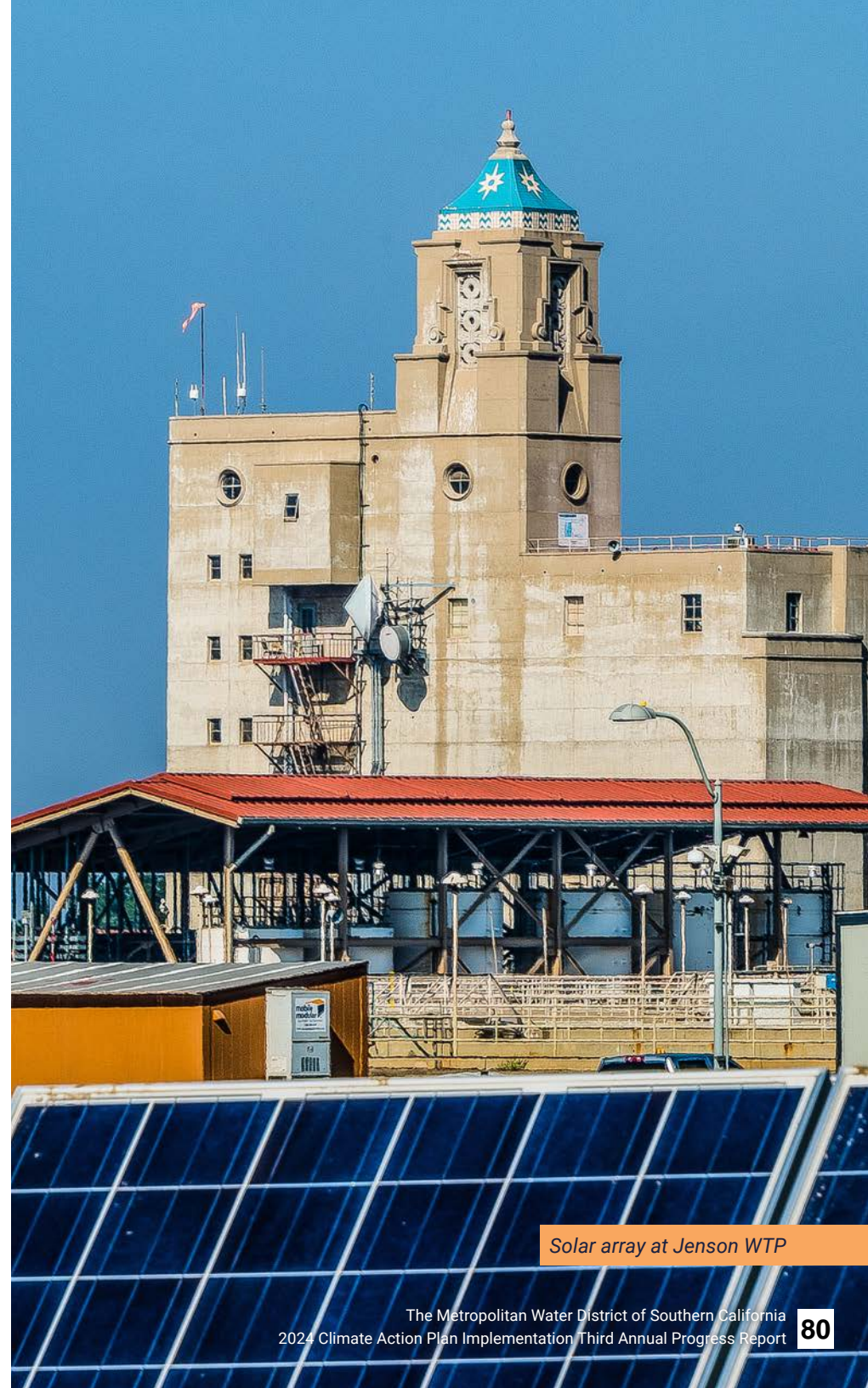
Metropolitan recently entered into an agreement with a subsidiary of AES Corporation for the long-term lease of up to 6,742 acres of property Metropolitan owns in the Palo Verde Valley for carbon-free energy production and storage, contingent upon further project permits, approvals, and environmental clearances under CEQA. If the agreement moves forward, Metropolitan could generate significant revenues, depending on the size of the approved project. If successfully implemented, this project would contribute to progress in achieving California's renewable electricity targets.

Pursuing Sustainable Procurement

Metropolitan will be purchasing more sustainable products, equipment and supplies, thanks to a new Sustainable Procurement Guidebook featuring recommendations on preferred purchases for building maintenance products, cleaning equipment and supplies, electronics, appliances, energy-related products, fleet equipment and supplies, food service products and equipment, landscaping and outdoor products, and office supplies.

The guide, developed by the Finance and Administration Group's Contracting Services Unit and the Office of Sustainability, Resilience and Innovation, will be distributed in 2025, with employee training and interactive workshops on how to put the new guidelines into practice. Metropolitan is also reviewing its current vendor agreements for office supplies and janitorial agreements to identify opportunities to replace products with greener options that may also result in cost savings.

To further these efforts, Metropolitan will form employee "Green Teams" to provide interested staff with the opportunity to suggest more environmentally friendly products and services that meet Metropolitan's procurement standards.



Solar array at Jenson WTP

Progress on CAP Goals

Metropolitan's CAP established a carbon budget designed to achieve carbon neutrality by 2045. To track its progress and ensure Metropolitan stays within its carbon budget, a GHG emissions inventory is completed on an annual basis. This section summarizes Metropolitan's 2023 GHG emissions inventory, discusses notable drivers of emissions changes, and provides a carbon budget status update.

Annual GHG Inventories and Carbon Budget Update

During development of the CAP, Metropolitan prepared annual GHG emissions inventories for 2005 through 2020. Taken together, the historical inventories highlight the aspects of Metropolitan operations that drive overall GHG emissions, and the largest opportunities for reductions to meet Metropolitan's targets.

Metropolitan has continued to prepare annual inventories to provide an understanding of its GHG emissions over time. This APR includes a GHG inventory update and provides an overview of Metropolitan's GHG emissions data from 2005 through 2023. The 2023 inventory was prepared in accordance with protocols from The Climate Registry (TCR) and the International Council for Local Environmental Initiatives.^{7,8} Emissions are grouped into categories, as defined below:

Scope 1: Direct Emissions – associated with fuel use and unintended fugitive emissions.

Scope 2: Indirect Emissions – associated with the purchase and consumption of electricity. Electricity use is directly impacted by water pumping requirements.

Scope 3: Other Indirect Emissions – includes other indirect emissions not captured in Scope 2, such as those associated with employee commutes, waste generation, water consumption at Metropolitan facilities, and emissions from construction projects.

7. TCR. <https://theclimateregistry.org/registries-resources/protocols/>.

8. International Council for Local Environmental Initiatives. 2010. Local Government Operations Protocol. <http://iclei.usa.org/GHG-protocols/>.

Metropolitan’s organization-wide GHG emissions for 2023 were estimated at 144,279 metric tons of carbon dioxide equivalent (MT CO₂e). Figure 2 details the breakdown of Metropolitan emissions by scope. Table 1 shows Metropolitan’s GHG emissions across all emissions sources for 2023, compares them to 2022, and indicates the absolute (in MT CO₂e) and percent change year over year. This comparison provides an overview of the changes in emission sources over those two years. Overall, Metropolitan’s annual GHG emissions decreased 57 percent, from 336,583 MT CO₂e in 2022 to 144,279 MT CO₂e in 2023. This decline was largely driven by a 61 percent drop in Scope 2 electricity emissions, although as shown in Figure 2 and Table 1, electricity remains the primary source of overall emissions at 125,513 MT CO₂e.⁹

By comparison, Scope 1 (direct emissions from fuel use, fugitive emissions) and Scope 3 (other indirect emissions) continue to comprise only a small part of the overall GHG emissions each year. Scope 1 emissions increased, with mobile emissions down by less than 1 percent, stationary emissions up by 23 percent, and fugitive (SF6/HFC) emissions more than doubling. Scope 3 emissions remained static at an estimated 10,740 MT CO₂e, representing 7 percent of the total. Although electricity-related emissions still constitute the largest share of total emissions, the 2023 electricity GHG emissions total is among the lowest absolute levels observed in the 2005–2023 timeframe.

9 This total is inclusive of transmission and distribution losses which account for 2,205 MT CO₂e of the 125,513 MT CO₂e Scope 2 emissions.

Figure 2. 2023 GHG Emissions by Scope (MT CO₂e)

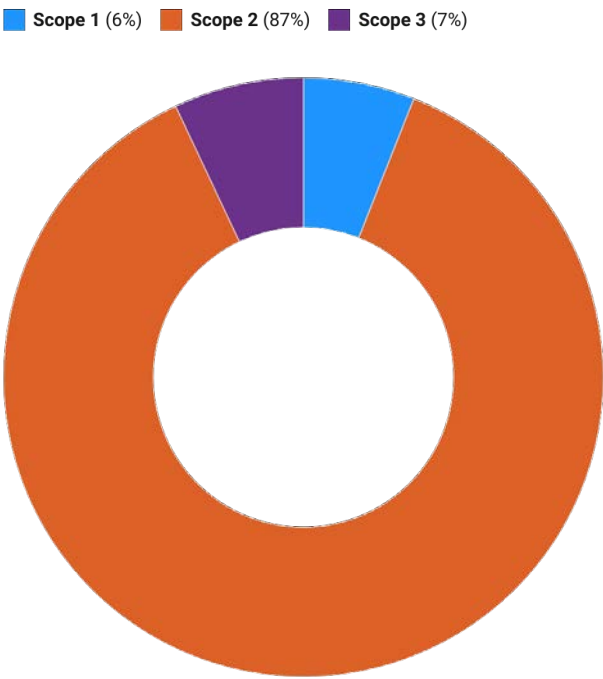


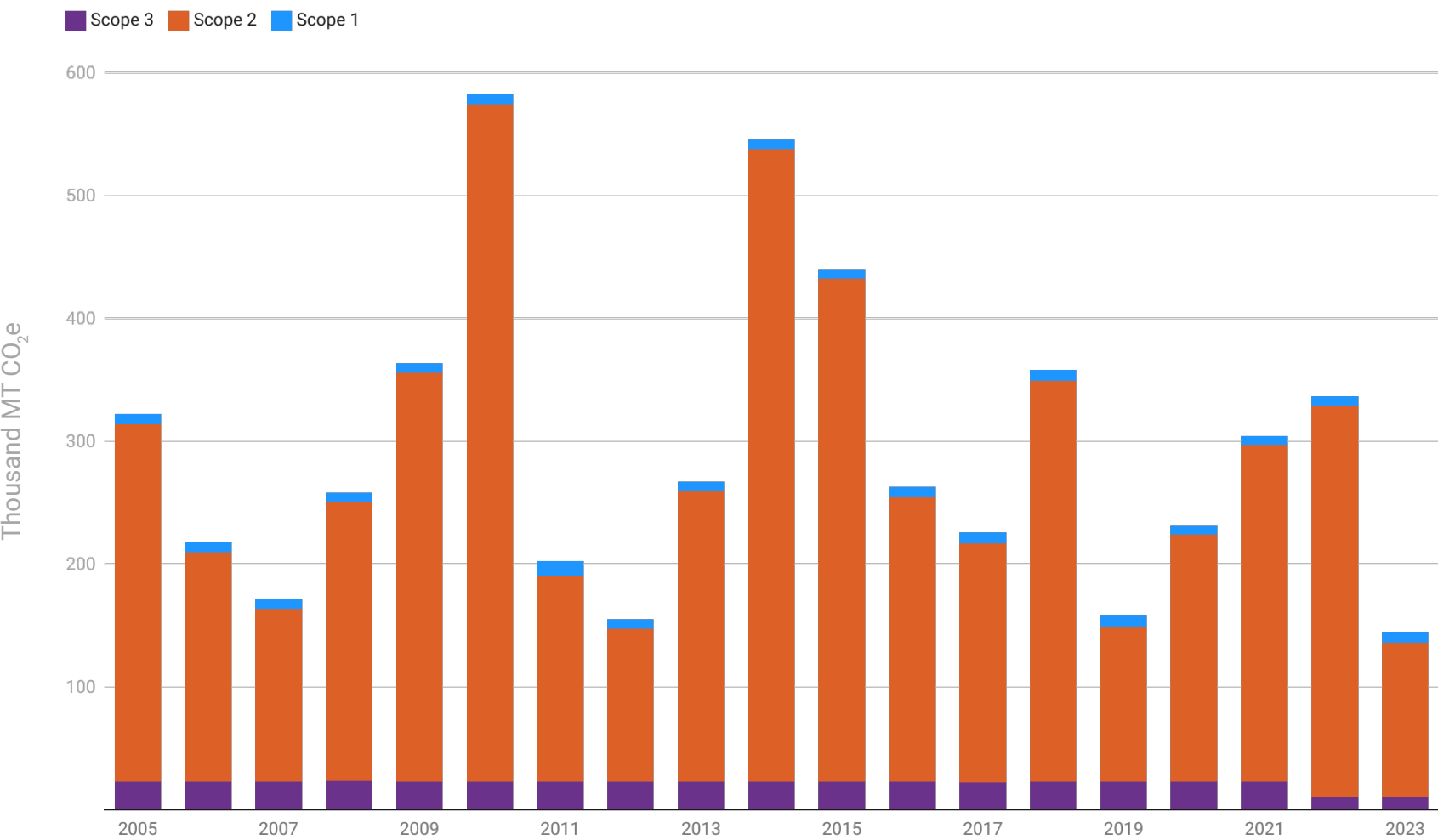
Table 1. 2022 and 2023 GHG Emissions Comparison (MT CO₂e)

Scope	Emissions Source	2022 Annual Emissions*	2023 Annual Emissions	Change in Emissions	Percent Change Year Over Year
1	Mobile Emissions	6,315	6,293	-21	-0.3%
	Stationary Emissions	1,324	1,626	302	23%
	SF6/HFC Fugitive Emissions	53	107	54	102%
2	Electricity	312,229	123,308	-188,921	-61%
	T&D Losses	5,922	2,205	-3,717	-63%
3	All other Indirect Emissions	10,740	10,740	0	0%
Total		336,583	144,279	-192,303	-57%

Values are rounded to the nearest whole number.
 *2022 Annual Emissions updated to reflect The Climate Registry (TCR) verified data.

Metropolitan's GHG emissions fluctuate from year to year, depending on the amount of water being pumped from the Colorado River Aqueduct (CRA), which Metropolitan owns and operates. Higher availability of State Water Project (SWP) supplies, operated by the State of California, allows Metropolitan to reduce CRA pumping and lower its GHG footprint. Conversely, in drought years with reduced SWP allocations, more CRA pumping is required, increasing electricity demand and associated GHG emissions. This relationship between electricity use and annual emissions is demonstrated in Figure 3, which shows annual emissions by scope from 2005 through 2023.

Figure 3. Annual Emissions by Scope 2005-2023 (MT CO₂e)



2023 GHG Inventory – Drivers of Change

Overall, total emissions decreased by about 57 percent in 2023 compared to 2022 (dropping from 336,583 MT CO₂e in 2022 to about 144,279 MT CO₂e in 2023). This decrease is primarily driven by a significant reduction in the amount of electricity used for pumping along the CRA, due to the availability of water from the SWP.

Meanwhile, Scope 1 emissions trended slightly upward (particularly stationary fuels), but those increases were more than offset by the large drop in electricity-related (Scope 2) emissions. Additionally, Metropolitan is continuing efforts to reduce gasoline/diesel consumption and increase the number of ZEVs in the fleet. Progress in decarbonizing electricity use and refining Scope 3 data collection remains central to achieving long-term carbon-reduction targets.

Scope 1: Direct Emissions

Emissions from Combustion and Fugitive Emissions

Metropolitan's 2023 Scope 1 emissions comprised approximately 6 percent of total emissions—an increase in share compared to 2022 when Scope 1 was roughly 2 percent of total emissions. While Scope 1 emissions increased in 2023, the proportional increase in emissions is mostly due to Scope 2 emissions decreasing substantially in 2023. The largest source of Scope 1 emissions continues to be mobile combustion of fossil fuels (gasoline and diesel), which made up the majority of Scope 1 emissions in 2023. The increase in Scope 1 emissions overall occurred despite an increase in use of renewable diesel in all of the diesel engines in trucks, portable and stationary generators, and off-road equipment (water trucks, excavators, bulldozers) as well as the use of ZEVs in 2023. However, the increase in emissions would have been larger if the renewable diesel and zero emissions vehicles had not been deployed.



EV Charger at Weymouth WTP

MOBILE COMBUSTION

Mobile-fuel combustion remains the largest source of Scope 1 emissions, comprising approximately 78 percent of Scope 1 emissions. Mobile-fuel emissions decreased from 6,315 MT CO₂e in 2022 to 6,293 MT CO₂e in 2023 (a less than 1 percent decrease). The key changes by fuel type are:

- **Gasoline** emissions rose from about 5,024 MT CO₂e in 2022 to about 5,479 MT CO₂e in 2023 (a 9 percent increase).
- **Diesel (fossil and renewable)** emissions decreased from 1,035 MT CO₂e in 2022 to 627 MT CO₂e in 2023 (a 39 percent decrease).¹⁰
- **Renewable diesel** emissions climbed from 8 MT CO₂e in 2022 to 23 MT CO₂e in 2023 (a 198 percent increase), but avoided 717 MT of emissions compared to combustion of the same amount of fossil-fuel based diesel.
- **Jet fuel** lowered from 197 MT CO₂e to 134 MT CO₂e (a 32 percent decrease).
- **Compressed Natural Gas** emissions dropped from 51 MT CO₂e to 30 MT CO₂e (a 41 percent decrease).

¹⁰ For the purposes of reporting to TCR, Metropolitan applies the fossil diesel emission factor to renewable diesel, resulting in an increase in reported emissions from mobile combustion of diesel; however, for the CAP APR and tracking operational emissions against the carbon budget, using a calculated renewable diesel emissions factor better reflects the GHG reduction benefits of renewable diesel. Since renewable diesel is derived from organic feedstocks the carbon is considered net neutral, and therefore is removed from the emission factor for renewable diesel.



Water quality testing at Pure Water Southern California

STATIONARY COMBUSTION

Stationary fossil-fuel combustion at Metropolitan facilities is the second largest source of Scope 1 emissions, comprising approximately 20 percent of Scope 1 emissions in 2023. In 2023, stationary equipment combustion of fuels resulted in 1,626 MT CO₂e, an increase of 23 percent from 1,324 MT CO₂e in 2022. Key changes by fuel type include:

- **Diesel (fossil)** emissions increased from 430 MT CO₂e in 2022 to 608 MT CO₂e in 2023 (a 41 percent increase).
- **Natural Gas** emissions increased from 869 MT CO₂e in 2022 to 992 MT CO₂e in 2023 (a 14 percent increase).
- **Propane** emissions increased marginally from 25 MT CO₂e in 2022 to 26 MT CO₂e in 2023 (a 4 percent increase).

The overall increase in diesel use was driven by operations along the CRA including the use of diesel-powered equipment such as heavy-duty trucks, construction equipment, and portable generators.

FUGITIVE EMISSIONS

Fugitive emissions of sulfur hexafluoride (SF₆) from electrical equipment and hydrofluorocarbons (HFCs) from refrigerants/welding gases remain a small fraction of Scope 1 emissions.

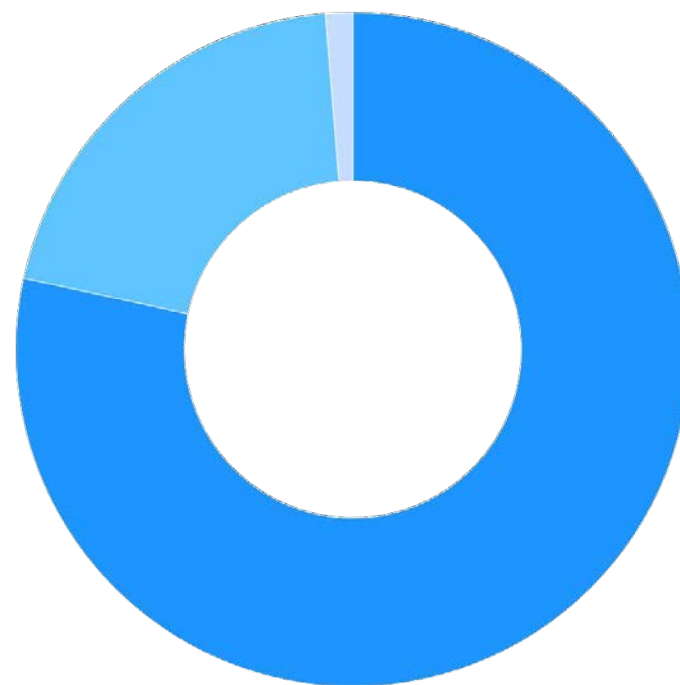
- **SF₆** decreased from 11 MT CO₂e in 2022 to zero (0) MT CO₂e in 2023
- **HFC** fugitive emissions more than doubled, from 53 MT CO₂e in 2022 to 107 MT CO₂e in 2023 (a 155 percent increase).

Overall, total Scope 1 emissions increased by approximately 4 percent between 2022 and 2023, driven by increases in usage across the primary fuel types, gasoline and diesel for mobile combustion and diesel for stationary combustion; however, Metropolitan's ongoing strategy of replacing fossil-fuel based diesel with renewable diesel continues to mitigate a portion of these emissions.

