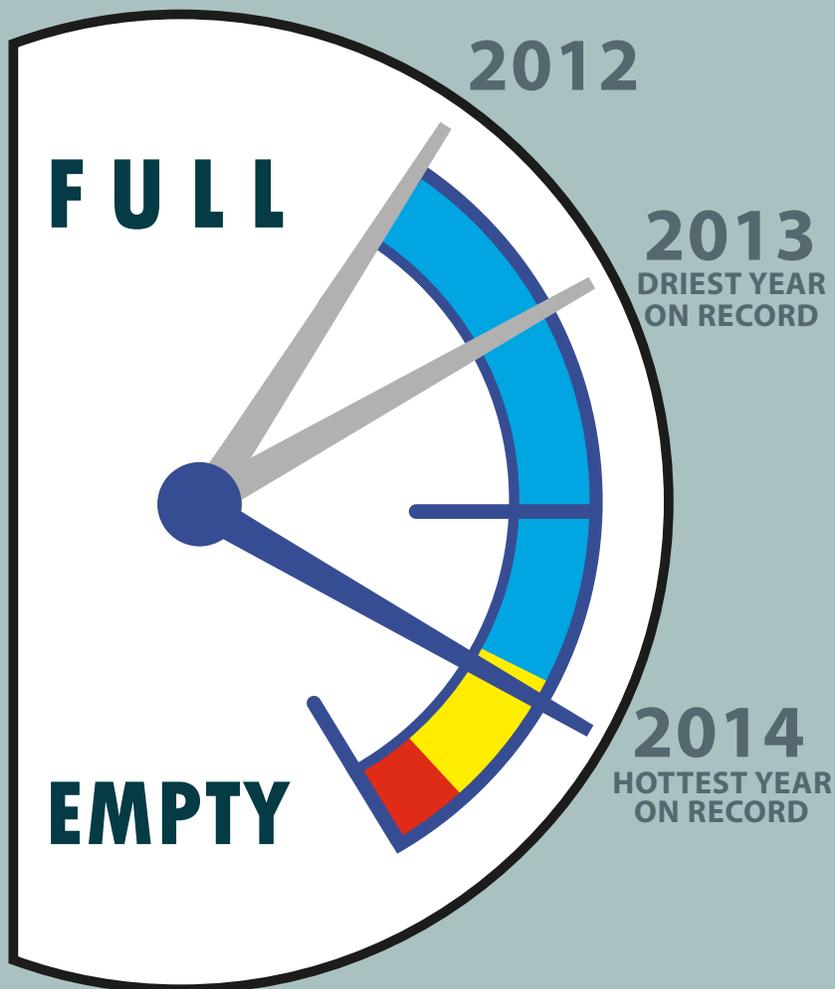


RESPONDING TO DROUGHT

METROPOLITAN WATER RESERVES



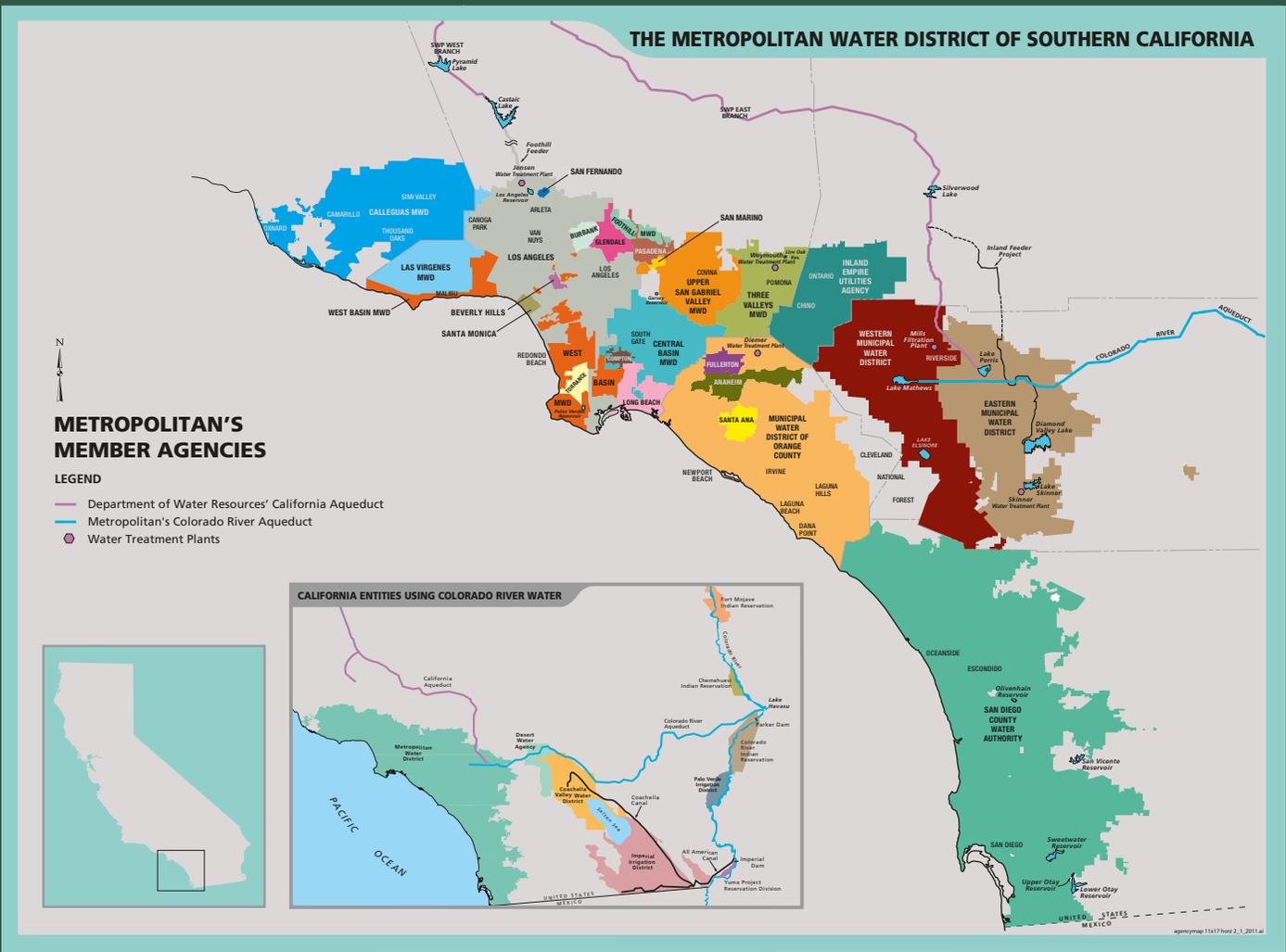
THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

Regional Progress Report

An Annual Report to the California State Legislature
on Achievements in Conservation, Recycling and
Groundwater Recharge

2015 FEBRUARY

Covering the reporting period
of July 2013 - June 2014



ABOUT METROPOLITAN

The Metropolitan Water District of Southern California was established in 1928 under an act of the State Legislature to provide supplemental water supplies to its member agencies in Southern California.

Metropolitan is a public agency and a regional water wholesaler. It is governed by a 37-member board of directors representing 26 member agencies that