Figure 4 shows Metropolitan's Scope 1 emissions by source. In 2023, Metropolitan replaced 54 percent of its diesel fuel use with renewable diesel, a shift expected to further reduce Scope 1 emissions in future inventories.¹¹

Figure 4. 2023 Scope 1 Emissions by Source (MT CO₂e)

■ Mobile Emissions (78%) ■ Stationary Emissions (20%) ■ SF₆/HFC Fugitive Emissions (1%)



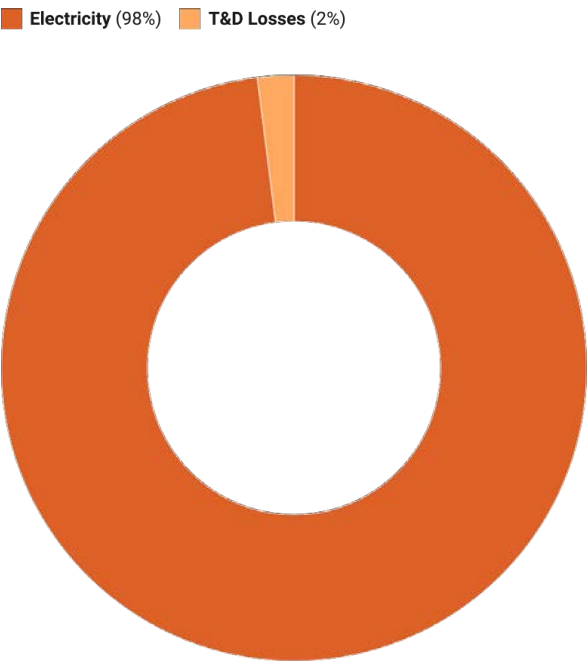
¹¹ The second APR, published in April of 2024 incorrectly stated that in 2023 Metropolitan had replaced 96 percent of fossil diesel use with renewable diesel. This was based on preliminary data which was incomplete. The updated percentage of renewable diesel for 2023 provided in this APR reflects the TCR verified fuel use amounts and accurately reflects Metropolitan's renewable diesel fuel use.

Scope 2: Indirect Emissions

Emissions from Electricity Use

Historically, Scope 2 (purchased electricity) has comprised the majority of Metropolitan’s emissions. In 2023, Scope 2 still constitutes the largest share of overall GHGs, despite decreasing by over 60 percent in absolute terms due to reduced pumping along the CRA. In 2022, Metropolitan used over 2.3 million MWh of electricity, bringing Scope 2 emissions to about 95 percent of total emissions. In 2023, electricity use decreased to 1.3 million MWh, lowering Scope 2 emissions to about 87 percent of Metropolitan’s total GHG inventory. Transmission and distribution losses comprise 2 percent of Scope 2 emissions, the same percentage as 2022, though absolute emissions decreased proportionally with electricity use, from 5,922 MT CO₂e in 2022 to 2,205 MT CO₂e in 2023. Figure 5 shows Metropolitan’s Scope 2 emissions by source.

Figure 5. 2023 Scope 2 Emissions by Source (MT CO₂e)



Overall electricity emissions decreased from 312,229 MT CO₂e in 2022 to 123,308 MT CO₂e in 2023 (a 61 percent decrease). This is less than the electricity used for any year during the 2005 – 2022 timeframe, with 2012 being the closest year on record in terms of emissions, when the annual total was 124,094 MT CO₂e, marginally higher than the 2023 total electricity emissions. By comparison, in 2023 Metropolitan used more electricity than in 2012, showing the GHG reduction benefits of Metropolitan’s renewable energy transition. The year-over-year decrease in pumping and associated emissions compared to 2022 was primarily driven by improved hydrological conditions for the State Water Project.

Scope 2 emissions comprising a majority of Metropolitan’s overall GHG footprint despite inter-annual variability is consistent with historical trends. Ongoing efforts, such as switching to green tariff options (Measure E-3), investing in carbon-free energy to operate along the CRA and prioritizing lower-emission wholesale electricity (Measure E-5), are crucial to decarbonizing the power supply and will remain Metropolitan’s most impactful Scope 2 mitigation strategies.

Scope 3: Other Indirect Emissions and Sequestration

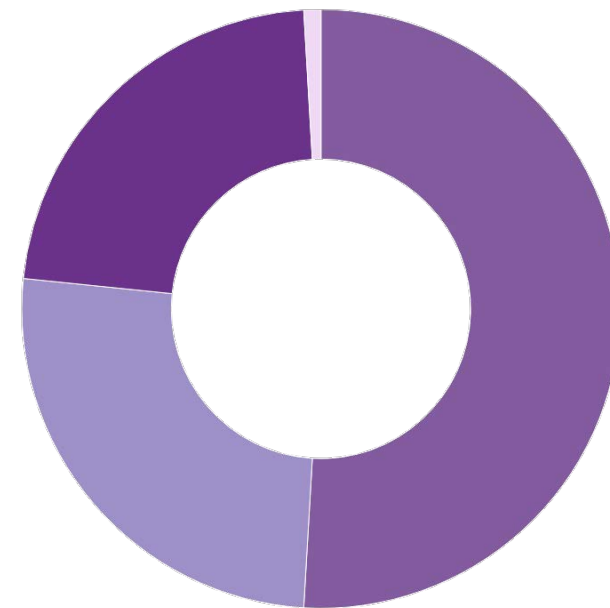
Emissions from Employee Commutes, Water/Wastewater, Solid Waste, and Construction Projects

Scope 3 emissions are the second largest source of emissions for Metropolitan, representing approximately 7 percent of total emissions. Monitoring these emissions requires a significant amount of coordination and data collection. In 2023 Metropolitan continued to use the average emissions established by the CAP for solid waste, water, and wastewater. However, Metropolitan began using an employee commute survey and construction emissions tracking log to provide updated and more accurate estimates for employee commute emissions and construction emissions activities.

As a result of these enhanced tracking efforts, the 2023 inventory reflects updates in the estimated annual emissions for employee commutes and construction. Compared to the CAP averages, emissions from employee commutes decreased, reflective of large increases in telecommuting by Metropolitan staff, a change that was part of CAP strategy EC-5, but was accelerated due to the COVID-19 pandemic. The decrease in reported construction-related emissions from earlier “worst-case” estimates demonstrates the benefit of better data collection. In 2023, the largest share of Scope 3 emissions still comes from employee commutes (51 percent), followed by solid waste (26 percent), construction (22 percent), and water/wastewater (1 percent). Figure 6 illustrates the breakdown of Scope 3 emissions by source.

Figure 6. 2023 Average Scope 3 Emissions by Source (MT CO₂e)

Employee Commute (51%) Solid Waste (26%) Construction (22%)
Water/Wastewater (1%)



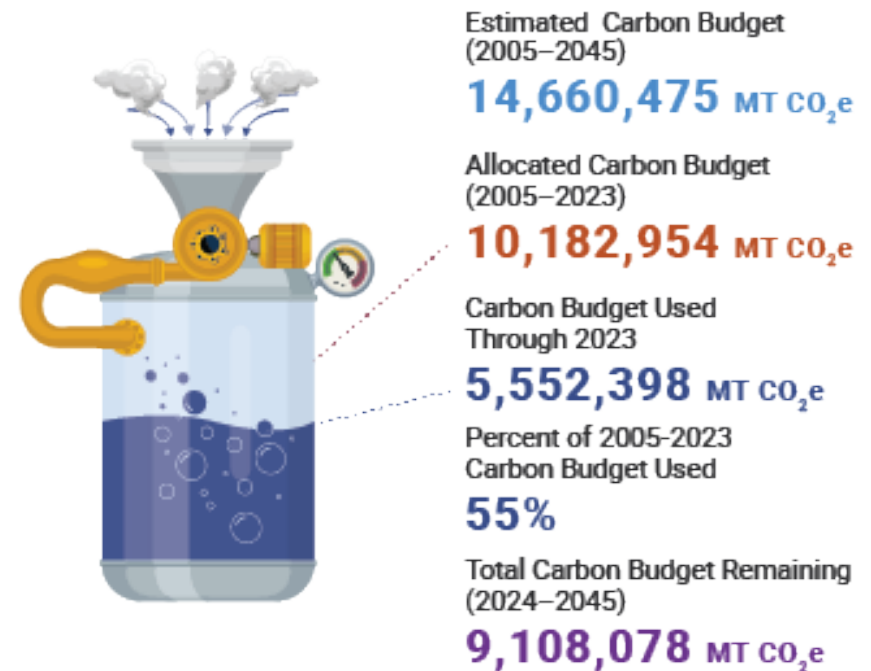
Carbon Budget Update

Metropolitan's carbon budget is analogous to a tank with a set capacity for, or a cap on, the total mass emissions Metropolitan can produce between 2005 and 2045. The total capacity has been set based on Metropolitan's historical emissions, forecasted emissions, and GHG reduction targets. These targets are consistent with State goals.

All GHG emissions from Metropolitan's operations recorded in the annual GHG inventories are added into the tank each year. The total capacity of the tank represents Metropolitan's total emissions budget, and over time that tank fills up. If Metropolitan keeps its GHG emissions below the capacity of the tank by its target years of 2030 and 2045, the GHG reduction targets will be achieved. To assess progress, Metropolitan will add its annual operational emissions to the total emitted in prior years, comparing the total GHGs emitted to the remaining budgeted amount.

As summarized in Figure 7, the amount of GHG emissions in Metropolitan's entire carbon budget from 2005 through 2045 is 14,660,475 MT CO₂e. The portion of the carbon budget allocated for 2005 through 2023 is approximately 10,182,954 MT CO₂e. During this period, Metropolitan emitted approximately 5,552,398 MT CO₂e, representing roughly half (55 percent) of the maximum emissions allowable through 2023. The annual carbon budget for 2023 was 405,678 MT CO₂e, but Metropolitan only emitted 144,279 MT CO₂e, creating an additional "buffer" of 261,398 MT CO₂e. This buffer may be needed in the future if drought or other conditions require Metropolitan to increase its pumping and subsequent emissions. Continuing to implement the strategies outlined in the CAP as well as identifying new opportunities to reduce emissions will be important as the overall budget is depleted year after year. **Metropolitan's carbon budget has 9,108,078 MT CO₂e remaining for the period of 2024 to 2045.**

Figure 7. Carbon Budget Summary



Because Metropolitan is well under its carbon budget, the CAP is considered on pace for achieving the long-term GHG emission reduction goals.

Pure Water Southern California Estimated Emissions

The Pure Water Southern California Program is a partnership between Metropolitan and the Los Angeles County Sanitation Districts to develop a large-scale regional recycled water program that would purify and reuse cleaned wastewater that currently flows into the ocean. Pure Water would construct and operate a new Advanced Water Purification (AWP) Facility in the city of Carson, as well as a conveyance system and associated pump stations from the AWP Facility to deliver the new water source as far north as the cities of Azusa and La Verne.

The expected GHG emissions associated with the construction and operation of Pure Water were estimated and included in Metropolitan's CAP in the GHG emissions forecast and mitigated through the GHG emission reduction strategies included in the CAP. Since the CAP analysis was completed, the assumptions and project specifics for Pure Water have been refined. The updated GHG emissions estimate from the September 2024, Pure Water Southern California Air Quality, Greenhouse Gas Emissions, and Energy Technical Report¹² were compared to those of the 2020 CAP to assess the impact of the updated Pure Water GHG emissions estimate on Metropolitan's carbon budget and Metropolitan's ability to reach the 2030 and 2045 GHG targets.

Key takeaways from this comparison of forecasted emissions and impacts on carbon budget include:

- **While the updated Project GHG emissions estimates are higher than in the CAP, they will not significantly affect Metropolitan's ability to achieve its GHG emission reduction targets.**
- **Metropolitan is projected to reach its 2030 targets under all scenarios and 2045 targets for both the low and average scenarios, without CAP implementation.**
- **With CAP implementation, Metropolitan reaches its 2030 and 2045 targets under all scenarios.**
- **As identified in the CAP, additional strategies and technologies are needed to achieve carbon neutrality, and future CAP updates will more specifically deal with the 2045 target once the 2030 horizon year has passed, consistent with state guidelines.**

The refined Pure Water emissions estimate will be used to update forecasted emissions as part of Metropolitan's forthcoming 2025 CAP update (scheduled for completion and consideration for adoption in 2027).

¹² Metropolitan Pure Water Southern California: <https://www.mwdh2o.com/building-local-supplies/pure-water-southern-california/>



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PUREWATER
SOUTHERN CALIFORNIA
INNOVATION CENTER

Implementation Progress Through 2024

This section highlights Metropolitan's progress on Phase 1 measures. Progress reporting on this phase is organized by scope, including Scope 1: Direct Emissions, Scope 2: Indirect Emissions, and Scope 3: Other Indirect Emissions. The summaries in this section highlight key measures where progress has been made. Each measure highlighted in this section includes information on its current implementation status, along with a narrative of Metropolitan's progress. For an overview of the implementation status for all CAP measures, see the summary tables in the Appendix.



California Friendly® plants



Colorado River Aqueduct maintenance

Scope 1: Direct Emissions Reduction Progress

Scope 1 sources are composed of emissions resulting from direct combustion of fuels used in Metropolitan's fleet vehicles and other stationary equipment as well as natural gas used at Metropolitan's facilities. To reduce Scope 1 emissions, Metropolitan has begun identifying opportunities for electrification and has shifted to renewable fuels for near term GHG emissions reductions.

STRATEGY 1: Phase Out Natural Gas Combustion at Facilities

Measure DC-1

STATUS:
Complete

COMPLETE



Conduct a Natural Gas Audit and Develop a Phase Out Plan.

This measure consists of conducting a survey of natural gas consuming equipment in offices, control buildings, and residential structures, and establishing a schedule by 2025 to replace natural gas equipment with electric equipment.

The natural gas equipment audit was completed in 2022 and described in the inaugural APR published in April 2023. Following this effort, Metropolitan created a natural gas phase out plan, completed in 2024, that included guidance on cost-effective and efficient replacement options currently available on the market, considerations when replacing natural gas equipment, and sample language for an “Electric-Upon-Replacement” policy. The natural gas audit and phase out plan supports Measures DC-2 and DC-3, discussed further below. Metropolitan is working to develop and adopt an electrification first policy as part of the sustainable procurement policies under development, which will prioritize the purchase and installation of electric equipment upon replacement.

Measure DC-2

STATUS: **25%**

25%



Reduce Natural Gas Usage by 50 percent by 2030 and 100 percent by 2045.

Measure DC-2 consists of reducing natural gas usage by 50 percent by 2030 and 100 percent by 2045. Despite natural gas equipment remaining in use across many Metropolitan facilities, total MMBtu of natural gas used has decreased overall since the baseline year of 2017 and resulted in a cumulative savings of approximately 13,556 MMBtu, which is 25 percent of the savings target identified in the CAP. This decreased usage is likely due to the retirement of on-site co-generation units. Additional savings will be gained through the phase out of natural gas water heating and HVAC units identified in the natural gas audit.

Measure DC-3

STATUS:
Pending

PENDING/NA



Require New Construction and Retrofits to be All-Electric.

Measure DC-3 consists of updates to Metropolitan building standards to require new construction and retrofits to be all-electric, ensuring progress on natural gas reduction continues as new facilities are constructed and existing ones are updated. Metropolitan is currently developing new policies and standards with regards to new construction and retrofits.

STRATEGY 2: Zero Emission Vehicle Fleet

Measure FL-2

Adopt a ZEV/EV First Policy for Fleet Vehicles.

STATUS:
Underway

UNDERWAY



Measure FL-2 directs Metropolitan to develop a ZEV First purchasing policy and implement the fleet transition to ZEV/EVs to meet the GHG emissions reduction targets, comply with state regulatory requirements, and maintain system resilience. The ZEV Task Force, formed in October 2022, continues to lead coordination and policy development and is comprised of employees representing all Metropolitan departments with the background and expertise needed to successfully implement the transition.

See the 'Building the ZEV Program' in the Highlights section of this report for additional detail about the progress made to electrify Metropolitan's fleet and prepare the necessary infrastructure to support the fleet transition.

STRATEGY 3: Use Alternative Fuels to Bridge the Technology Gap to ZEV Fleet and Equipment

Measure AF-3

Use Renewable Diesel Fuel in 100% of Diesel-Consuming On-Road and Off-Road Vehicles by 2025.

STATUS: 54%*

54%*



Measure AF-3 directs Metropolitan to use renewable diesel for all mobile fuel uses by 2025. Renewable diesel is chemically identical to fossil diesel, but is derived from renewable sources such as waste gas and plant or animal fats rather than fossil-fuel petroleum. Because the carbon contained in renewable diesel was removed from the atmosphere by the materials used to produce it, it is not contributing additional non-renewable fossil-fuel carbon emissions into the atmosphere. Use of renewable diesel is a key near-term strategy for reducing combustion emissions before vehicle fleets can be fully electrified.

In February 2023, Metropolitan switched all available fuel contracts to renewable diesel. This resulted in purchases of 70,966 gallons of renewable diesel in 2023, bringing the share of total mobile diesel to approximately 54 percent. This number represents the percent progress towards Metropolitan's target of 100 percent renewable diesel use for diesel-consuming mobile equipment. The use of renewable diesel resulted in an estimated emissions savings of 717 MT CO₂e relative to using traditional diesel fuel and puts Metropolitan over halfway to achieving the 2025 target. In 2024, Metropolitan used renewable diesel in 100 percent of its diesel-consuming on-road and off-road vehicles, reaching the 2025 target. This will be reflected in next year's GHG inventory and APR. Renewable diesel will continue to be used as a cleaner fuel source until the transition to ZEVs is complete.

*Percent complete based on 2023 data.



Solar Panels at Jenson WTP

Scope 2: Indirect Emissions Reduction Progress

Scope 2 or indirect emissions are driven by electricity use at Metropolitan facilities. This category represents the largest emissions source from Metropolitan's operations. Metropolitan has made significant progress in reducing the emissions associated with both retail and wholesale electricity consumption by changing to accounts that prioritize increasingly renewable sources. These changes have continued to keep electricity emissions low. In addition, Metropolitan is continuing to reduce electricity demand through efficiency upgrades like LED lighting.

STRATEGY 4: Utilize Low-Carbon and Carbon-Free Electricity

Measure E-3 Switch Retail Electricity Accounts to Green Tariff Options.

STATUS: 74%

74%



Measure E-3 directs Metropolitan to change its retail electricity accounts (electricity purchased from a utility) from the standard electricity mix to a green tariff option, which includes higher rates of carbon-free and renewable electricity. The target for 2025 is to procure at least 88 percent of electricity from carbon-free sources.

Metropolitan continues to procure the maximum amount of 100 percent green rate electricity from SCE, which is enough energy to switch over all facilities covered by this energy provider, except Skinner WTP. This continues to be the maximum capacity of green energy available from SCE. The cost of green rate options for Los Angeles Department of Water and Power (LADWP) retail energy accounts continues to be too high to switch additional accounts. Additional retail accounts will be switched when more green energy capacity is available from SCE and Clean Power Alliance, or when green energy rates from LADWP decrease. In 2023, Metropolitan procured almost 8 million kWh of carbon-free electricity purchased through 100 percent renewable retail accounts. Additionally, over 31 million kWh of carbon-free electricity was purchased through retail electricity accounts as part of the power mix. In total, Metropolitan procured an estimated 65 percent carbon-free electricity for its retail accounts, representing 74 percent of the 2025 target.¹³

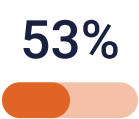
13. The percent total renewable electricity is estimated using historical electricity procurement data for retail accounts and actual green electricity procurement data from 2023, as well as the power content labels for the retail electricity providers.



Measure E-5

Manage Energy Purchases to Ensure Cost-Effective Energy Supply While Achieving Emissions Objectives.