purchase some or all of their water from Metropolitan and serve about 19 million people across six Southern California counties.

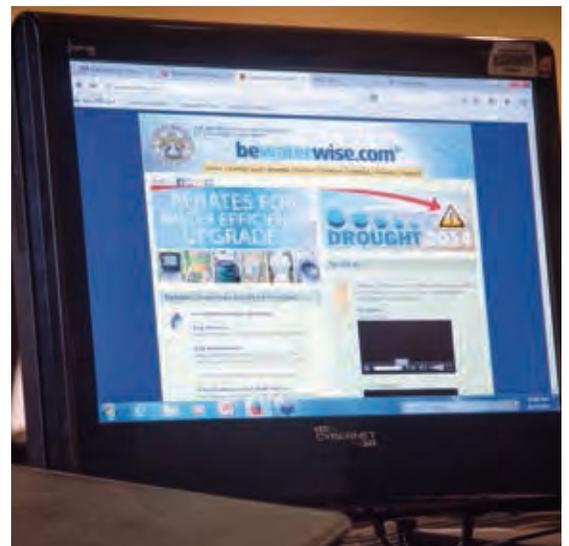
The mission of Metropolitan is to provide its 5,200-square-mile service area with adequate and reliable supplies of high-quality water to meet present and future needs in an environmentally and economically responsible way.

Metropolitan draws supplies from the Colorado River through the Colorado River Aqueduct, which it owns and operates; from Northern California via the State Water Project; and from local programs and transfer arrangements. An increasing percentage of Southern California's water supply comes from conservation, water recycling and recovered groundwater, which are further described in this report.