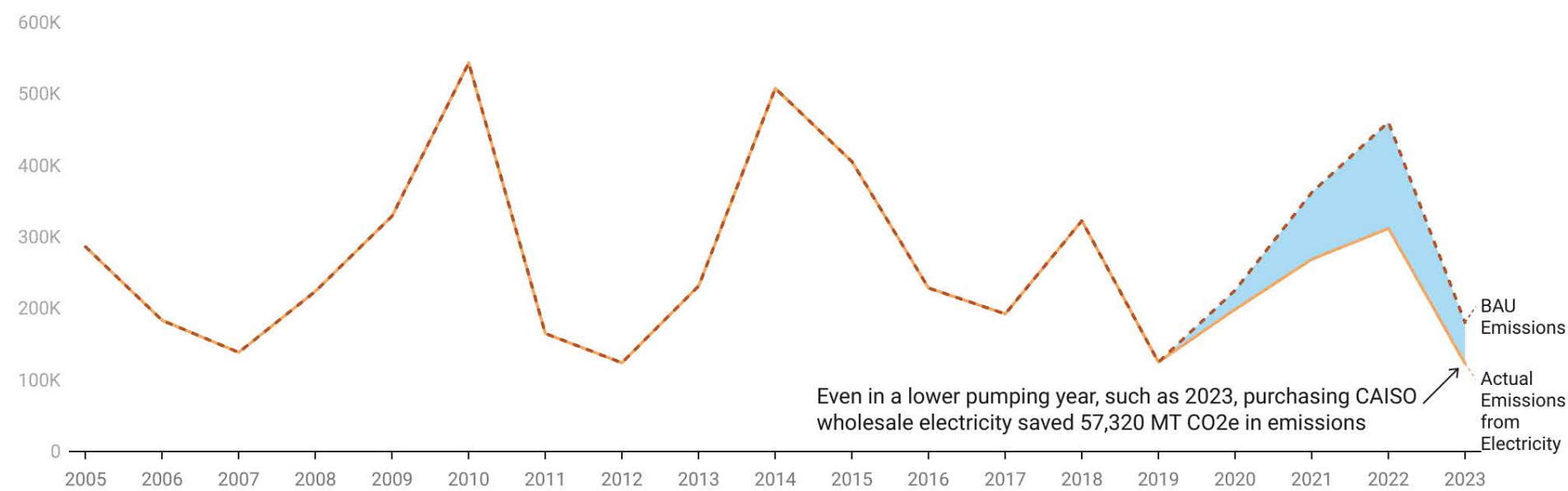
STATUS: 53%



Implementation of this measure began in 2020, including changes to energy procurement policies to reduce reliance on out-of-state electricity from the Arizona New Mexico (AZNM) subregion, which is used to power the pumps along the CRA. This measure also directs Metropolitan to increase the use of energy from the California Independent System Operator (CAISO) subregion, which has a lower GHG emission factor as a result of greater use of renewables compared to the AZNM regional grid. Metropolitan set a goal to save 610,245 MT CO₂e by 2030 through the purchase of electricity from CAISO instead of AZNM. Making this switch reduces emissions overall, but the impact is the greatest during higher CRA pumping years, and is particularly beneficial during periods of prolonged drought when additional pumping is required over numerous years. Emissions associated with CAISO electricity purchases will also likely continue to decrease over time due to Senate Bill 100, which requires 100 percent of electricity retail sales to be sourced from renewable or zero carbon sources by 2045, and Senate Bill 1020, which sets interim targets for 90 percent of electricity to come from renewable or zero carbon sources by 2035, followed by 95 percent by 2040, and 100 percent clean energy utilization by 2045.

This change in electricity procurement has already reduced Metropolitan emissions associated with electricity purchases by approximately 326,216 MT CO₂e between 2020 and 2023, compared to business-as-usual (BAU) emissions if Metropolitan had not made this switch. In addition, decreasing the use of electricity purchased from outside of California reduces Metropolitan’s costs associated with California’s Cap and Trade program, providing a win/win scenario.

Figure 8. Electricity Emissions Savings from Switching to CAISO from AZNM (MT CO₂e)



Created with Datawrapper

STRATEGY 5: Improve Energy Efficiency

Measure EE-1 Convert 50 Percent of Interior and Exterior Lighting at All Metropolitan Facilities to LED Technologies by 2030 and 100 Percent by 2045.¹⁴

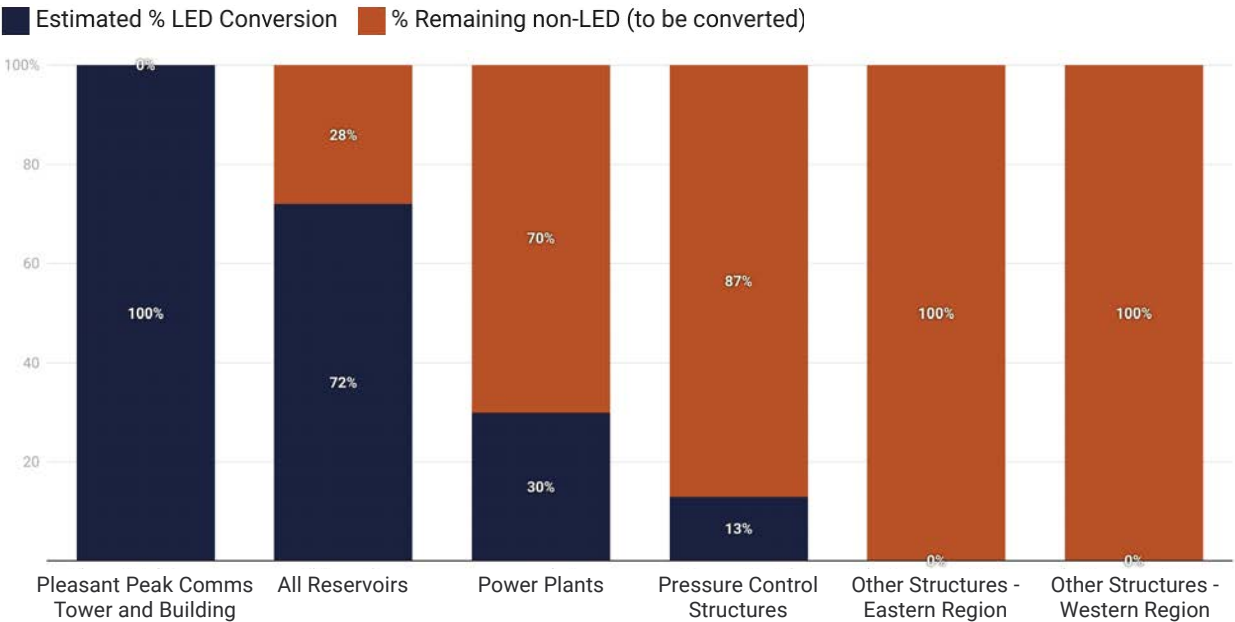
STATUS:112%

112%
+

Measure EE-1 directs Metropolitan to convert 50 percent of interior and exterior lighting to LED by 2030 and 100 percent by 2045. As described in previous CAP APRs, staff coordinated with electrical team managers to develop an inventory of lighting converted to LED technology at all occupied facilities and unoccupied field sites. As of 2024, the LED conversion inventory update indicated an estimated 56 percent of lighting had been converted. This surpasses the 2030 target ahead of schedule thanks to the support of managers and the staff at Metropolitan facilities. This achievement has been driven by rapid LED conversion at Metropolitan’s water treatment plants, and continued LED retrofits as well as replacement of older non-LED lighting with LED technology on an as-needed basis across other facilities, resulting in an overall increase of 7 percent over the previous year. The LED retrofits to date are summarized in Figure 9 and Figure 10.

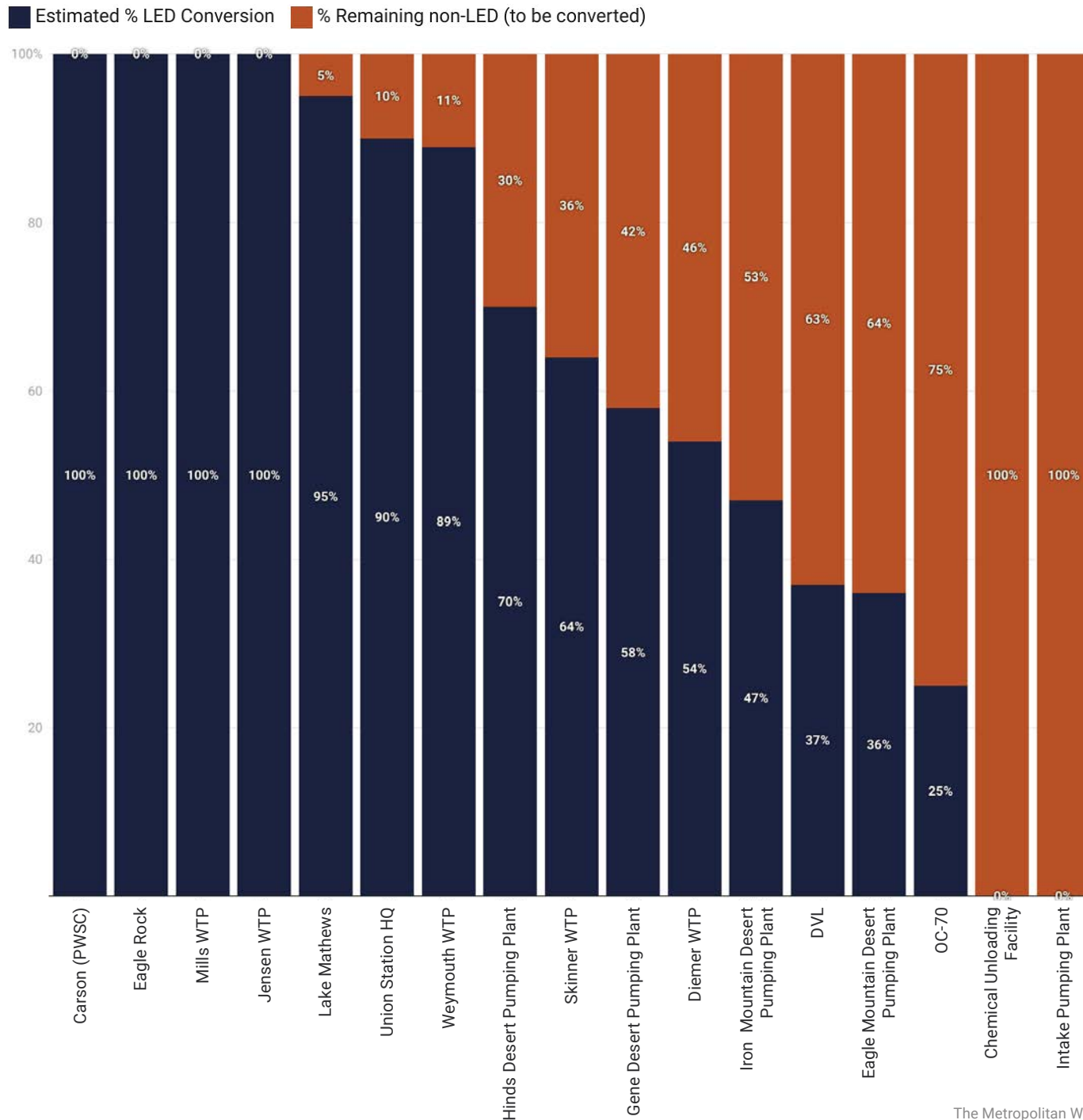
Plans are in place for additional LED conversions at several facilities, and are expected to be completed between by 2026. Ongoing replacement of older non-LED lighting with LED technology on an as-needed basis will continue at many of the desert facilities and unoccupied field facilities.

Figure 9. Percent Conversion to LED Technology at Unoccupied Facilities



14. The original measure language in the CAP directs Metropolitan to convert all interior and exterior lighting at 50 percent of Metropolitan facilities by 2030 and at 100 percent of facilities by 2045. This assumed that LED conversion would take place at one facility at a time. However, Metropolitan has begun converting lighting to LED technology at many facilities on an ongoing basis. The updated measure language in this report and on the CAP Dash represents the same outcome as the original CAP measure language through a different implementation approach that more accurately reflects Metropolitan's progress.

Figure 10. Percent Conversion to LED Technology at Occupied Facilities





Construction on the Second Lower Feeder

Scope 3: Other Indirect Emissions Progress

Scope 3 emissions sources include other indirect emissions including those from water, wastewater, solid waste, construction, and employee commutes. Metropolitan has made continuous progress on reducing its Scope 3 emissions and is moving to increase the accuracy of its data tracking. In addition, Metropolitan has already exceeded its goals for turf replacement and water conservation.

STRATEGY 6: Incentivize More Sustainable Commutes

Measure EC-5 Allow 50 Percent of Employees at Headquarters to Telecommute to Reduce VMT and GHG Emissions Through 2030.

STATUS: 183%

183%



Measure EC-5 directs Metropolitan to allow 50 percent of the employees located at its Headquarters building to telecommute or use flexible schedules through 2030 to reduce travel time, VMT, and GHG emissions.

In early 2021, Metropolitan initiated a work from home policy due to the COVID-19 pandemic and eventually developed a hybrid schedule (2 days in the office, 3 days at home) for employees based at its Headquarters building in downtown Los Angeles. This hybrid schedule ultimately exceeded the 50 percent goal to reduce travel time, VMT, and GHG emissions established by the CAP.

Metropolitan's periodic employee commute survey helps quantify the VMT and GHG reductions resulting from increased telecommuting and indicates trends in employee commutes. The most recent survey conducted in January of 2025 was assumed to be reflective of 2024 commute patterns. The survey found that over 11 percent of staff commutes are taken using public transit, with a majority of those being by train or light rail. Fewer staff commutes used vanpool compared to the 2023 survey (four percent of commutes in 2024 versus six percent of commutes in 2023). The proportion of telecommuting increased compared to the 2023 survey from 39 percent of staff commutes to 45 percent of staff commutes. Staff reported fewer commutes to work by driving alone compared to 2023, representing roughly 38 percent of commutes in 2024 versus 43 percent of commutes in 2023. The survey found that the staff commuter fleet was made up of 15 percent electric and plug-in hybrid vehicles. Additionally, over eight percent of staff commute vehicles were non-plug-in hybrid vehicles.

The cumulative reductions during the 2022-2024 period were drastic compared to the initial target since the percentage of telecommute days far outpaced the initial goal used in CAP estimates. The CAP target was to reduce commute VMT by 15,560,094 by 2030. The cumulative VMT savings from telecommuting between 2022 and 2024 is an estimated 28,433,519 VMT, which is 183 percent of the 2030 goal. This reduction in VMT translates into a cumulative emissions savings of over 9,000 MT CO₂e through 2024.

While Metropolitan is currently using the hybrid schedule, negotiations between Metropolitan and its bargaining units are in progress and the current hybrid schedule is subject to change.



LA Metrolink train (stock image)

STRATEGY 7: Increase Waste Diversion to Achieve Zero-Waste

Measure WA-1 Develop and Implement Net Zero-Waste Policies and Programs at All Facilities to Reduce Landfilled Waste by 30 Percent by 2030 and Achieve Zero Landfilled Waste by 2045.

STATUS: 0.7%

0.7%



Metropolitan set a target of diverting landfilled waste by 30 percent across all facilities by 2030, translating into a cumulative target of 22,143 tons of solid waste diverted.

Collecting annually updated data on solid waste tonnage and waste diversion is challenging, and it is unclear whether solid waste produced across Metropolitan facilities has been trending upwards or downwards overall. However, progress at key facilities has been made. Metropolitan implemented a waste reduction program at its Headquarters building located in downtown Los Angeles in 2022. Waste is now separated into organics, compostable, and landfill waste bins and waste pickups are made for each of the three waste streams. Metropolitan has begun tracking the weight of each waste bin on a weekly basis to estimate how much waste is produced and diverted. This is the first CAP APR that reports estimated waste saving from landfill diversion. In 2024, the Headquarters building diverted an estimated 72 percent of solid waste from landfill, setting an impressive example of what is possible. This program serves as a model for potential waste diversion policies and practices that could be implemented at other Metropolitan facilities. The Headquarters waste program diverted an estimated 85.8 MT of solid waste from landfill in 2024, and cumulatively diverted 156 MT since the program began weighing waste in 2023. This waste diversion reduced landfill related emissions by approximately 32 MT CO₂e during the 2023-2024 period, representing 0.7 percent of the 2030 target. Though Metropolitan is not on track to reach its 2030 waste diversion target, beginning to track tonnage of waste diverted, and the continued success of the Headquarters diversion program mark crucial steps towards Metropolitan's waste diversion goals.



Waste bins in the cafeteria of Metropolitan's headquarters building

STRATEGY 8: Increase Water Conservation and Local Water Supply

Measure WC-3 Continue Turf Replacement Program to Install an Average of 1.5 Million Square Feet of Water Efficient Landscapes per Year Through 2030 Through the Use of a Rebate Program.

STATUS: 196%

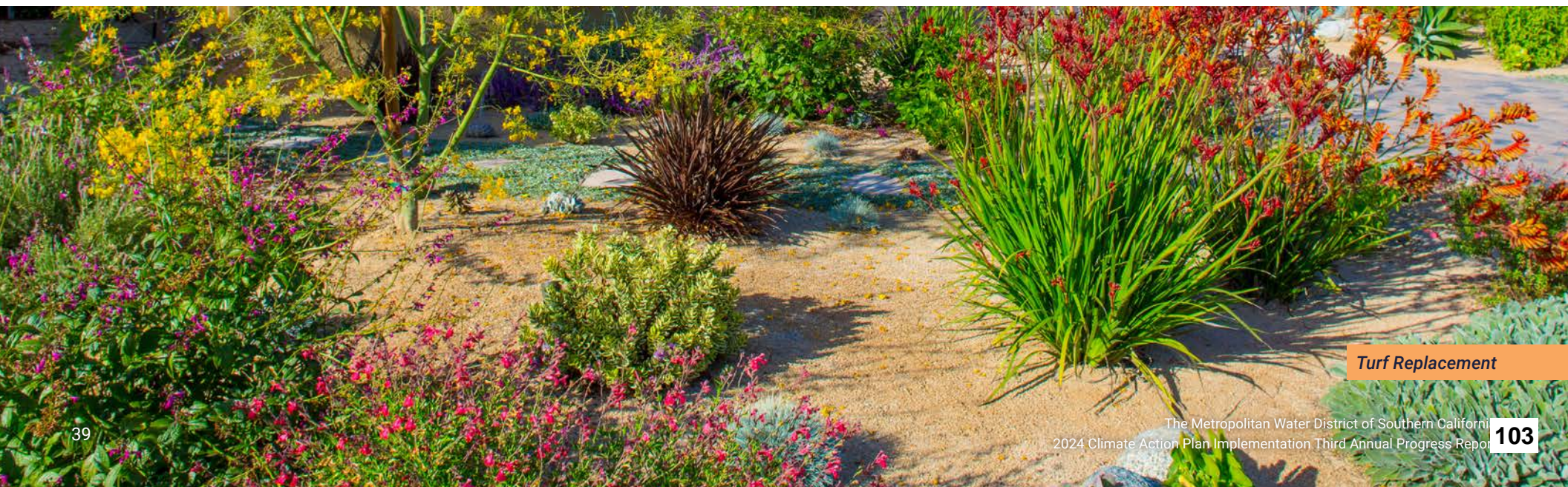
196%



Metropolitan's goal is to incentivize residents and businesses to replace an average of 1.5 million square feet of grass each year with water-efficient landscape through 2030. Through its Turf Replacement Program, Metropolitan has provided rebates to help replace an average of 6.7 million square feet of turf per year between 2017 and 2024, far outpacing the target outlined in the CAP. Metropolitan's progress on this measure is a major achievement for water stewardship, as more sustainable, climate-friendly landscapes use significantly less water, as well as provide other benefits such as creating important habitat for local wildlife.

As shown in Figure 11, Metropolitan removed a total of 48.8 million square feet of turf between 2017 and 2024. When turf is removed, it results in water savings from reduced watering requirements both in the initial year the turf is removed and every subsequent year. As part of this CAP APR, the method for calculating water savings was updated to separate residential and commercial turf replacement, reflecting best practice and allowing for more tailored water savings estimates. The estimated water saving increased as a result of the methodology update. This was primarily due to the updated water conservation rates associated with residential and commercial turf removal. Residential turf removal conserves an estimated 34.4 gallons per square foot, while commercial turf replacement conserves water at a rate of 44 gallons per square foot, which is higher than the standard water conservation rate (35 gallons per square foot) applied previously to all turf removal. The historical water and emissions savings were updated in addition to calculating the water and emissions savings for 2024, the most recent year for which data is available.

The estimated water savings from turf replacement projects in Metropolitan's service area from 2017 through 2024 is approximately 20,818 acre-feet as shown in Figure 12, which translates to an emissions savings of approximately 1,894 MT CO₂e.¹⁵ This surpasses Metropolitan's target of a cumulative savings of 10,634 acre-feet, by almost 10,000 acre-feet and putting Metropolitan at 196 percent of its goal.