Cover Graphic: The reserve gauge is an image used throughout Metropolitan's educational campaign to convey the seriousness of the drought.

ABOUT THIS REPORT

Achievements in conservation, recycling and groundwater recharge have been chronicled in this report since the enactment of California Senate Bill 60 (SB60) in 1999. SB60 added Section 130.5 to the Metropolitan Water District Act (MWD Act) which states, “The Legislature finds and declares... The Metropolitan Water District of Southern California shall place increased emphasis on sustainable, environmentally sound, and cost-effective water conservation, recycling, and groundwater storage and replenishment measures.” According to the MWD Act, Metropolitan is to prepare and submit to the Legislature by February 1 of each year a report on Metropolitan’s progress in achieving these goals. To coincide with the preparation of the report, the MWD Act requires Metropolitan to “hold an annual public hearing... during which the district shall review its urban water management plan... for adequacy in achieving an increased emphasis on cost-effective conservation, recycling, and groundwater recharge.” While the Regional Urban Water Management Plan is prepared and updated every five years according to state requirements (with the next update due in 2016), Metropolitan hosts an annual December hearing to share progress on fiscal year plan objectives, and to receive public comments.



INTRODUCTION

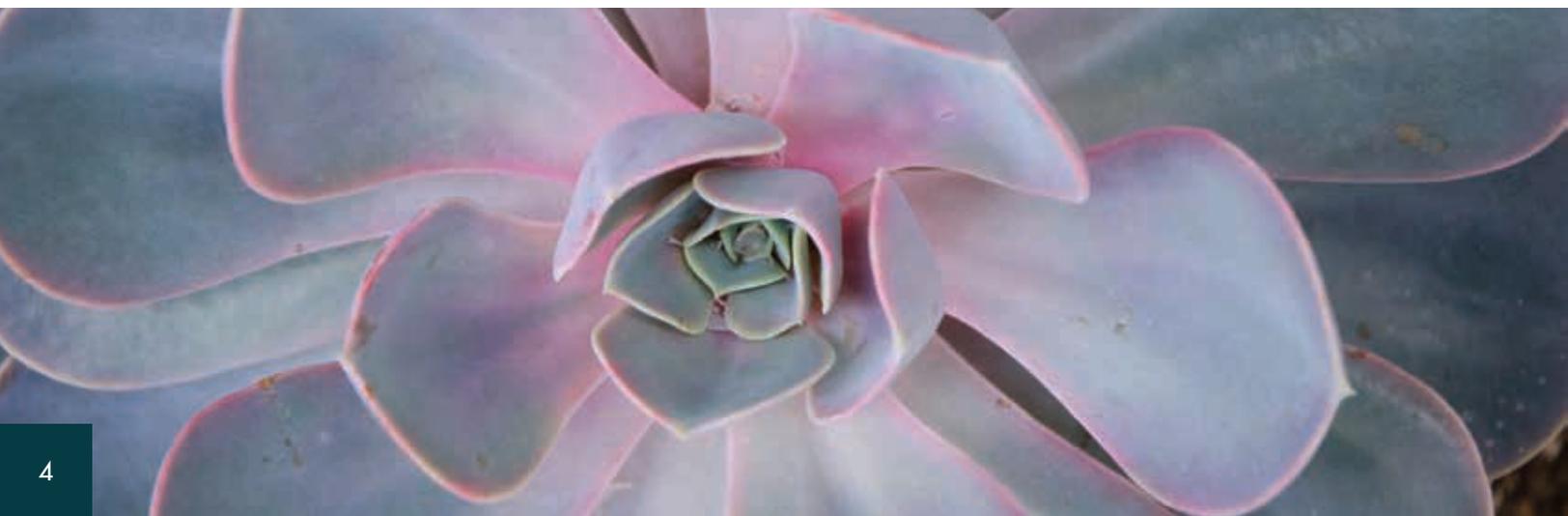
The Metropolitan Water District of Southern California (Metropolitan) prepares this report to the state Legislature to provide an update on achievements in water conservation, recycling and groundwater recharge. It details Metropolitan's progress in advancing these supply strategies and broadening the district's supply mix.

CONSERVATION

Metropolitan and its member agencies have long been leaders in water conservation. In general, conservation is encouraged with financial incentives and a tiered pricing structure, outreach and education programs, and support for new plumbing codes and other regulations that facilitate water savings. In fiscal year 2013/14, the region saved about of 923,000 acre-feet of water. Rebates funded through Metropolitan's Conservation Credits Program generated approximately 9,000 acre-feet of new water savings in fiscal year 2013/14. Since 1990, Metropolitan has invested more than \$352 million in conservation.

Fiscal Year 2013/14 Program Highlights

- Metropolitan provided \$18.6 million in rebates to help water customers improve water-use efficiency in their homes and businesses.
- Metropolitan doubled its annual conservation and outreach budget from \$20 million to \$40 million for fiscal year 2014/15.
- Metropolitan adopted a Water Supply Alert Resolution in February 2014 calling on its member agencies, retail water agencies, and cities in Southern California to implement extraordinary conservation measures, enforce water waste ordinances, and develop a unified message to reduce water demand.
- Metropolitan implemented the Public Agencies Landscape Program that provides financial incentives to Southern California public agencies to improve outdoor irrigation with water-efficient products.
- Metropolitan implemented the Recycled Water Hookup Pilot Program that provides financial incentives to help residential and business customers convert from potable water to recycled water systems to reduce outdoor potable demand.
- Metropolitan began an intensive outreach program informing residents of the drought and opportunities to use less water.
- Metropolitan increased the rebates on many water-efficient devices to encourage additional conservation. Rebates for replacing turf grass with a more sustainable landscape were doubled.



RESIDENTIAL CONSERVATION PROGRAMS

Residential customers can receive rebates from Metropolitan through its SoCal Water\$mart program and from programs administered and funded by member agencies. For fiscal year 2013/14, Metropolitan estimates savings of about 4,990 acre-feet of new water with rebates issued through the residential conservation programs.

SoCal Water\$mart

Launched in 2008, SoCal Water\$mart provides rebates to residential customers to encourage the use of water-efficient products. Current program rebates include turf removal, high-efficiency clothes washers, high-efficiency toilets, multi-stream rotary sprinkler nozzles and weather-based irrigation controllers. Metropolitan estimates savings of about 3,000 acre-feet of water from 45,000 rebates issued through the region-wide residential program in fiscal year 2013/14.

Turf removal

Metropolitan's turf removal program provides residential and commercial customers with financial incentives to replace their turf lawns with California Friendly® landscapes. In January 2014, Metropolitan added Turf Removal to the SoCal Water\$mart Regional Program, making it available to customers throughout our service area. In addition, as an emergency drought response, Metropolitan doubled the base rebate for customers to \$2 per square foot of turf removed. Coupled with additional member agency contributions, many residents can receive up to \$3 per square foot of turf removed. Over 21 million square feet have been permanently removed under this program to date. In fiscal year 2013/14, Metropolitan estimates savings of about 530 acre-feet of water annually from 4 million square-feet of turf removed.

High-efficiency clothes washers

High-efficiency clothes washers (HECW) with a water factor 4.0 are eligible to receive rebates. The water factor is the measure of the amount of water used to wash a standard load of laundry. An HECW saves more than 10,000 gallons per washer per year over a conventional top loading clothes washer. In fiscal year 2013/14, Metropolitan estimates about 870 acre-feet of water savings annually from HECW rebates. Metropolitan supplements its HECW rebate using state or federal grants when they are available.

High-efficiency toilets

To qualify for rebates, Metropolitan uses the federal Environmental Protection Agency's WaterSense list of high-efficiency toilet (HET) models that use approximately 20 percent less water per flush than the conventional ultra-low-flush toilets. Metropolitan estimates savings of about 3,150 acre-feet of water annually from HET rebates that were issued for both residential and commercial customers in fiscal year 2013/14.

Member Agency Residential Programs

Metropolitan provides funding to member agencies for water conservation programs. Member agencies receive Metropolitan incentives for qualified water-saving activities. Qualifying residential projects included turf removal, toilet distribution and replacement programs, direct-installation clothes washer programs and residential water audits. Member agency residential programs were estimated to save about 1,990 acre-feet of water annually with Metropolitan funding of about \$2.4 million in fiscal year 2013/14.