Turf Replacement

Figure 11. Square Feet of Turf Replacement

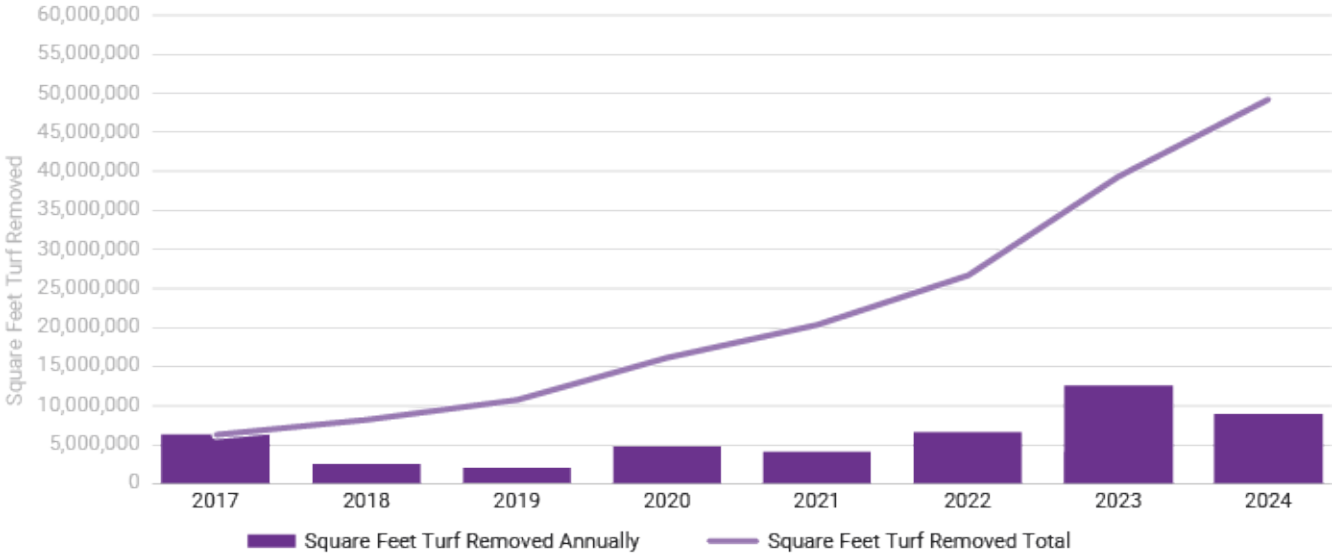
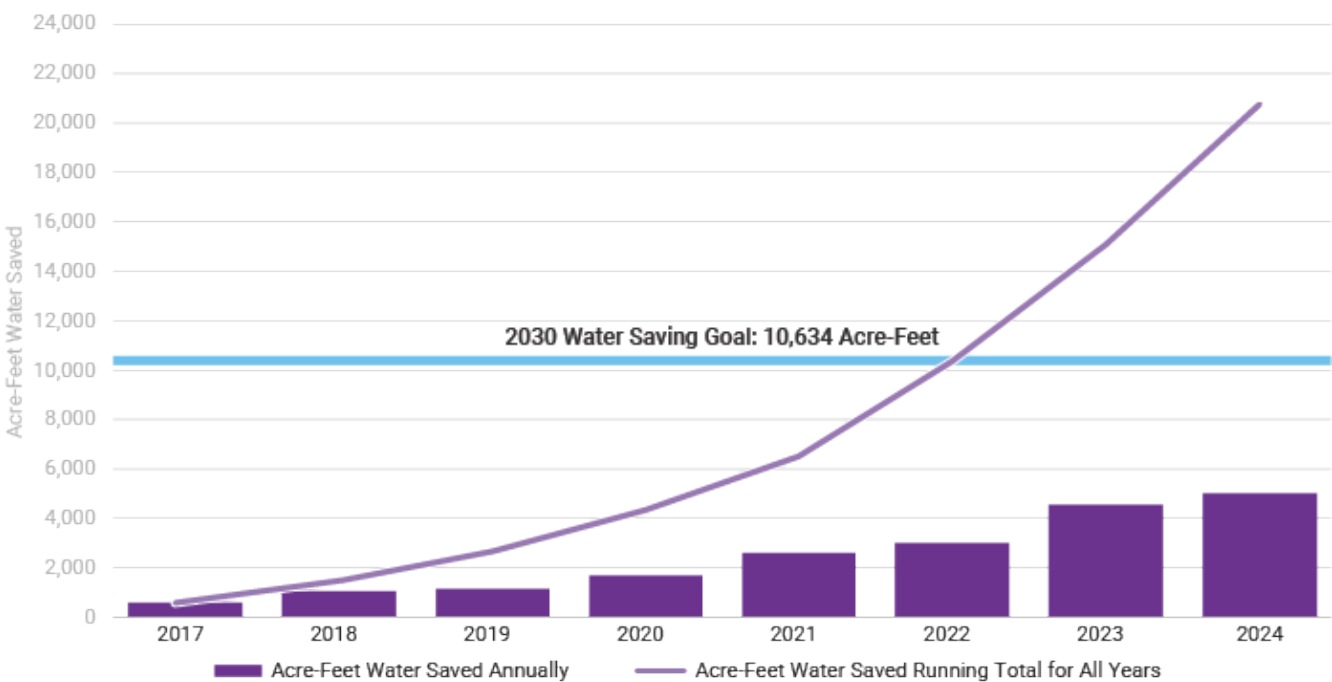


Figure 12. Acre-Feet of Water Savings

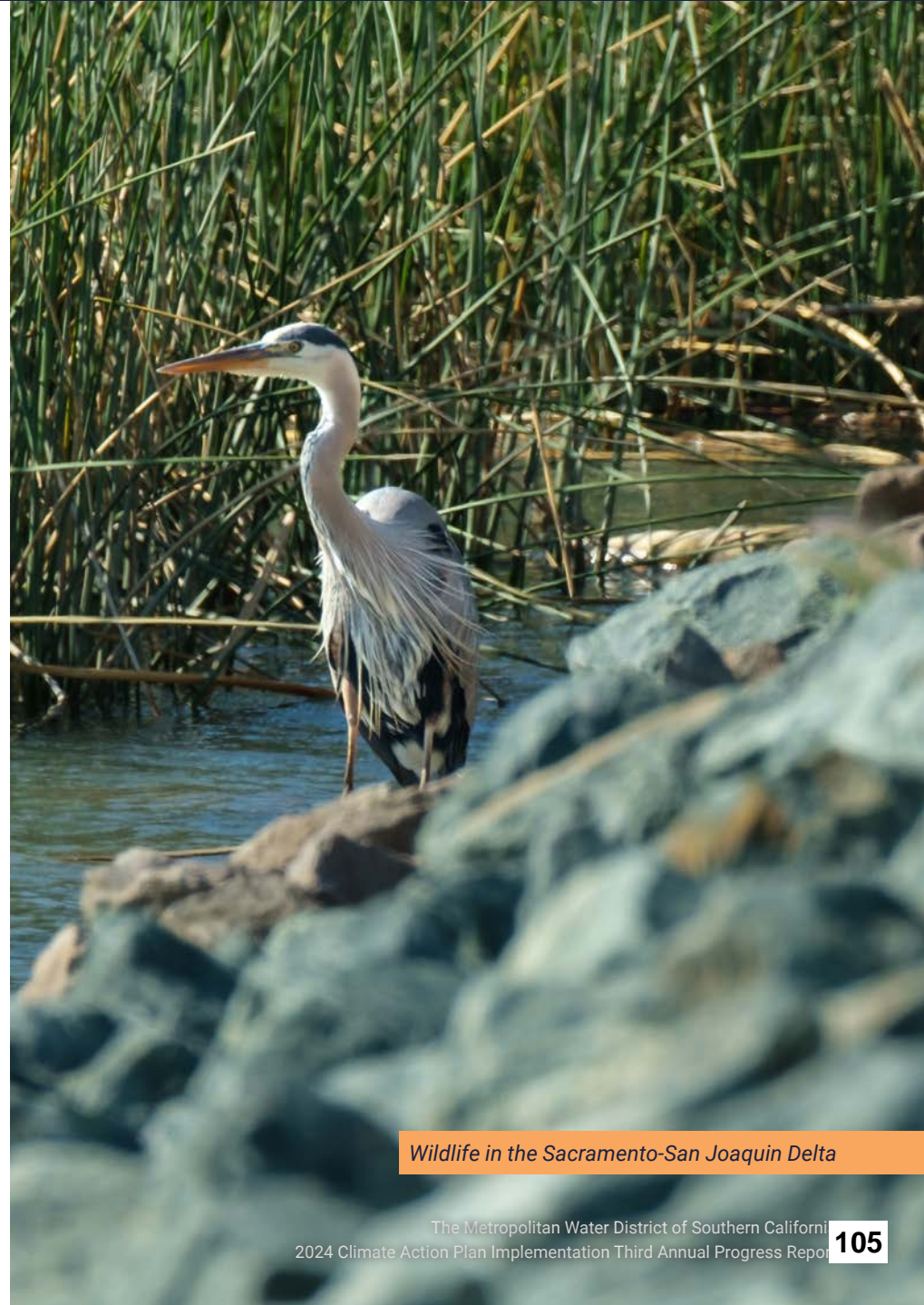


Progress Summary

Metropolitan continues to make progress towards achieving the goals set out in the CAP and further promoting and enhancing sustainability and resilience throughout the organization and its Southern California service area. Metropolitan continues to benefit from the lower emissions electricity purchased through its wholesale and retail procurement policies, which has reduced overall emissions despite variability in pumping requirements year to year.

Initiatives and projects such as the organics waste diversion program at the Headquarters building, LED conversion, ZEV transition, telecommute policy, renewable diesel use, and turf replacement program are already making positive impacts consistent with Metropolitan's environmental goals by conserving water, diverting waste, and reducing emissions now, while laying the groundwork for greater emissions reductions in the future.

Of the 31 Supportive measures, six have been completed, 10 are ongoing, 10 are underway, one is pending, and four have not made progress. Of the 11 Quantitative measures, four have met or exceeded their 2030 target, three measures are over 50 percent of the way to meeting their 2030 target, two measures have achieved less than 50 percent of their 2030 targets, and only two measures have not yet made quantifiable progress towards their 2030 targets, though preparatory work is underway on those measures.



Wildlife in the Sacramento-San Joaquin Delta

Appendices



Lake Mathews

Supportive Measures - Status Summary Table

Strategy ID	Action #	Strategy Language	Phase	Target Year	Status
Scope 1: Direct Combustion					
Strategy 1–Phase Out Natural Gas Combustion at Facilities					
Strategy 1	DC-1	Conduct a survey of all natural gas consuming devices in offices, control buildings, and residential structures and establish a schedule to replace natural gas equipment with electric by 2025.	1	2025	Complete
Strategy 1	DC-3	Update Metropolitan building standards to require all-electric construction for new buildings and retrofits.	1	2030	Pending
Strategy 2–Zero Emission Vehicle Fleet					
Strategy 2	FL-1	Conduct a ZEV/EV Feasibility Study to determine which fleet vehicles can be converted, what chargers/fueling stations are required, and where they should be located by the end of 2022.	1	2030	Complete
Strategy 2	FL-2	Adopt an ZEV/EV first policy for fleet vehicles to obtain ZEVs when technological, operational, or cost effectiveness parameters are met.	1	2030	Underway
Strategy 2	FL-3	Replace fossil fuel passenger fleet vehicles as identified in the ZEV/EV Feasibility Study (FL-1).	1	2030	Underway
Strategy 2	FL-4	Install EV charging and/or ZEV infrastructure at facilities pursuant to the findings of the ZEV/EV Feasibility Study (FL-1).	1	2030	Underway
Strategy 3–Use Alternative Fuels to Bridge the Technology Gap to Zero Emission Vehicles and Equipment					
Strategy 3	AF-1	Complete a pilot project on the use of renewable diesel rather than conventional diesel for all stationary equipment by 2025.	1	2025	Complete
Strategy 3	AF-2	Complete a pilot project of renewable diesel use in on-road and off-road vehicles by providing at least one renewable diesel tank at Metropolitan-owned fueling depots in 2021.	1	2021	Complete
Scope 2: Electricity					
Strategy 4 – Utilize Low-Carbon and Carbon-Free Electricity					
Strategy 4	E-1	Analyze marginal emissions rates and evaluate the feasibility of shifting energy use to lower emission periods.	1	2030	Ongoing
Strategy 4	EE-3	Investigate feasibility of a large-scale (100 MW) battery storage system for the CRA.	2	2045	Complete

Strategy ID	Action #	Strategy Language	Phase	Target Year	Status
Strategy 5 – Improve Energy Efficiency					
Strategy 5	EE-2	Continue programs to analyze CRA pump efficiency and replace or refurbish pumps when cost effective.	1	2030	Ongoing
Strategy 5	EE-4a	Replace pump impellers at the Iron Mountain pumping plant if directed by findings of the pump assessment (Measure EE-2).	2	2045	No Action
Strategy 5	EE-4b	Replace pump impellers at Eagle Mountain or Hinds pumping plants if directed by findings of the pump assessment (Measure EE-2).	2	2045	No Action
Strategy 5	EE-4c	Refurbish motors at Iron Mountain if applicable based on the findings of the pump assessment (Measure EE-2).	2	2045	No Action
Strategy 5	EE-4d	Refurbish motors at Eagle Mountain or Hinds pumping plants if directed by findings of the pump assessment (Measure EE-2).	2	2045	No Action
Strategy 5	EE-5	If the proposed RRWP (Pure Water Southern California) is ultimately constructed, install an inter-stage pumping system on the reverse osmosis brine stream to reduce energy use.	2	2045	Underway
Scope 3: Other Indirect Emissions					
Strategy 6 – Incentivize More Sustainable Commutes					
Strategy 6	EC-1	Expand subsidized transit commute program to reduce employee commute miles.	1	2030	Underway
Strategy 6	EC-2	Expand employee use of carbonfree and low carbon transportation by providing education programs on the benefits of commute options including public transportation, EV/ZEV options, and vanpools.	1	2030	Ongoing
Strategy 6	EC-4	Continue to offer benefits to employees who use alternative modes of transportation (e.g. public transportation, bikes).	1	2030	Ongoing
Strategy 6	EC-6	Replace all Metropolitan vanpool vehicles with ZEVs. Start with a pilot study (Measure FL-1) to evaluate the best approach.	2	2045	Underway

Strategy ID	Action #	Strategy Language	Phase	Target Year	Status
Strategy 7 – Increase Waste Diversion to Achieve Zero Waste					
Strategy 7	WA-2	Implement a program to reduce organic waste at Metropolitan’s Union Station building. Contract or team with local organizations and waste disposal companies to route organic waste to anaerobic digestion or composting facilities and edible food to food recovery centers.	1	2030	Ongoing
Strategy 7	WA-3	Develop and implement a sustainable procurement policy.	1	2030	Underway
Strategy 7	WA-4	Partner with municipal agencies, like the City of Los Angeles, to create programs that will allow Metropolitan to provide its fair share of diversion and help local jurisdictions meet the goals of SB 1383 for organics diversion, including food waste and composting.	2	2045	Underway
Strategy 8 – Increase Water Conservation and Local Water Supply					
Strategy 8	CS-3	Establish baseline soil carbon quantities through science-based approaches then develop pilot projects to enhance carbon sequestration and implement larger scale carbon sequestration projects as deemed feasible.	2	2045	Underway
Strategy 8	WC-1	Expand programs that educate customers on water conservation initiatives through workshops and speaking engagements.	1	2030	Ongoing
Strategy 8	WC-2	Continue to implement innovative water use efficiency programs.	1	2030	Ongoing
Strategy 8	WC-4	Provide funding for the development and monitoring of local stormwater recharge and use projects to evaluate the water supply benefit of stormwater.	1	2030	Ongoing
Strategy 8	WC-5	Continue to promote water efficiency technologies and innovative practices that can be adopted into future water conservation program updates.	1	2030	Ongoing
Strategy 8	WC-6	Implement advanced technology systems to increase Metropolitan owned recycled and groundwater recovery systems to maintain local water supply (e.g., proposed RRWP).	2	2045	Underway

Strategy ID	Action #	Strategy Language	Phase	Target Year	Status
Strategy 9 – Investigate and Implement Carbon Capture and Sequestration Opportunities					
Strategy 9	CS-1	Study carbon capture protocols in the Sacramento-San Joaquin River Delta.	1	2030	Complete
Strategy 9	CS-2	Conduct a five-year research program to increase Metropolitan’s knowledge of regenerative agriculture and carbon sequestration opportunities on Metropolitan properties in the Palo Verde Valley.	1	2030	Underway

Quantifiable Measures - Status Summary Table

Strategy ID	Action #	Strategy language	Sector	Metric - Goal	Metric - Unit	Implementation Target Year	% Complete
Scope 1: Direct Combustion							
Strategy 1–Phase Out Natural Gas Combustion at Facilities							
Strategy 1	DC-2	Reduce natural gas emissions by 50 percent by 2030 and 100 percent by 2045 through electrification.	Natural Gas Stationary	53,404	MMBtu	2030	25%
Strategy 3–Use Alternative Fuels to Bridge the Technology Gap to Zero Emission Vehicles and Equipment							
Strategy 3	AF-3	Based on the results of the study in AF-2, Metropolitan will begin using renewable diesel fuel in 100 percent of Metropolitan’s diesel-consuming on-road and off-road vehicles by 2025.	Diesel Mobile	100	Percent Renewable Diesel	2025	54%

Strategy ID	Action #	Strategy language	Sector	Metric - Goal	Metric - Unit	Implementation Target Year	% Complete
Scope 2: Electricity							
Strategy 4 – Utilize Low-Carbon and Carbon-Free Electricity							
Strategy 4	E-2	Connect the Yorba Linda Hydroelectric Power Plant behind Metropolitan's SCE electricity meter to directly utilize carbon-free electricity at Metropolitan's Diemer WTP by 2025.	Electricity	53,400	MWh	2030	0%
Strategy 4	E-3	In markets where available, Metropolitan will switch its retail accounts to green tariff options offered by power providers by 2025 to reduce the Scope 2 GHG emissions associated with retail electricity use.	Electricity	88	Percent Renewable Retail Electricity	2025	74%
Strategy 4	E-4	Install 3.5 MW battery storage systems at the Jensen, Skinner, and Weymouth WTPs. Investigate the use of a software system to track and optimize GHG emissions reduction due to time-of-use strategies by 2025.	Electricity	219	MT CO ₂ e Saved From Battery Arbitrage	2030	0%
Strategy 4	E-5	Manage Metropolitan's energy purchases to ensure cost-effective energy supply while achieving the required GHG emissions objective. (High emissions scenario)	Electricity	610,245	MT CO ₂ e Saved Compared to Baseline	2030	53%
Strategy 5 – Improve Energy Efficiency							
Strategy 5	EE-1	Convert all interior and exterior lighting at 50 percent of Metropolitan facilities to LED technologies by 2030 and 100 percent by 2045.	Electricity	50	Percent of LED retrofits completed	2030	112%

Strategy ID	Action #	Strategy language	Sector	Metric - Goal	Metric - Unit	Implementation Target Year	% Complete
Scope 3: Other Indirect Emissions							
Strategy 6 – Incentivize More Sustainable Commutes							
Strategy 6	EC-3	Install ZEV and/or EV infrastructure as directed by the ZEV/EV Feasibility Study to support at least a 15 percent transition of employee-owned vehicles to ZEVs/EVs by 2025.	Employee Commute	15%	Percent of EVs in Commuter Fleet	2025	103%
Strategy 6	EC-5	Allow 50 percent of employees located at Metropolitan's headquarters to telecommute or utilize flexible schedules through 2030 to reduce travel time, vehicle miles traveled (VMT), and GHG emissions.	Employee Commute	15,560,094	Reduced Commuter VMT	2030	183%
Strategy 7 – Increase Waste Diversion to Achieve Zero Waste							
Strategy 7	WA-1	Develop and implement net zero-waste policies and programs at all facilities to reduce landfilled waste by 30 percent by 2030 and achieve zero landfilled waste by 2045.	Solid Waste	22,143	Tons	2030	0.7%
Strategy 8 – Increase Water Conservation and Local Water Supply							
Strategy 8	WC-3	Continue Turf Replacement Program to install an average of 1,500,000 square feet of water efficient landscapes per year through 2030 through the use of a rebate program.	Water/ Wastewater	10,634	Acre-Feet	2030	196%



Intake Pump Plant at Lake Havasu



*THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA*

**THE METROPOLITAN WATER DISTRICT
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One Water & Adaptation Committee

Climate Action Plan Annual Update

Item # 6b

May 12, 2025

Item 6b Climate Action Plan Annual Update

Subject

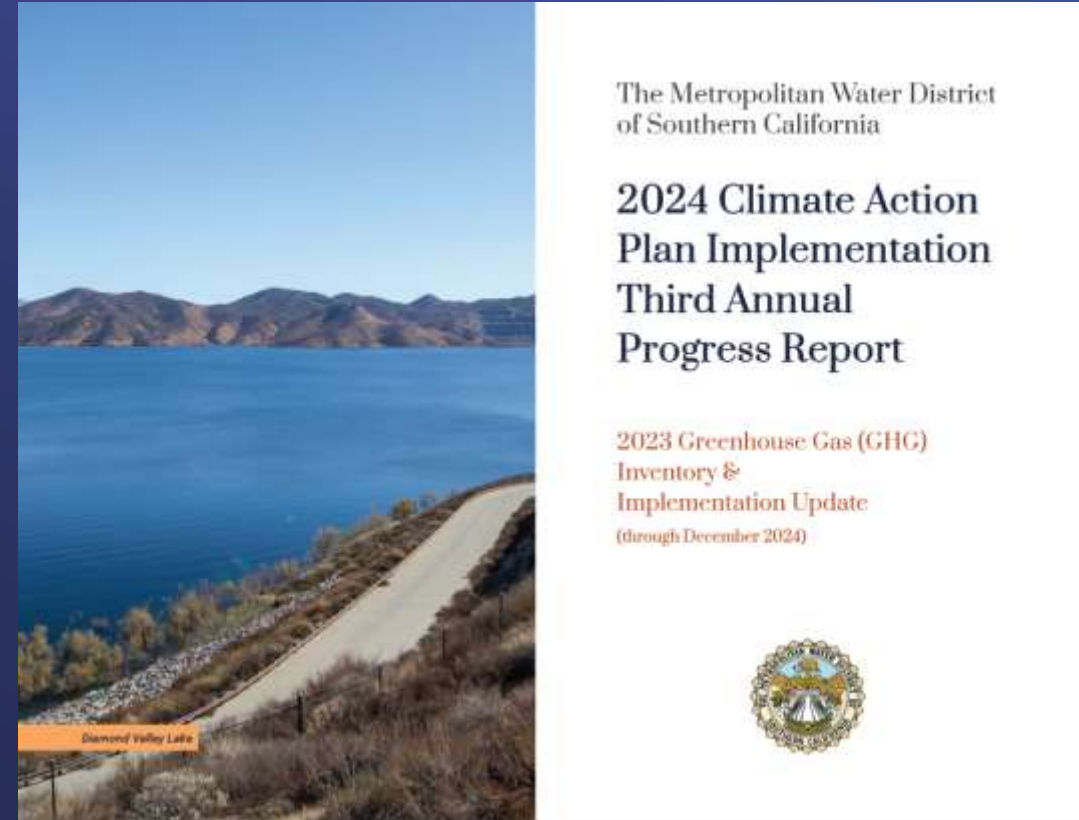
Oral Report on 2024 Climate Action Plan Implementation, Third Annual Progress Report

Purpose

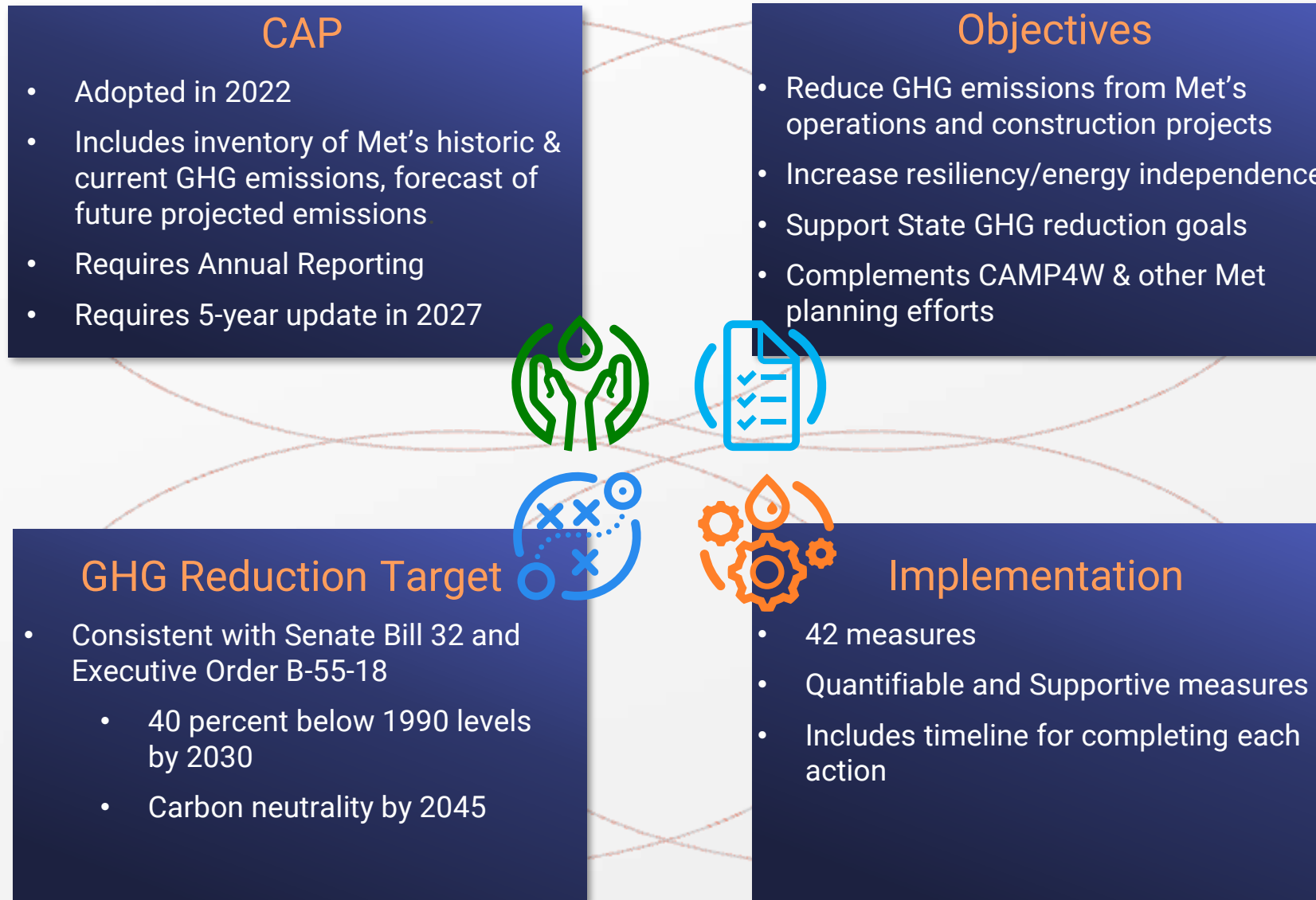
Provide an update on the progress toward the goals set in the Climate Action Plan, and highlight achievements in 2024

Climate Action Plan (CAP) Implementation Third Annual Progress Report (APR)

- Highlights achievements in 2024
- Updates Greenhouse Gas Emissions (GHG) Inventory & Carbon Budget
- Tracks how Met has advanced its GHG reduction goals



Climate Action Plan



Key Actions and Successes

Carbon free energy production and storage



Data center energy use to 100 % renewable energy



65% retail electricity purchased was renewable or carbon free



Achieved 56% conversion to LED across facilities



Commenced multi-benefit projects on Webb Tract island



Purchased 8 additional ZEVs, bringing total to 20



Added a tree rebate to help expand the region's tree canopy

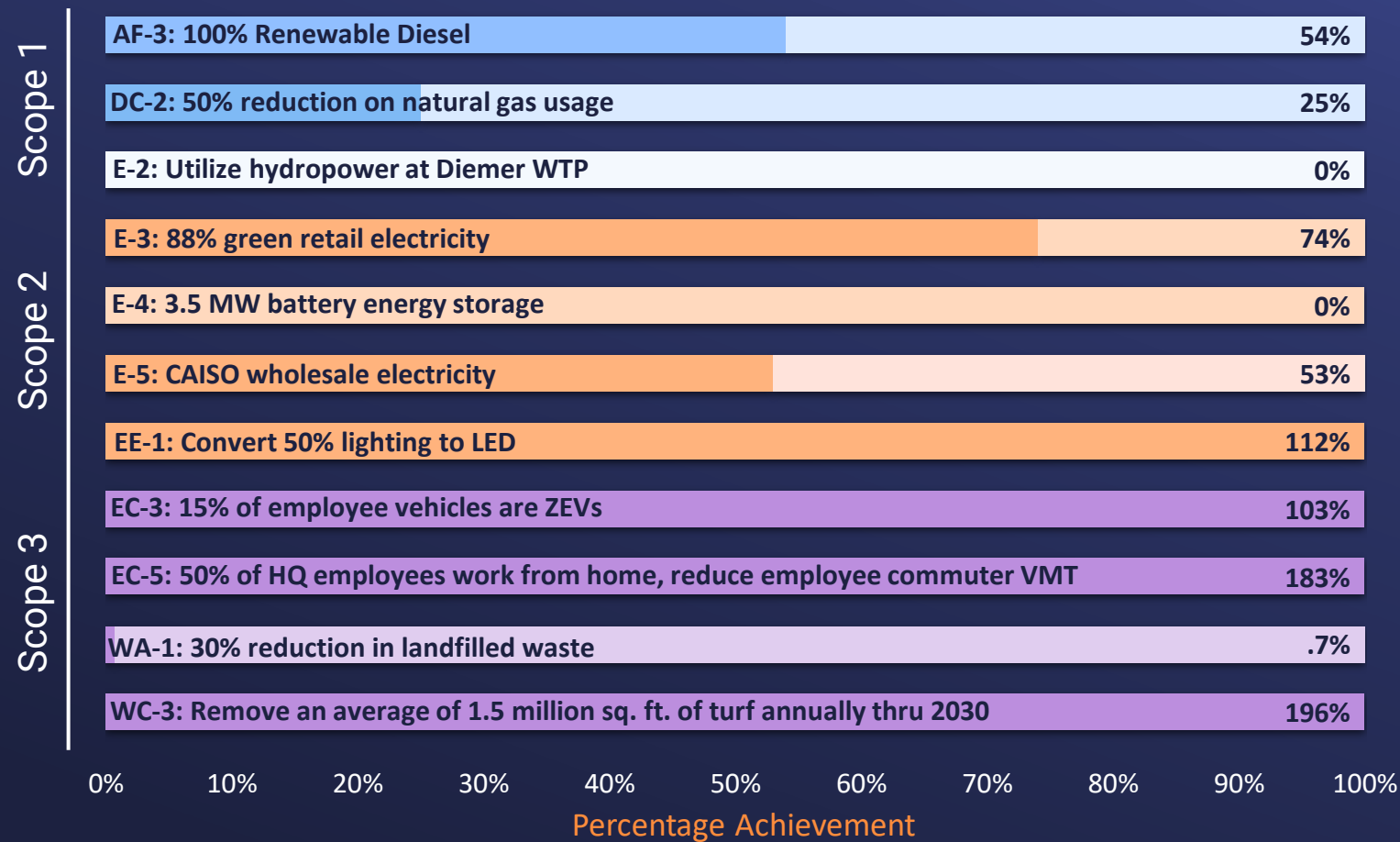


Switched all available fuel contracts to renewable diesel

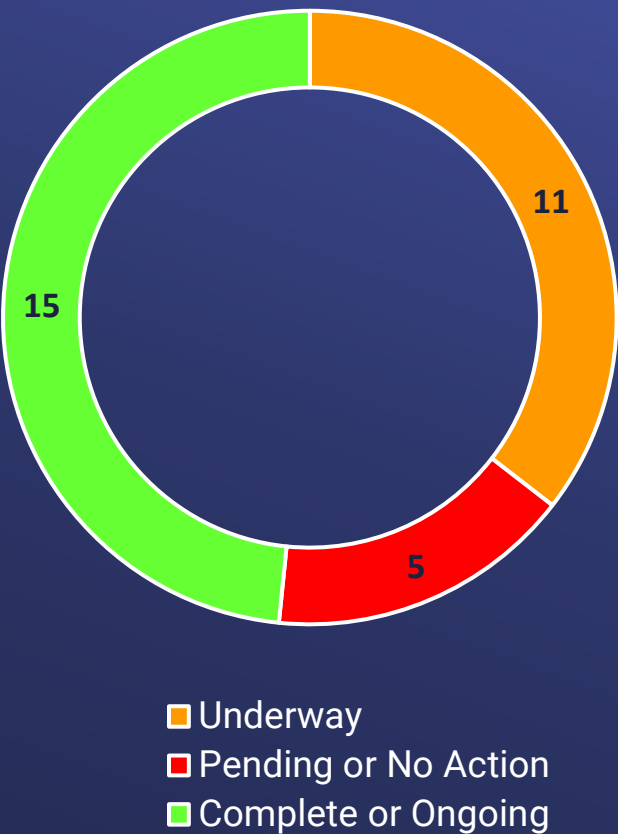


Summary of Implementation Progress

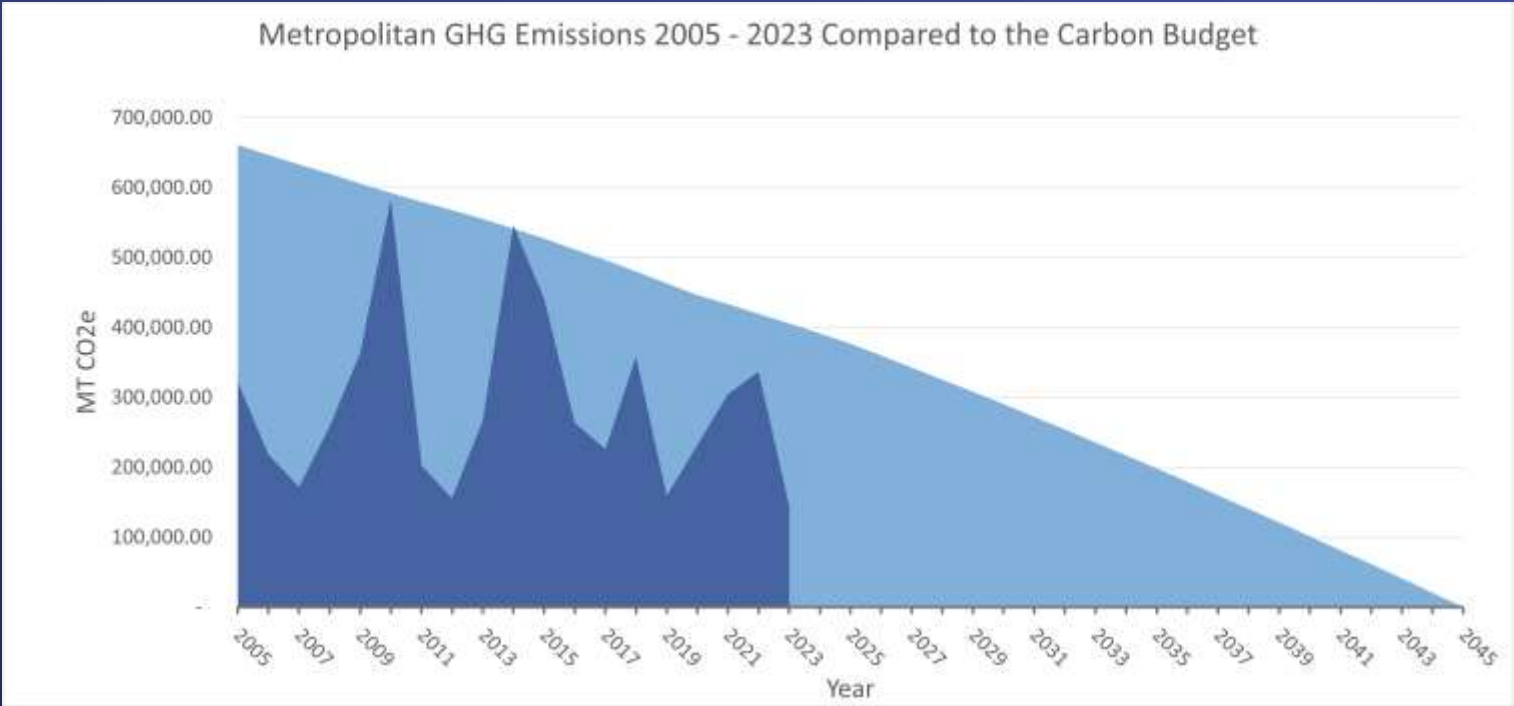
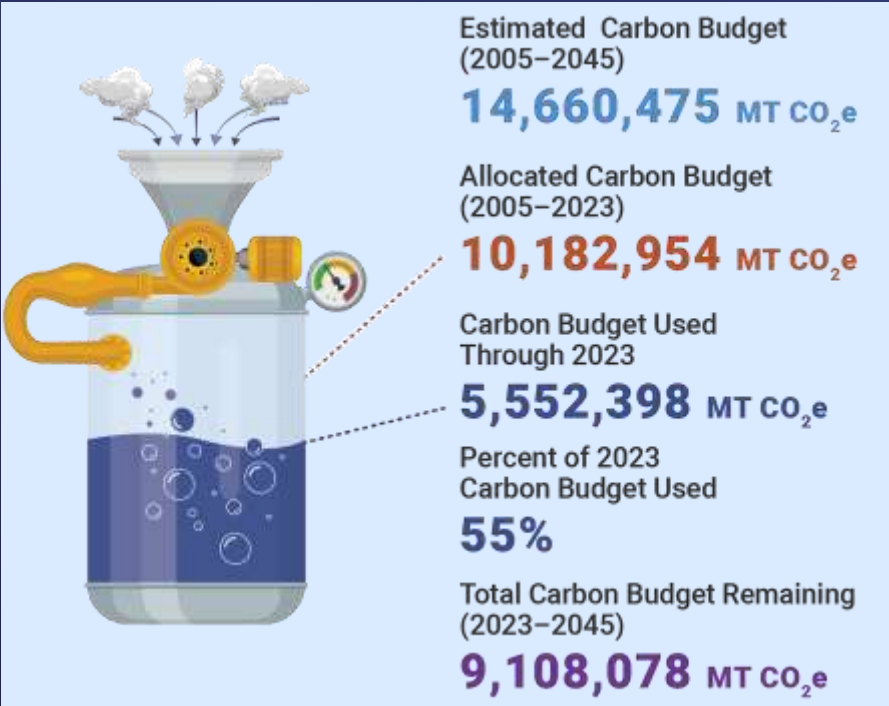
Quantifiable Measures



Supportive Measures



Carbon Budget Update





Climate Action Plan Annual Update

Questions





Water Resources Management Group

● **Water Surplus and Drought Management Update** **Conditions as of 4/10/2025**

Summary

This report provides the monthly update in accounting for water supply, demand, and storage conditions for calendar year (CY) 2025 as of April 10, 2025. This report also tracks the water year (WY) 2024-2025 hydrologic conditions. Updated supply and hydrologic information will be provided during the oral report in May.

On March 25, 2025, the California Department of Water Resources (DWR) increased the State Water Project (SWP) Table A Allocation from 35 percent to 40 percent due to wet and cold storms in late February and early March. This brings Metropolitan's currently allocated SWP supplies to 765 thousand acre-feet (TAF). Further increases to the SWP allocation are expected and supported by improved hydrologic conditions that have occurred since the allocation study supporting the 40 percent allocation was released in late March. DWR will provide the next allocation study in late April. Metropolitan's Colorado River supply is currently estimated at 807 TAF. This reflects: (1) agreements that have been signed under the Lower Colorado River Basin System Conservation and Efficiency Program to leave water in Lake Mead; and (2) the United States Bureau of Reclamation's (USBR) daily forecast of water use for California's Colorado River water users for this year, which will change as the year progresses. Combining both supply estimates, Metropolitan's imported supply is estimated to be 1.57 million acre-feet (MAF) for CY 2025 at current allocation levels.

The demand estimate on Metropolitan is 1.55 MAF. This includes member agency consumptive and replenishment demands, obligations, losses, and cyclic deliveries to participating member agencies through the Cyclic Program. As a water management tool, the Cyclic Program allows Metropolitan to pre-deliver available water supplies to member agencies' in-region storage accounts and allows these agencies to purchase the delivered supplies over an agreed-upon schedule. These deliveries are accounted for as an increase in demands on Metropolitan in the year deliveries are made. Metropolitan plans to deliver 147 TAF of water to participating member agencies' cyclic accounts. Even with the demand from the Cyclic Program, the current supply estimate exceeds current trend demands, and Metropolitan is projecting a surplus of 27 TAF to manage this year at the regional level. Options to manage surplus supplies include making additional cyclic deliveries to member agencies, storing water in Metropolitan's storage accounts, including storage accessible by the SWP Dependent Area, and selling water to interested parties outside the service area.

Purpose

Informational

Attachments

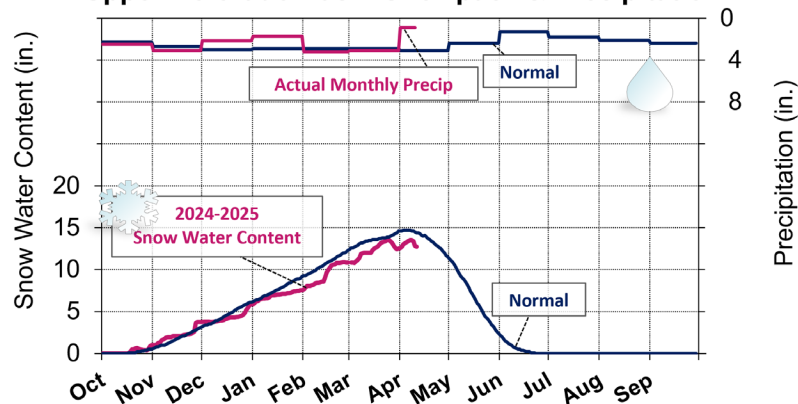
Attachment 1: Projected 2025 WSDM Storage Detail (40 percent SWP Table A allocation)

Attachment 2: Future Contributions and Obligations and Cyclic Program

Detailed Report

This Water Surplus and Drought Management (WSDM) report provides the water supply and demand estimates for CY 2025 and tracks the hydrologic conditions for WY 2024-2025.

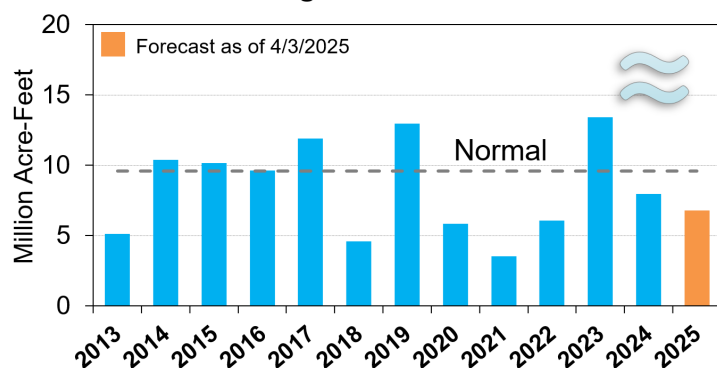
Upper Colorado Basin Snowpack & Precipitation



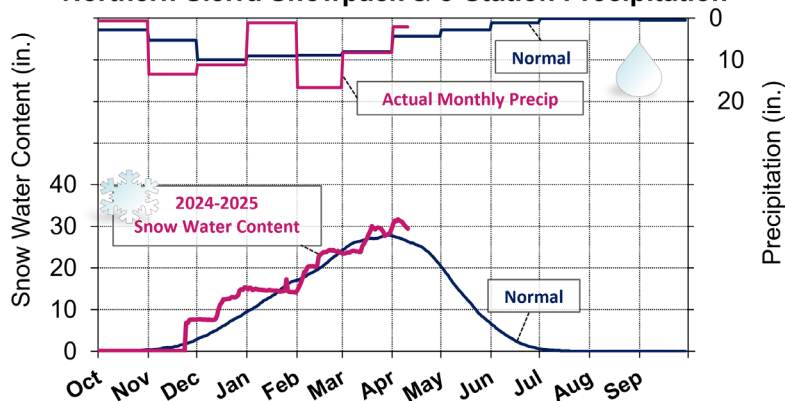
Upper Colorado River Basin

- ❄ Peak snowpack water content on March 24, 2025: 13.6 inches or 93% of April 1 normal.
- 💧 Below normal precipitation to date: 16.7 inches or 94% of normal.
- ≈ Below normal runoff forecast: 6.8 MAF or 71% of normal.