**Smart Landscapes
Save Water**

For conservation tips and
rebate information visit
bewater**wise.com®**

THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

COMMERCIAL CONSERVATION PROGRAMS

Metropolitan's commercial conservation programs provide rebates for water-saving devices to businesses and institutions throughout Southern California. The programs are comprised of SoCal Water\$mart, member agency commercial programs, and the Water Savings Incentive Program. Metropolitan estimates savings of about 4,020 acre-feet of water annually from new rebates issued by commercial conservation programs in fiscal year 2013/14.

SoCal Water\$mart and Member Agency Commercial Programs

The commercial programs provide rebates for high-efficiency devices for businesses and institutions. The majority of commercial conservation activity came from Metropolitan's SoCal Water\$mart program. In addition, Metropolitan's member and retail water agencies also implemented water conservation programs for commercial sectors using Metropolitan incentives. Metropolitan estimates savings of about 2,280 acre-feet from 6,440 new rebates issued through SoCal Water\$mart in fiscal year 2013/14. In fiscal year 2013/14, Metropolitan also estimates savings of about 1,630 acre-feet of water annually from member agency incentive programs. Qualifying commercial projects have included turf removal, direct installation of high-efficiency toilets and multi-stream rotating nozzle distribution.

Water Savings Incentive Program

The Water Savings Incentive Program is a regional pay-for-performance program that is a collaborative effort between Metropolitan, its member agencies, and large water customers to improve water-use efficiency in the commercial, industrial, institutional, agricultural, and large landscape sectors. In fiscal year 2013/14, Metropolitan estimates savings of about 110 acre-feet of water annually.

Research and Development

Innovative Conservation Program

Metropolitan's Innovative Conservation Program is a competitive grant program that evaluates water savings and reliability of new water-savings devices, technologies and strategies. New projects are identified and evaluated every other year. With funding provided by the federal Bureau of Reclamation, Central Arizona Project, and Southern Nevada Water Authority approximately \$450,000 were available in 2013 funding cycle for research. Examples of projects funded include soil amendments, water audit mobile applications, home grey water systems, soil moisture sensors, and agricultural irrigation improvements.

In addition to the Innovative Conservation Program, Metropolitan has taken the following research actions to advance the field of knowledge in water-use efficiency:

- Studying the performance of multi-stream rotary nozzles
- Developing performance benchmarks for landscape irrigation technology with the Center for Irrigation Technology at California State University, Fresno
- Studying the effects of drought and salinity on turf grasses with the California Turfgrass and Landscape Foundation and the Turfgrass Research Facility at University of California, Riverside
- Completing a study on retention rates of waterless urinals in Metropolitan's service area
- Completing a study on the water savings from turf replacement