Powell Unregulated Water Year Runoff



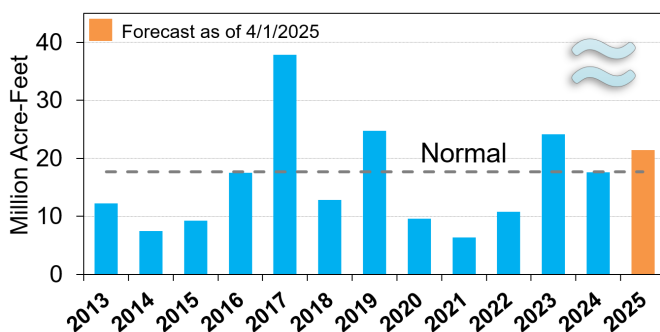
Northern Sierra Snowpack & 8-Station Precipitation



Sacramento River Basin

- ❄ Peak snowpack water content on April 4, 2025: 31.7 inches or 120% April 1 normal.
- 💧 Above normal precipitation to date: 53.6 inches or 117% of normal.
- ≈ Above normal runoff forecast: 21.4 MAF or 121% of normal.

Sacramento River Water Year Runoff

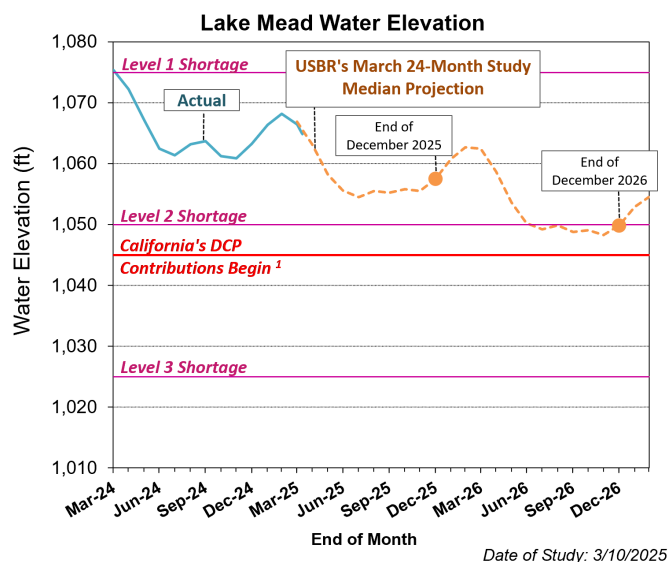


CRA Supplies	Acre-Feet
<i>Basic Apportionment</i>	550,000
<i>IID/MWD Conservation Program</i>	105,000
<i>CVWD - 2nd Amendment, Exchange of Additional Water</i>	0
<i>PVID Fallowing Program</i> ¹	0
<i>Exchange w/ SDCWA (IID/Canal Lining)</i>	278,000
<i>Exchange w/ USBR (San Luis Rey Tribe)</i>	16,000
<i>Lower Colorado Water Supply Project</i>	9,000
<i>Bard Seasonal Fallowing Program</i> ¹	0
<i>Quechan Diversion Forbearance</i> ¹	0
<i>Quechan Seasonal Fallowing Program</i> ²	0
<i>Higher Priority Water Use Adjustment</i>	-151,000
Total CRA Supplies ³	807,000

¹ Not a supply for Metropolitan in 2025. Water generated from these programs becomes system water as part of USBR's Lower Colorado Conservation Program to help protect Lake Mead.

² Rounded to the nearest thousand. Supply estimate is 270 AF.

³ Per USBR Forecast (4/8/2025). Total may not sum due to rounding.



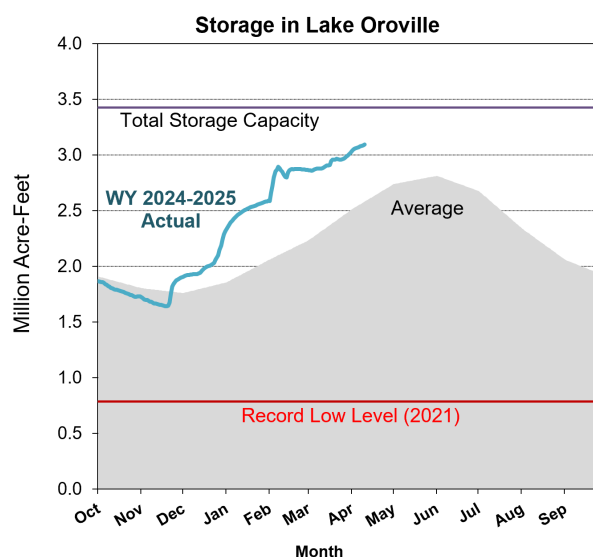
¹ Metropolitan is not required to make Drought Contingency Plan (DCP) contributions in 2025 because the August 2024 24-month Study projected Lake Mead's elevation to be above 1,045 feet on January 1, 2025. This figure reflects the latest 24-month study (March 2025) available at the time of this report.

- Lake Mead storage is currently 8.80 MAF or an elevation of 1,064.9 feet (34 percent of total capacity).
- The Lower Basin is at a Level 1 shortage in CY 2025. Under this level, Metropolitan's operations and water supply are not impacted.

SWP Supplies	Acre-Feet
<i>Table A (40% SWP allocation)</i>	765,000
<i>Port Hueneme</i> ¹	1,000
Total SWP Supplies ²	765,000
Total Supplies (CRA + SWP) (Prior to storage actions) ²	1,572,000

¹ Rounded to the nearest thousand.

² Total may not sum due to rounding.



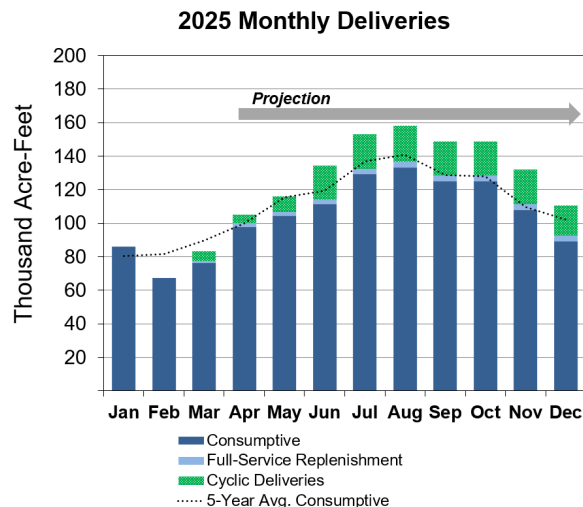
- The SWP allocation for CY 2025 is currently 40 percent of Table A. Further increases to the SWP allocation are expected due to improved hydrologic conditions. The final allocation is typically determined in May or June.
- Lake Oroville is currently at 3.09 MAF (90 percent of total capacity) or 120 percent of historical average, as of the date of this report.

Current Demand	Acre-Feet
Member Agency Consumptive ¹	1,253,000
Member Agency Replenishment	29,000
Coachella Valley Water District Agreement	50,000
Imperial Irrigation District Return ²	0
Exchange w/ San Luis Rey Tribe	16,000
System and Storage Losses	50,000
Cyclic Deliveries	147,000
Total Demands ³	1,545,000

¹ Includes exchange w/ SDCWA (IID/Canal Lining) and CUP sales.

² Per USBR Forecast (4/8/2025).

³ Total may not sum due to rounding.

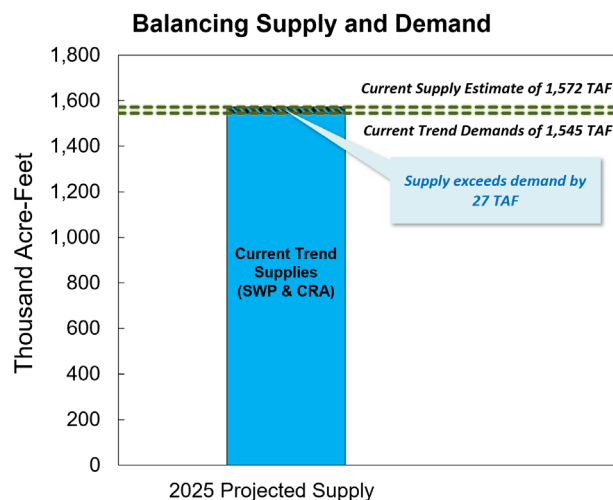


April demands are projected to increase to historical averages following above average rainfall in February and March.

MANAGING REGIONAL SUPPLY AND DEMAND

Supply/Demand Balance	Acre-Feet
Total Supplies	1,572,000
Total Demands	1,545,000
Current Balance Estimate ¹	27,000

¹ Total may not sum due to rounding.



WSDM Strategies/Actions

Metropolitan is monitoring supply development and updated demand projections. Appropriate WSDM actions will be taken to manage any supply/demand gap. Options to manage surplus supplies include storing water in Metropolitan's diverse storage portfolio, making cyclic deliveries to member agencies, and selling water to interested parties outside the service area.

2025 WSDM Storage Detail

WSDM Storage	1/1/2025 Estimated Storage Levels ¹	CY 2025 Maximum Put Capacity ²	2025 Total Storage Capacity
Colorado River Aqueduct Delivery System	1,544,000	78,000	1,622,000
Lake Mead ICS	1,544,000 ³	78,000	1,622,000 ³
SWP System	1,163,000	311,000	2,338,000
MWD & DWCV Carryover	380,000	149,000	529,000 ⁴
MWD Articles 14(b) and 12(e)	3,000 ⁵	0	0
Castaic and Perris DWR Flex Storage	219,000	0	219,000
Arvin-Edison Storage Program	100,000	0 ⁶	350,000
Semitropic Storage Program	227,000	67,000	350,000
Kern Delta Storage Program	142,000	48,000	250,000
Mojave Storage Program	19,000	0	330,000
AVEK Storage Program	27,000	0	30,000
AVEK High Desert Water Bank Program	45,000	47,000	280,000
In-Region Supplies and WSDM Actions	1,060,000	60,000	1,246,000
Diamond Valley Lake	788,000	22,000	810,000
Lake Mathews and Lake Skinner	188,000	38,000	226,000
Conjunctive Use Programs (CUP)	84,000	0	210,000 ⁷
Other Programs	762,000	223,000	1,181,000
Other Emergency Storage	381,000	0	381,000
DWCV Advanced Delivery Account	381,000	223,000	800,000
Total	4,529,000	673,000	6,387,000
Emergency	750,000	0	750,000
Total WSDM Storage (AF) ⁸	3,779,000	673,000	5,637,000

¹ Preliminary start of year balances, subject to DWR adjustments and USBR final accounting in May 2025.

² Put capacity assumed under a 40 percent SWP Table A Allocation. Storage program losses included where applicable.

³ This amount is net of the water Metropolitan stored for IID in Lake Mead in an ICS sub-account.

⁴ Total storage capacity varies year-to-year as the contractual annual storage limit, based on the SWP Table A allocation, is combined with the remaining balance from the previous year. There is a potential risk that Metropolitan's stored water be converted to SWP contractor water if San Luis Reservoir approaches full capacity.

⁵ DWR has approved carryover supplies under Article 14 (b) of the State Water Project Contract for delivery in 2025.

⁶ Puts are limited due to water quality considerations.

⁷ Total of all CUP programs including IEUA/TVMWD (Chino Basin); Long Beach (Central Basin); Long Beach (Lakewood); Foothill (Raymond and Monk Hill); MWD OC (Orange County Basin); Three Valleys (Live Oak); Three Valleys (Upper Claremont); and Western. On April 8, 2025, the Board authorized the termination of six inactive CUP agreements, effectively decreasing the CUP storage capacity to 115,000 AF by July 1, 2025. Future WSDM reports will reflect the decreased capacity once the termination agreements have been executed.

⁸ Total WSDM Storage level subject to change based on accounting adjustments. Total may not sum due to rounding.

Future Contributions and Obligations and Cyclic Programs

Table 1: Future Obligations ¹

	Beginning of Year 2025 Balance
Water Stored for IID under the California ICS Agreement and its Amendment or the 2021 Settlement Agreement with IID	258,000 ²
Storage and Interstate Release Agreement with Southern Nevada Water Authority (SNWA)	330,000 ³
Coachella Valley Water District Agreement (CVWD)	70,000 ⁴
USBR Phase 2 of the Lower Colorado River Basin System Conservation and Efficiency Program	269,000 ⁵
Total (AF) ⁶	927,000

¹ Rounded to the nearest thousand AF. Subject to change based on accounting adjustments.

² Reflects final accounting under USBR's 2023 Water Accounting Report released May 15, 2024. IID can request a return in any year, conditional on agreement terms.

³ SNWA may request up to 30,000 AF per year.

⁴ Obligation must be met by the end of 2026. Metropolitan is projecting to decrease the CVWD agreement obligation by 35,000 AF by the end of this year.

⁵ USBR will provide federal funding to Metropolitan for the AVEK HDWB System Conservation Project, Turf Replacement System Conservation Project, and Disadvantaged Communities Leak Detection and Repair Program through three System Conservation Implementation Agreements (SCIA). In exchange, Metropolitan will implement the projects and create conserved water to benefit Lake Mead as system water. 265,000 AF of the obligation must be met by 2033 and 4,000 AF must be met by 2034. Additional agreements will be necessary to implement the SCIA's (e.g., forbearance agreements).

⁶ Total may not sum due to rounding.

Table 2: Potential Magnitude of California's Drought Contingency Plan Contribution

	2025	2026
Likelihood of Required California Drought Contingency Plan Contribution ¹	0%	0%
Average Metropolitan DCP Contribution When Contributions Are Required (AF)	0	0

¹ Results from USBR's March 2025 Colorado River Mid-Term Modeling System model run.

Table 3: Cyclic Program Activity ¹

CY	Starting Balance (AF)	CY Actions (AF)				Ending Balance (AF)
		Cyclic Pre-Delivery	Cyclic Cost- Offset Pre-Delivery	Total Pre-Delivery	Sale Out of Cyclic to Date	
2019	51,000	147,000	19,000	166,000	91,000	126,000
2020	126,000	2,000	0	2,000	50,000	79,000
2021	79,000	0	0	0	28,000	51,000
2022	51,000	0	0	0	27,000	24,000
2023	24,000	33,000	14,000	48,000	72,000	0
2024	0	97,000	0	97,000	25,000	72,000
2025	72,000	0	0	0	0	72,000

¹ This table is updated with actual Cyclic Program activity reflecting certifications through February 2025.

Total may not sum due to rounding.



One Water and Adaptation Committee

Update on Water Surplus and Drought Management

Item 6c
May 12, 2025

Item 6c Update on WSDM

Subject

Oral Update on Water Surplus and Drought
Management

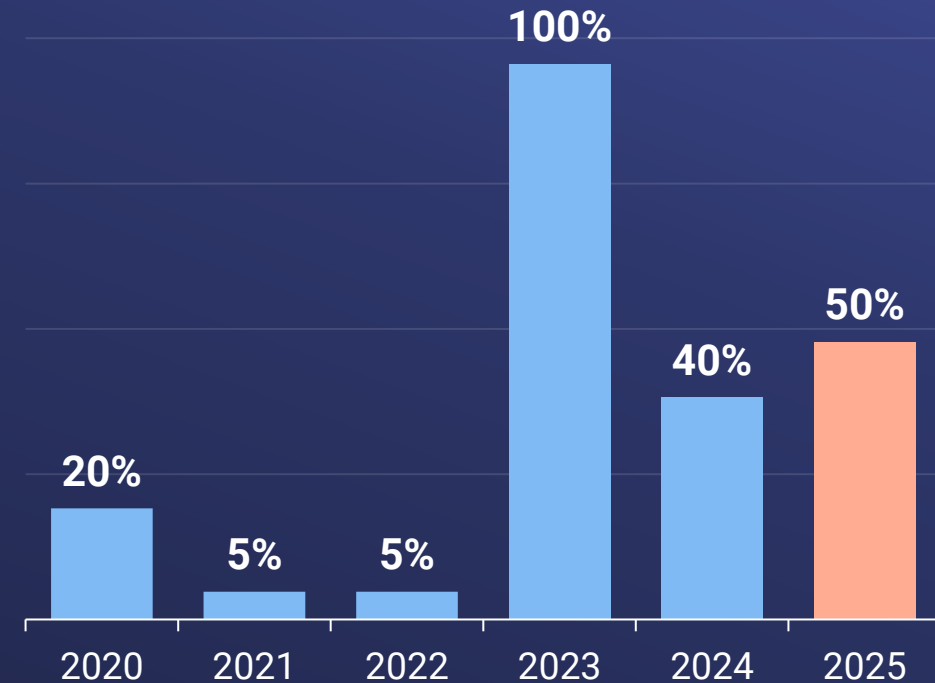
Purpose

Provide updated supply and hydrologic information

SWP Table A Allocation increased to 50%

- Update reflects hydrologic conditions as of April 1
- Incorporates improvements from March storm events, current reservoir storage conditions, and higher runoff projections
- Final allocation will likely remain 50%

SWP Allocation by Calendar Year



Hydrologic and Storage Conditions Summary

Northern Sierra
8-Station Index Precipitation



54.2 in. **110%**

Value as of 05/08 % of Average

Northern Sierra
Snowpack



31.7 in. **120%**

Peaked on 04/04 % of Apr 1 Avg

Upper Colorado River Basin
Precipitation



18.4 in. **90%**

Value as of 05/08 % of Average

Upper Colorado River Basin
Snowpack



13.6 in. **85%**

Peaked 03/23 % of Median Peak

97%
% of Total
Capacity

Oroville
3.34 MAF

76%
% of Total
SWP Share

SWP San Luis
0.81 MAF

33%
% of Total
Capacity

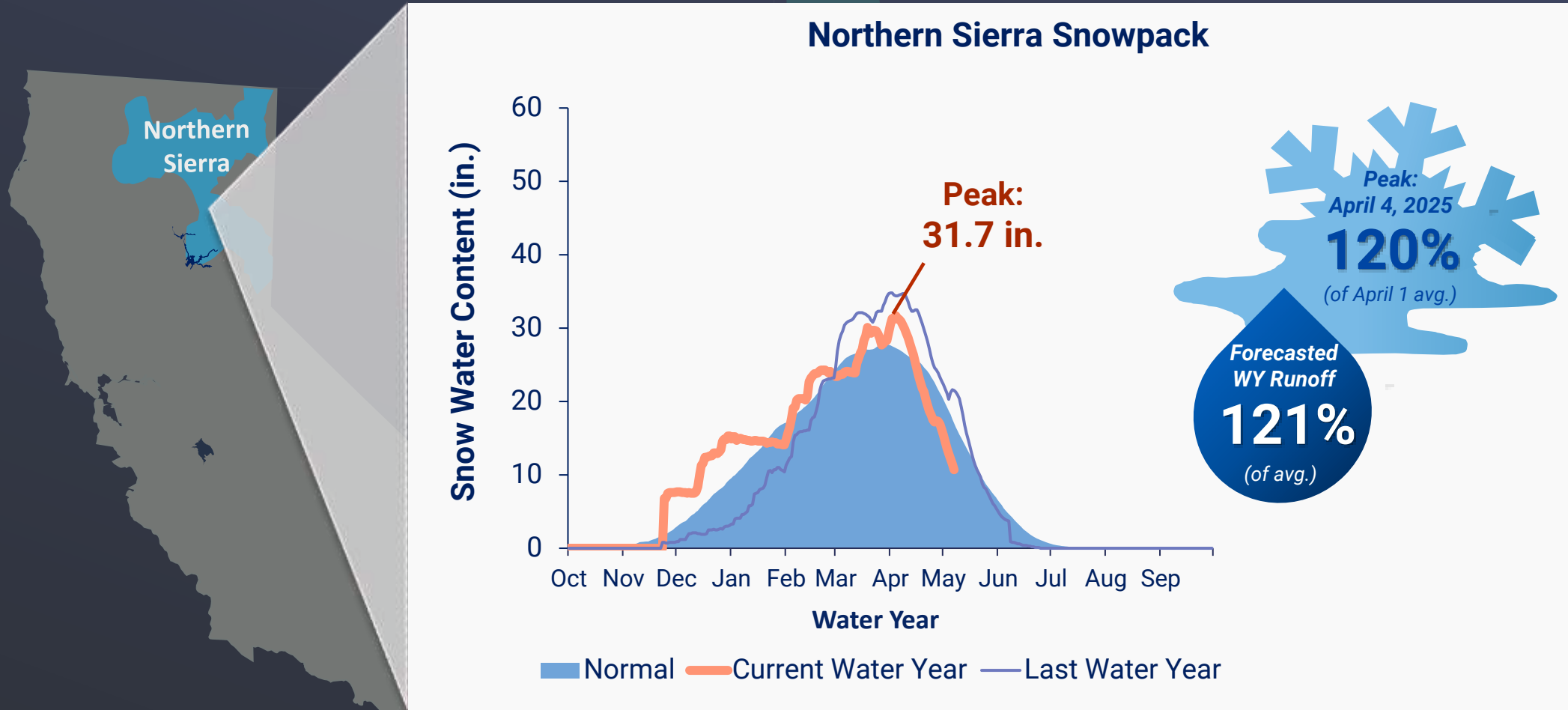
Powell
7.64 MAF

33%
% of Total
Capacity

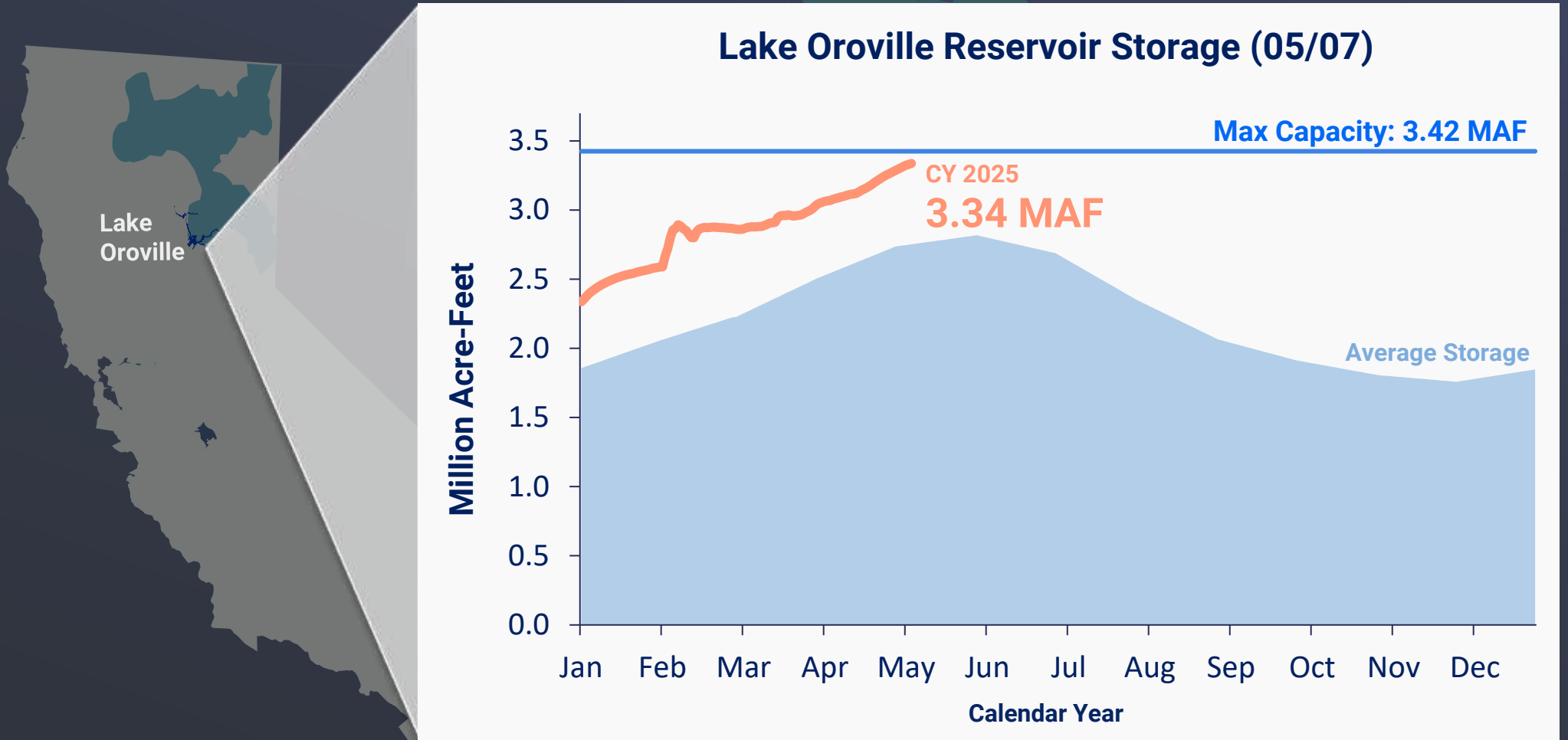
Mead
8.50 MAF

Note: Images not drawn to scale. Storage data as of 05/07/2025
May 12, 2025

Northern Sierra Snowpack Peaks Above Normal



Lake Oroville Storage Continues to Climb



May 12, 2025

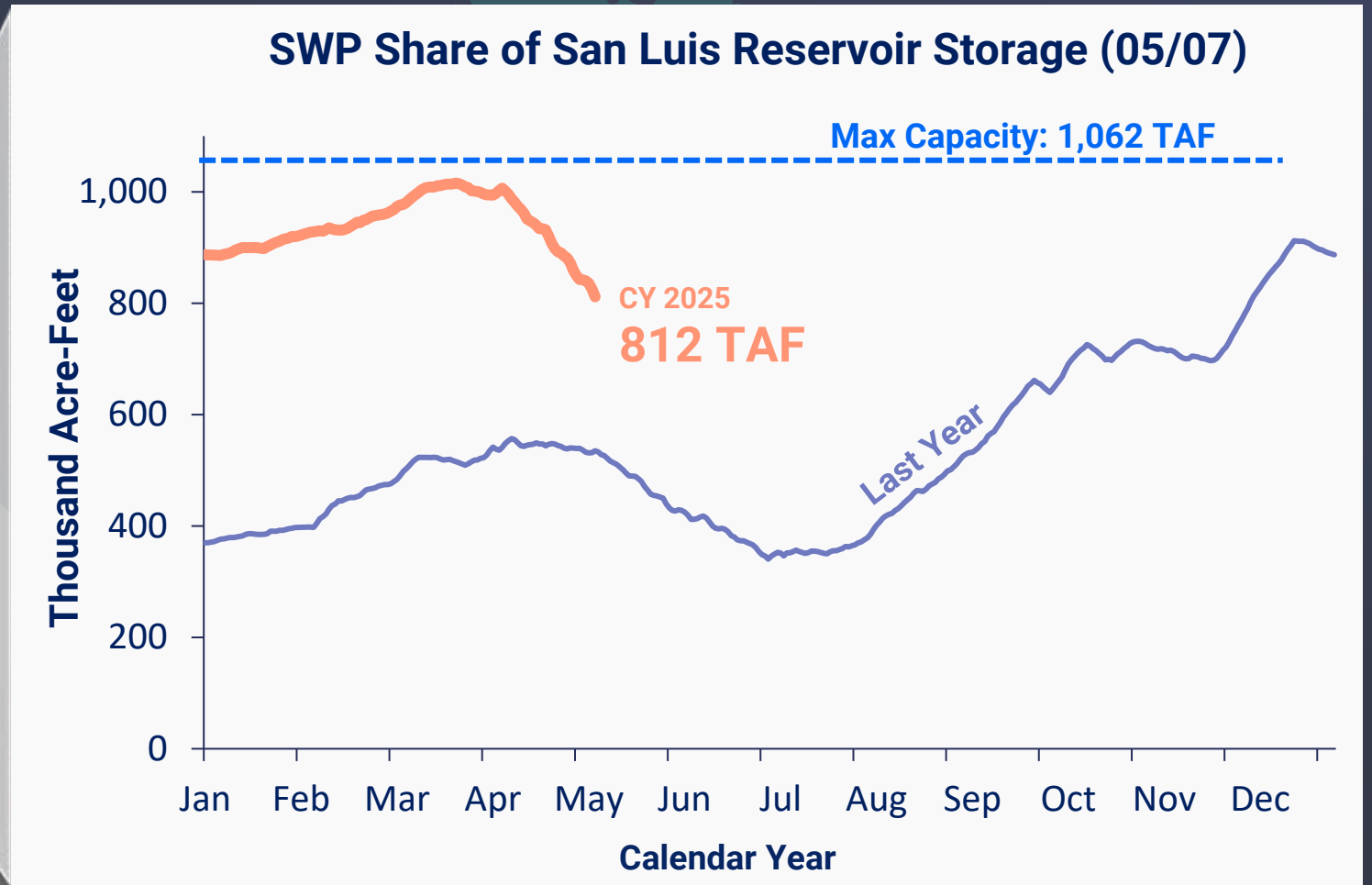
One Water & Adaptation Committee

Item # 6c Slide 6

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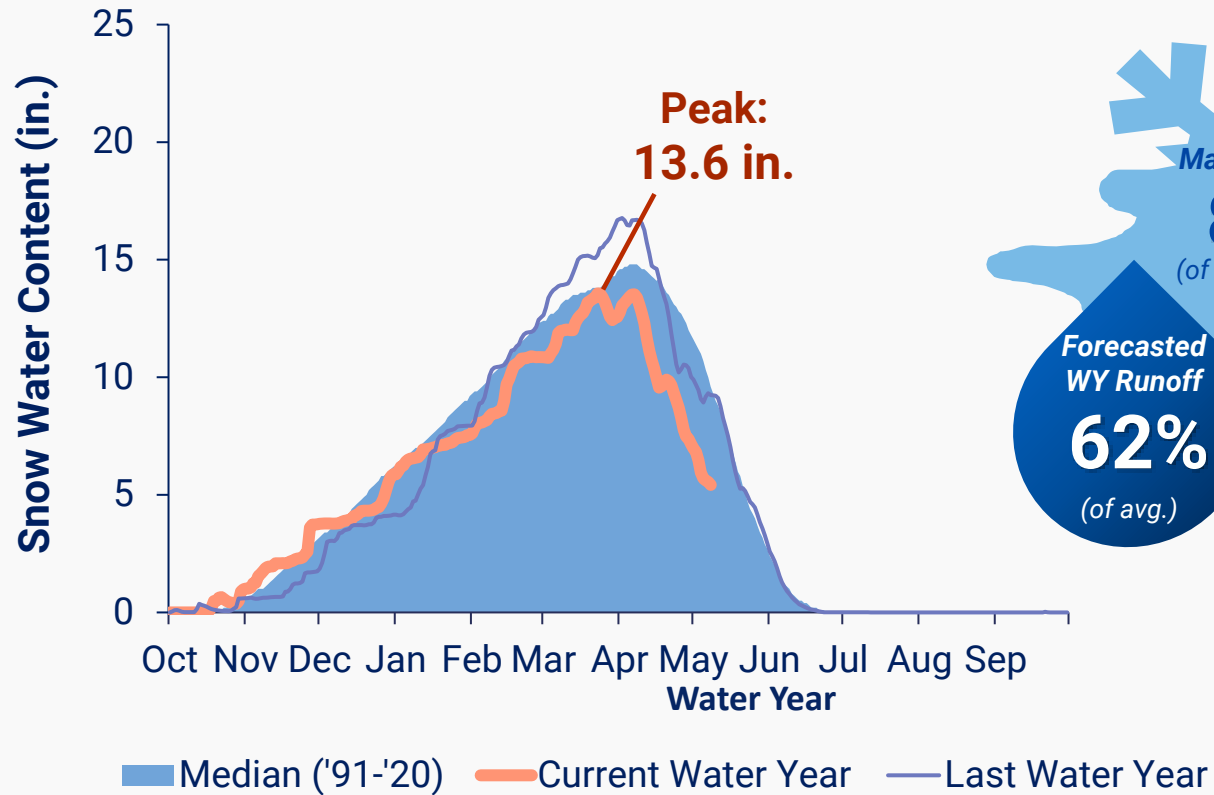
Note: Images not drawn to scale.

Healthy **SWP San Luis** Storage



Below Normal Year for Upper Colorado River Basin

Upper Colorado River Basin Snowpack



May 12, 2025

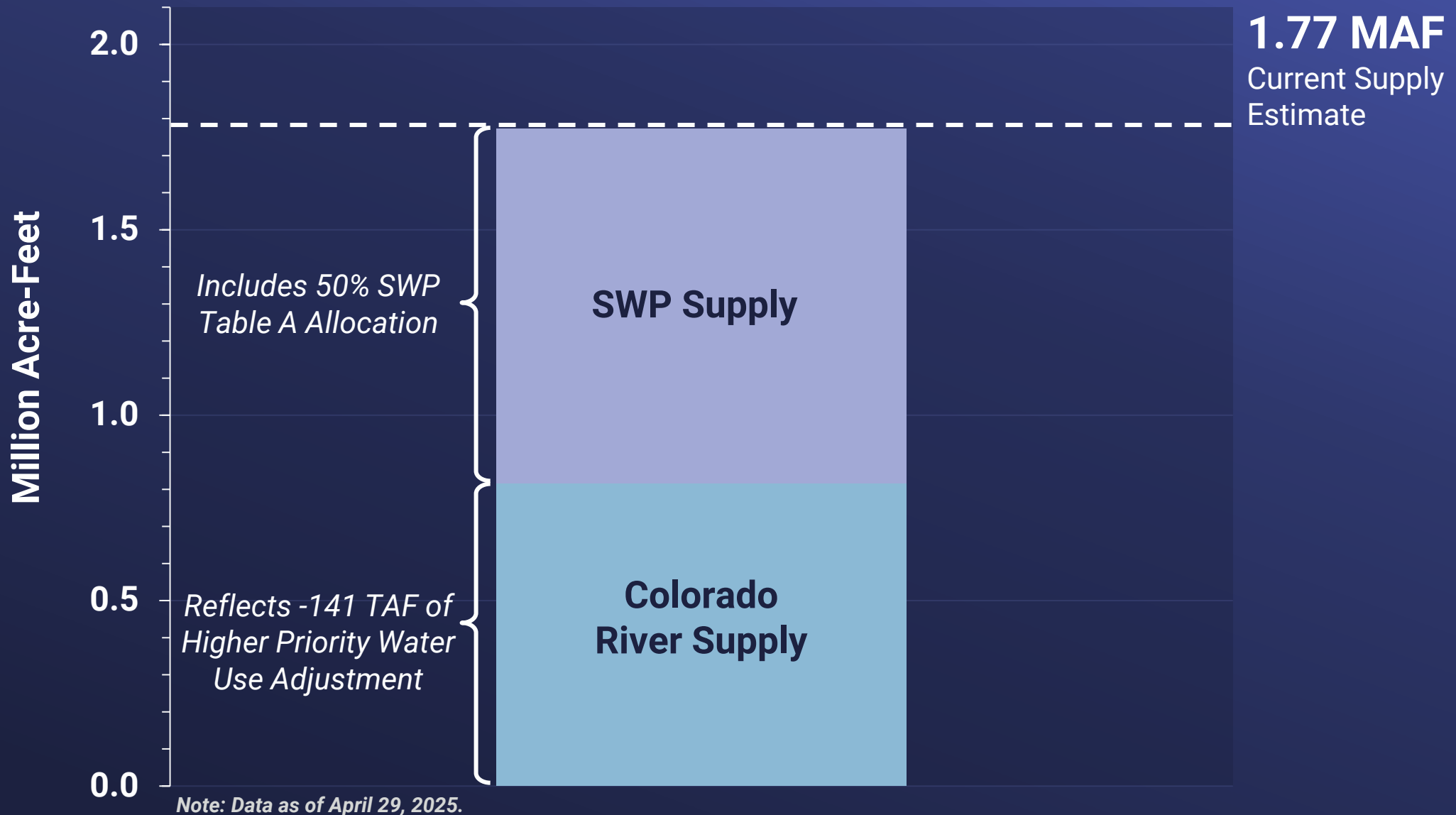
One Water & Adaptation Committee

Item # 6c Slide 8

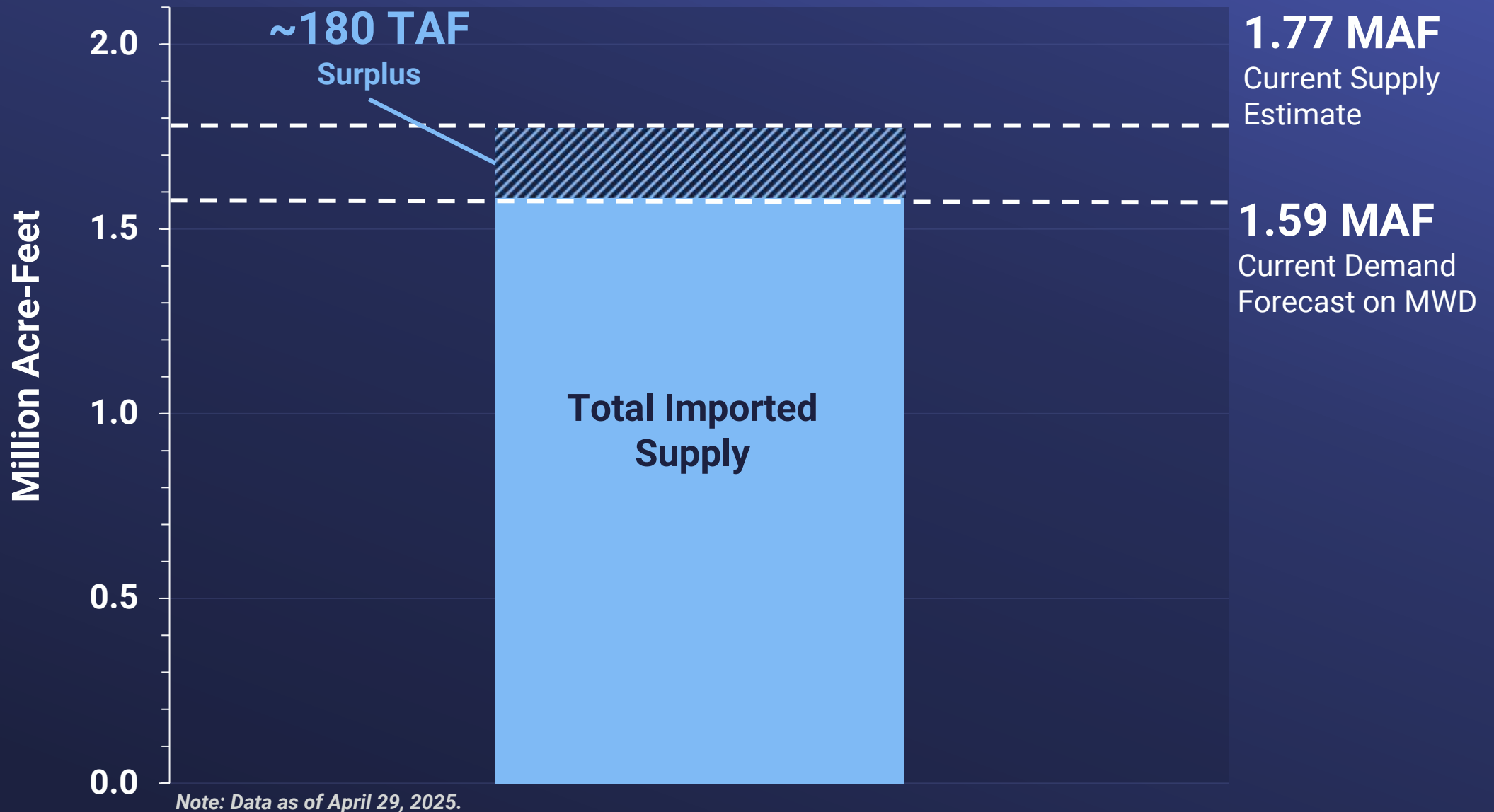
137

Note: Images not drawn to scale.

2025 Water Supply/Demand Balance: **Regional View**



2025 Water Supply/Demand Balance: **Regional View**



CY 2025 SWP Strategy under Surplus Conditions

- Regional supply and demand projections indicate surplus conditions, with existing tools and planned actions to ensure effective management of these surplus supplies
- Priorities:
 - Meet regional demands including delivery to Cyclic accounts
 - Add and position storage accessible to the SWP Dependent Areas for future dry-year conditions, while balancing the risk of spill
 - Manage Colorado River supplies to prepare for post-2026 operations
 - Sell SWP water to external agencies





Bay-Delta Resources

• Bay-Delta Management Report

Summary

This report provides a summary of activities related to the Bay-Delta for March 15 – April 15, 2025

Purpose

Informational

Detailed Report

Long-Term Delta Actions

Sites Reservoir

At the Joint Meeting of the Reservoir Committee and Sites Authority Board on March 21, 2025, both entities approved a term sheet between the Sites Project Authority (Authority) and the California Department of Water Resources (DWR) for the operation of the Knights Landing Outfall Gates.

The term sheet outlines the shared understanding between the Authority and DWR regarding key terms and guiding principles for developing a formal operations agreement. This future agreement will be necessary before Sites Reservoir water can be released to the Lower Colusa Basin Drain.

Near-Term Delta Actions

Delta Islands

The California Department of Fish & Wildlife (CDFW) submitted comments on Metropolitan's Draft Statutory Exemption for Restoration Projects (SERP) application for the Webb Tract Wetland Restoration Project. Staff is preparing the final SERP application for submittal later in April.

Staff met with permitting agencies including: CDFW, US Fish & Wildlife Service, Army Corps of Engineers, Regional Water Quality Control Board, and the State Lands Commission, to discuss upcoming permit applications for the Webb Tract Wetland Restoration Project.

The Webb Tract Ecocultural Working Group hosted a site visit on Webb Tract, which was attended by two tribal members from the Confederated Villages of Lisjan. The Confederated Villages of Lisjan are providing a letter of support for the Webb Tract Wetland Restoration Project.

Staff presented updates on the Webb Tract Rice Conversion and Wetland Restoration Projects to the Delta Protection Commission and the Contra Costa Resource Conservation District and is preparing for meetings with Contra Costa County and an update to the Delta Counties Coalition where we will ask for a support letter for the projects.

Water meter installations on Bouldin Island and Webb Tract to comply with SB 88 were completed in early April.

A request for proposals was released for farming operations on Bacon Island. A site walk on Bacon Island with interested parties was conducted on April 10.

Board Report Bay-Delta Management Report

Metropolitan Bay-Delta Conservation Plan/California WaterFix and EcoRestore/Delta Conveyance Project (BDCP/CWF-CER/DCP) Expenditure

The following is a summary of Metropolitan's cumulative BDCP/CWF-CER/DCP expenditures updated for the quarter ending March 2025. This report includes the total internal costs related to the BDCP, the CWF-CER alternatives, and the subsequent DCP efforts with the state administration.

Staff will continue to provide this report on a quarterly basis in the Bay-Delta Management Report.

Total (July 2005 – March 2025)

<u>BDCP/CWF-CER/DCP Internal MWD</u>	<u>Total Costs (19.75 yrs.)</u>
Labor & Benefits ⁽¹⁾	\$ 40.01M
Professional Services	\$ 7.59M
Travel	\$ 1.81M
Other ⁽²⁾	\$ 0.22M
SUBTOTAL	\$ 49.63M
Administrative Overhead	\$ 14.28M
TOTAL	\$ 63.91M

⁽¹⁾ Labor costs include salary, leave and non-leave benefits

⁽²⁾ Other includes charges for materials and supplies, trainings and seminars, conferences and meetings, reprographics, and other incidental expenses

Quarterly Summary (Jan 2024 – Dec 2024)

	<u>FY23-24 Q4</u>	<u>FY24-25 Q1</u>	<u>FY24-25 Q2</u>	<u>FY24-25 Q3</u>
	<u>Apr-Jun 2024</u>	<u>Jul-Sep 2024</u>	<u>Oct-Dec 2024</u>	<u>Jan-Mar 2025</u>
Labor	0.253M	0.221M	0.268M	0.223M
Professional Services	0.002M	0.001M	0.003M	0.002M
Travel	0.000M	0.000M	0.005M	0.000M
Other	0.000M	0.000M	0.001M	0.000M
SUBTOTAL	0.184M	0.222M	0.277M	0.225M
Admin. Overhead	0.038M	0.062M	0.057M	0.042M
TOTAL	0.223M	0.284M	0.334M	0.267M

The following is a summary of the Delta Conveyance Finance Authority costs for member's share of administrative expenses:

Quarterly Summary (Apr 2024 – Mar 2025)

	<u>FY23-24 Q4</u>	<u>FY23-24 Q1</u>	<u>FY24-25 Q2</u>	<u>FY24-25 Q3</u>
	<u>Apr-Jun 2024</u>	<u>Jul-Sep 2024</u>	<u>Oct-Dec 2024</u>	<u>Jan-Mar 2025</u>
TOTAL	0.002M	0.002M	0.002M	0.001M



Colorado River Resources

• Colorado River Management Report

Summary

This report provides a summary of activities related to management of Metropolitan's Colorado River resources for March 21 – April 14, 2025.

Purpose

Informational

Detailed Report

Bard Seasonal Fallowing Program

The System Conservation Implementation Agreement funding amendment was executed on April 10, and it authorized the Bard Seasonal Fallowing program to proceed with up to 6,000 fallowed acres. The 2025 fallowing season started on April 1 and will end on July 31, 2025. This season, there are seven farmers participating in the program, with approximately 4,900 acres fallowed. This would yield approximately 9,300 acre-feet of Colorado River water savings, and Metropolitan will invoice Reclamation for \$3.7 million. During the first week of April, staff conducted inspections at all participating sites to ensure compliance with program requirements. A second inspection is planned for the end of July 2025 to verify continued compliance with the fallowing requirements.

Metropolitan's Support for Community Investment Programs in the Palo Verde Valley

In November 2024, Metropolitan received \$93.6 million from the United States Bureau of Reclamation (USBR) for water conserved through the Palo Verde Irrigation District (PVID) Fallowing Program in Years 1 and 2 of the System Conservation Implementation Agreement (SCIA). Of that amount, a total of \$5.2 million is earmarked for community investment in PVID's service area. Metropolitan and PVID agreed to equally split the community funds with each agency storing the funds in separate interest-bearing accounts. As community projects are awarded, Metropolitan and PVID will equally share in the disbursement of funds towards community investment projects, as well as any related administrative costs. After Metropolitan's board authorized the agreement between Metropolitan and PVID outlining the management of community funds in February 2025, Metropolitan was able to send PVID its share of the funds, plus interest. On April 1, Metropolitan wired PVID a payment of \$2.6 million, which included \$33,093 of interest accrued since Metropolitan received the funds from USBR. Currently, Metropolitan and PVID are finalizing membership in an advisory committee that will assist in the review of funding applications. Additionally, PVID and Metropolitan will host a kick-off event on May 21 at the Blythe Chamber of Commerce to advertise the funding program to the community. Metropolitan will receive a final payment from USBR for Year 3 of the SCIA in Fall 2025, which will include an additional \$2.6 million designated for the community funding program.

Reduction in Staff for Lower Colorado River Multi-Species Conservation Program

The Lower Colorado River Multi-Species Conservation Program (LCR MSCP) provides compliance with the Endangered Species Act for water and power operations in the Lower Colorado River Basin. The 50-year program is funded by equal contributions from the federal government and non-federal water and power contractors. Now in its 20th year, the program has created over 7,000 acres of habitat and stocked thousands of

Board Report Colorado River Management Report

native fish in the river. USBR manages the program with oversight from a Steering Committee comprised of the permittees and other stakeholders.

In accordance with recent efforts to reduce the federal workforce, USBR has offered early retirement and buyout packages to its employees. USBR announced that nine members of the LCR MSCP staff have accepted the offer, comprising approximately one-quarter of the total staff. The employees that have left federal service include the program manager, Terry Murphy. A freeze on federal hiring will preclude the replacement of staff members in the near term, which will affect some species monitoring and other work.

Terry Murphy requested that Metropolitan assist the LCR MSCP with the management of the farm leases on recently acquired land within PVID. The land will ultimately be used for new aquatic habitat but remains under cultivation while planning is ongoing. Metropolitan's Land Management staff will continue discussions with USBR on terms for providing these services.



Sustainability, Resilience, Innovation Group

• Sustainability, Resilience and Innovation GM Report

Summary

Sustainability, Resilience, and Innovation Office April 2025 Monthly Activities

Purpose

Informational

Detailed Report

SRI Core Activities

The Climate Adaptation Master Plan for Water (CAMP4W) Implementation Strategy was adopted by the MWD Board on April 8, 2025. This completes the planning phase for this important process, and staff will now begin implementation activities. As part of the implementation process, several project and program assessments will be prepared in the coming months. In addition, new initiatives are being planned, such as developing community engagement standards and partnering with community-based organizations to advance water efficiency programs. A new information sheet on CAMP4W is being developed that will be used for public outreach and engagement.

Chief SRI Officer Crosson participated in a panel discussion on ensuring resilience amidst climate challenges at Infraday, California, on April 23, 2025.

Sustainability and Resilience

The Zero Emission Vehicle (ZEV) Executive Task Force met on April 11, 2025, to discuss Metropolitan's continued efforts to transition to a cleaner fleet. Staff presented updates on federal and state regulatory changes that may impact ZEV availability, Metropolitan's vehicle replacement strategy, financing options for vehicle purchases, and charger installations.

On April 2, 2025, SRI hosted a demonstration of Dragon Wings, a portable solar generator, at the Jensen Water Treatment Plant that was attended by multiple public agencies, including Metropolitan, Los Angeles Department of Water and Power, Los Angeles Airports, Los Angeles County Sanitation Districts, and Southern California Edison. The generator provides an off-the-electrical grid alternative to charge ZEVs and power tools at shutdowns or other sites while the long-term charging infrastructure is being built.

On April 22, 2025, SRI staff participated in Earth Day celebrations by providing employees with information on ZEVs and the opportunity to test drive an electric Ford Lightning truck. Also, in celebration of Earth Day, SRI and Procurement hosted the first sustainable procurement training workshop that introduced the Sustainable Procurement Guide and provided information on how to choose more environmentally friendly goods and services.

On April 22, 2025, in celebration of Earth Day, SRI released the 2024 Climate Action Plan (CAP) Annual Progress Report. This third Annual Progress Report (APR) highlights Metropolitan's achievements in 2024 and details progress over the past year on a suite of measures designed to help Metropolitan achieve carbon neutrality by 2045. The report also updates the CAP Greenhouse Gas (GHG) emissions inventory and carbon budget, which

Date of Report: May 13, 2025

Board Report Sustainability, Resilience and Innovation GM Report

tracks how Metropolitan has advanced its GHG reduction goals. The APR highlights the success stories over the past year, including the turf replacement program and corresponding water savings; the success of the telecommuting program in reducing vehicle miles traveled and corresponding emissions; conversion to LED lighting across facilities; commuter fleet electrification; and carbon-free retail electricity purchases. Staff provided information on the 2024 CAP APR on Earth Day.

Centralized Grants Management Office

On April 16, 2025, the Centralized Grants Management office hosted a SoCal Water Grants Network (SCWGN) meeting. Over 60 representatives from Metropolitan, utilities, community colleges, foundations, and consultants were in attendance. This quarter, attendees received presentations on California's Prop 4, Single Audit Preparation and Best Practices, and upcoming grant opportunities. The next SCWGN meeting will be held in July.

Innovation, Pilots, and Emerging Technologies

As part of Metropolitan's *Process Matters* initiative, which launched at the beginning of April and will continue over the next 90 days, the Innovation Team is supporting employee engagement and the development of cross-functional solutions to improve internal operations. Working in coordination with External Affairs, SRI, and Audit staff, the team helped design and promote mechanisms for staff to submit ideas. It facilitated lunchtime collaboration events to spark dialogue and surface opportunities. Through this work, the team advanced its mission to identify and accelerate practical improvements that enhance efficiency, reduce delays, and better serve Metropolitan's member agencies and ratepayers.

Environmental Planning Services

Core Business: Environmental Planning and Regulatory Compliance Support

Environmental Planning Section staff continued to finalize documentation and prepare for the public release of the draft Environmental Impact Report for the Pure Water Southern California program in spring 2025. Staff submitted to the California Department of Fish and Wildlife (CDFW) the state Incidental Take Permit application for impacts to sensitive species (San Bernardino kangaroo rat) resulting from the project in compliance with the state Endangered Species Act. For the Webb Tract Wetland Restoration Project, staff participated in an interagency pre-application meeting with the U.S. Army Corps of Engineers, U.S. Fish and Wildlife Service, CDFW, Central Valley Regional Water Quality Control Board, U.S. Environmental Protection Agency, and State Lands Commission to obtain feedback on project regulatory permitting. Environmental monitoring of construction activities continued for the Perris Valley Pipeline, Prestressed Concrete Cylinder Pipe Second Lower Feeder Reach 3B, Weymouth Basins 5 to 8 Rehabilitation, Weymouth Asphalt Rehabilitation, and La Verne Shops Upgrades projects.

The Environmental Planning Section supported critical operations and maintenance activities. Staff provided California Environmental Quality Act (CEQA) and regulatory clearances and conducted pre-construction biological resource surveys, environmental awareness training, and construction monitoring for activities throughout the service area, including routine patrol road grading, as well as shutdowns of the Yorba Linda Feeder, Rialto Feeder, Glendora Tunnel, and LaVerne Pipeline. Staff provided subject matter expert reviews of legislative bills, including Assembly Bills (AB) 52 (Native American Resources), 454 (California Migratory Bird Protection Act), 746 (Urban Water Community Drought Relief Program), 975 (CEQA: Lake and Streambed Alteration Agreement Exemptions for Culverts and Bridges), 1227 (CEQA Exemption: Wildfire Prevention Projects), 1228 (Electricity: Expedited Utility Distribution Infrastructure Undergrounding Program), 1319 (California Endangered Species Act Emergency Listing), and 1455 (Certified Regulatory Program for 5-Foot Ember Resistant Zone); Senate Bills (SB) 676 (CEQA: Responsible Agency (Amended) – State of Emergency Administrative Record) and 746 (Urban Water Community Drought Relief Program: Small Community Drought Relief); and proposed amendments to the federal Endangered Species Act. In addition, staff reviewed and analyzed CEQA notices for nine external projects to determine the potential impacts on Metropolitan and protect Metropolitan's right-of-way and facilities; comments letters were prepared and submitted for projects with the

Board Report Sustainability, Resilience and Innovation GM Report

potential for impacts. Staff attended the Association of Environmental Professionals annual conference from April 6–9, 2025, and participated in a panel session entitled “CEQA for Complex Water Projects.”

Environmental Planning Section continued oversight of reserve management activities to protect valuable natural resources and meet Metropolitan’s mitigation obligations. Security patrols were conducted throughout the Lake Mathews Multiple Species Reserve and the Southwestern Riverside County Multi-Species Reserve (MSR) to prevent trespassing, vandalism, poaching, and theft and to protect the reserves’ natural and cultural resources, facilities, and equipment. Specific activities at the Lake Mathews Reserve included the application of pre-emergent herbicide to mowed areas to prevent the regrowth of noxious weeds in the 2025 growing season, servicing of wildlife cameras at burrowing owl mounds north of Lake Mathews to document burrowing owl/wildlife activity, and repairing patrol roads and fencing. Activities at the MSR included planting coyote melon seeds as an experimental fire retardant; conducting herbicide treatments for invasive plants; coordinating with researchers to conduct surveys for Quino checkerspot butterfly, northern harrier, and small mammals; and conducting rare plant surveys for Parry’s spineflower (*Chorizanthe parryi* var. *parryi*), Palmer’s grappling hook (*Harpagonella palmeri*), Munz’s onion (*Allium munzii*), and Payson’s jewelflower (*Caulanthus simulans*). The Alamos Schoolhouse interpretive center hosted 14 visitors during the month.

Land Management

The agriculture lease with D&L Farms, Inc., comprising Bacon Island, was amended to extend the term for one additional year. Staff has commenced the RFP process to select potential tenants for a long-term lease.

Certified Credit Union and Metropolitan have entered into a new, five-year lease to replace the existing lease pursuant to new terms authorized by the Board. The Credit Union housed at Headquarters will continue to serve staff, retirees, and their families.



Water Resource Management Group

• Water Resource Management April Activities

Summary

The Water Resource Management Group April 2025 Monthly Activities

Purpose

Informational

Detailed Report

Collaborate with Member Agencies, Water Agencies and Associations, and Provide Leadership for Policy Development, Advocacy, Outreach and Education

Water Resource Management (WRM) staff continued ongoing technical collaboration with member agencies with the launch of the 2025 Annual Local Production Survey. The 2025 survey was sent to member agencies on April 4 with a request for surveys to be returned by mid-June. The local supply survey data are crucial for Metropolitan's regional planning efforts, including estimating per capita water usage, tracking trends in local supply production, and developing the 2025 Urban Water Management Plan.

Strategic Priority 5.1: Grow and deepen collaboration and relationships among member agencies, interested parties, and leaders on the issues most important to them and toward mutual and/or regional benefits.

Implement Regional Conservation Program

WRM staff held a Water Efficient Landscape Dual Certification Program training at Chino Basin Water Conservation District for 40 landscape professionals.

WRM staff presented at the Irvine Company Landscape Operations Horticulture Symposium on Metropolitan programs, legislation, and drought outlook.

WRM staff held a class about healthy trees called "Trees, Growing the Urban Forest" for 100 landscape professionals in partnership with So Cal Gas.

Strategic Priority 3.2.8 "Increase outdoor water use efficiency."

Board Report Water Resource Management April Activities



Photo: James Morgutia, Associate Resource Specialist of the WRM's Water Efficiency Team, speaking to Irvine Company Landscape Operations Horticulture Symposium attendees on April 10, 2025.

Ensure Reliable State Water Project (SWP)

WRM staff participated in the SWP Subsidence Taskforce, discussing the status of near-term projects to address subsidence in the California Aqueduct. Staff submitted a public comment letter on the 2025 Amended Groundwater Sustainability Plan submitted by the Westlands Water District Groundwater Sustainability Agency (GSA). The letter focused on concerns regarding the California Aqueduct and associated infrastructure in the region of the GSA.

WRM staff coordinated discussions with the California Department of Water Resources (DWR) and several Metropolitan groups (Engineering, Conveyance and Distribution, and Integrated Operations Planning and Support Services) regarding the proposed installation of butterfly valves at the DWR's Santa Ana Valley Pipeline to provide isolation, when needed, of Metropolitan's Box Springs Feeder. This project aims to reduce costs and reduce outage time (no deliveries to the Mills treatment plant) when isolation of the northern or southern portion of the Santa Ana Valley Pipeline is needed.

Strategic Priority 3.1.3 "Enhance long-term water supply reliability for the State Water Project Dependent Areas."

Metropolitan's Agricultural liaison continued to work with Real Properties on Delta Island agricultural leases on Webb Tract and Bacon Island. This includes interviewing farmers to grow rice, which will aid in reducing the subsidence of land on the islands.

Strategic Priority 3.2.2 "Implement and promote agricultural water-conservation best practices."

Ensure Access to Sufficient Water Supplies to Operate a Full Colorado River Aqueduct in Times of Drought

WRM staff chaired a three-day meeting of the Colorado River Basin Salinity Control Forum (Forum) Technical Work Group in Salt Lake City, Utah. Topics discussed included: (1) a report that ongoing operation of the Paradox Valley Unit at 2/3-capacity has yielded no unusual seismic or well pressure results; (2) preparations for the 2026 "Triennial Review," in which the Forum communicates to the U.S. Environmental Protection Agency an assessment of the sufficiency of existing water quality criteria for salinity on the Lower Colorado River; and (3) updates from key federal agencies involved in the Program, including U.S. Bureau of Reclamation (USBR), Natural Resources Conservation Service, the Bureau of Land Management, and the U.S. Geological Survey. The work of the Forum influences the salinity of Metropolitan's Colorado River water supply.

Board Report Water Resource Management April Activities

Senior WRM staff participated in meetings and workshops with California and Lower Basin partners to continue developing a Basin States alternative for operating Lakes Mead and Powell after 2026, once the current operational guidelines (the 2007 Interim Guidelines) expire. Meetings included a meeting of technical modeling teams from Metropolitan, Southern Nevada Water Authority, and the Central Arizona Project in Las Vegas, NV, and meetings of Lower Basin States' principals in Las Vegas, Nevada, and Phoenix, Arizona. The post-2026 reservoir operation guidelines will significantly influence Metropolitan's future supply of Colorado River water.

WRM staff reviewed the first draft of USBR's 2024 Water Accounting Report and provided comments to USBR. When finalized, this annual report documents the consumptive use of Colorado River mainstem water, including all transfers, exchanges, system water creation, storage, and basin-wide progress toward meeting the Reservoir Protection Conservation goals set forth in the 2024 Record of Decision. By reviewing this document, Metropolitan ensures an accurate accounting of its Colorado River water supplies.

A California forbearance agreement covering Metropolitan's Bucket 2 System Conservation Implementation Agreements (SCIA) through 2026 was signed. Developing and signing this agreement was required for full implementation of the agreements, including the ability to invoice USBR under the agreements and to leave conserved water in Lake Mead to meet system water creation requirements. (Note: this is still in development but should be signed by the end of the month.)

Strategic Priority 3.2.1 "Advance multiple strategies toward sustainable Colorado River supplies and toward broad agreement in long-term compact negotiations."

An amendment for Metropolitan's Bucket 1 SCIA for the Bard Seasonal Fallowing Program was signed. The amendment gives authority for the Program to fallow up to 6,000 acres of land, an increase of 3,000 acres from the original SCIA. Staff completed the first inspection of the fallowing season the first week of April.

Strategic Priority 3.2.2 "Implement and promote agricultural water-conservation best practices."

Promote Metropolitan's Technical Capabilities and Innovation Efforts to Advance the Understanding of Water Resources Management

WRM staff organized and hosted an in-person Landscape Area Measurement Roundtable, which was facilitated by the California Data Collaborative. Experts spoke on aerial and satellite imagery in the context of landscape area classification for water use budgets and detection of landscape change and trends over time. The roundtable allowed for conversation around the opportunities and limitations of aerial and satellite imagery in applications of Conservation as a California Way of Life implementation, turf and other land cover identification, irrigation behavior, and landscape area change. Staff from WRM and Sustainability, Resilience, and Innovation attended and participated in the discussion.

Strategic Priority 5.1 "Grow and deepen collaboration and relationships among member agencies, interested parties, and leaders on the issues most important to them and toward mutual and/or regional benefits."