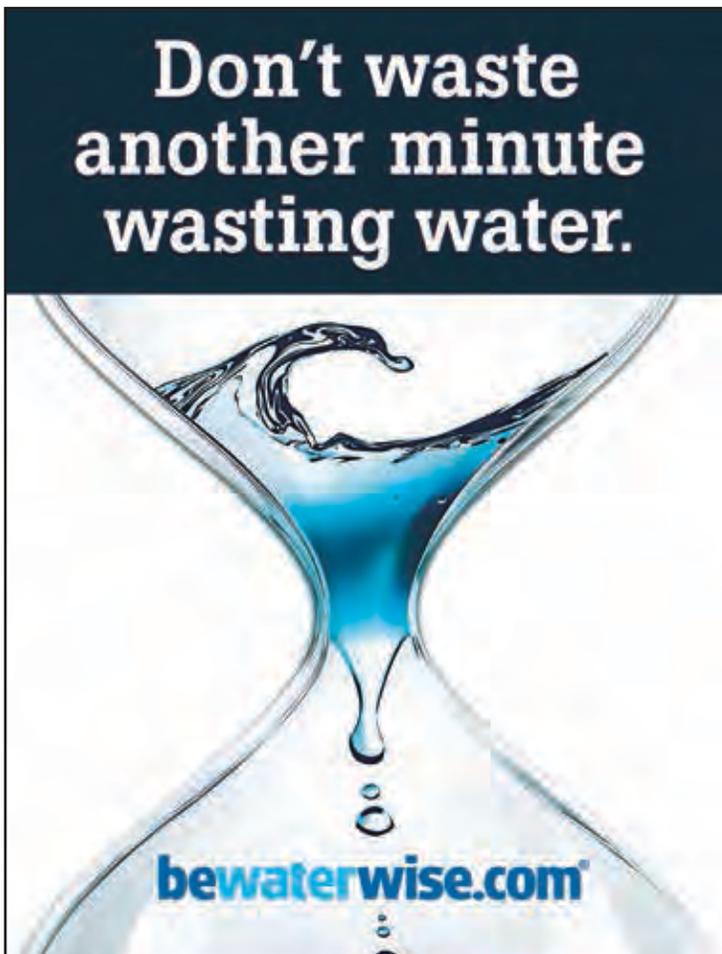
COMMUNICATIONS AND OUTREACH

Metropolitan sponsored conservation-related educational outreach efforts and programs throughout its service area during fiscal year 2013/14. In cooperation with the district's 26 member public agencies, Metropolitan launched a multi-pronged research-based public outreach and advertising campaign in late April 2014 that ran through October 2014 to promote the need to conserve water during the historic, ongoing drought. The ad buy is part of the \$5.5 million authorized by Metropolitan's Board of Directors in March 2014 for a regional communications, outreach and advertising campaign. The campaign tag line "Don't Waste Another Minute Wasting Water" reinforces the immediate nature of the action that residents need to take – and emphasizes the seriousness of the drought. The comprehensive campaign educates residents through television and radio advertisements and traffic report sponsorships, along with online, streaming radio and mobile ads, plus focused billboard and movie theater advertising. In addition to English, radio advertisement and traffic report sponsorships were also featured in Spanish, Mandarin, Cantonese, Vietnamese, and Korean stations. Many of the campaign tools, such as television and radio ads and graphics for bill inserts, billboards, and websites, were made available to local agencies at no cost.

Metropolitan placed several "advertorial" news stories in the online editions of the Los Angeles Times and UT-San Diego newspapers promoting the ongoing need for conservation in Southern California, describing long-term investments in water storage and development of local water resources, and the availability of rebates and incentives for turf removal and purchase of water-saving devices and appliances.

In 2014, Metropolitan began a focused outreach effort for leading businesses and industries that are high-volume water use customers within Metropolitan's service area. Metropolitan's executive management met with executives in the beverage, bottling, aerospace, tourism, and golf industries to discuss Southern California's water outlook, the need for conservation, and key policy issues.

Metropolitan's Bewaterwise.com® website continues to play a key role in educating the public, attracting 726,371 unique visitors from July 1, 2013 through June 30, 2014. The website includes a new page focused on the drought and enhanced information on Metropolitan's rebate and incentive programs. Metropolitan also provides a Spanish language version of the site to help educate and inform the region's Spanish-speaking population.



Community Outreach

Metropolitan continues to maintain a strong presence in community water resource education and conservation awareness activities and events. Metropolitan cosponsored and staffed booths at numerous water-awareness conferences and other educational events throughout its six-county service area.

Education Programs

During fiscal year 2013/14, the Southern California World Water Forum College Grant Program concluded the third funding cycle. The 15 college projects focused on the research of water-use efficient technology and communications strategies related to water quality, supply, delivery and sanitation. In addition to Metropolitan, program sponsors include the federal Bureau of Reclamation, the Sanitation Districts of Los Angeles County, Water For People, and Friends of the United Nations.

Forty teams from Southern California high schools competed in the 12th annual Solar Cup™ event held at Lake Skinner in Temecula on May 16-18, 2014. More than 650 students participated in this event, which includes water conservation as a core part of the curriculum.

For the 21st year, the Diamond Valley Lake Education Program conducted numerous field trips engaging nearly 2,100 fourth-through seventh-graders in the all-day program. Additionally, the education program provided ongoing activities for more than 2,640 students in grades 2-5 visiting the DVL Visitor Center in collaboration with the Western Science Center outreach program.

Metropolitan's website for K-12 students drew more than 34,700 visitors, about a 90 percent rise from the previous year due to current drought conditions. Metropolitan added 25 new teachers to its education program database.

Community Partnering Program

The Community Partnering Program continued to support water-related educational outreach on water resource issues such as conservation, water quality and watershed protection. CPP enhances consumer awareness of water resource issues and fosters collaboration with a variety of stakeholders including community organizations, public agencies, professional associations and educational institutions through sponsorships and educational support services.

California Friendly® Online Training

Metropolitan provides online water-wise landscape training for professional landscapers and residential homeowners. Metropolitan offers classes to homeowners at no cost on water-wise gardening. During fiscal year 2013/14, 129 classes were held in cooperation with local water agencies, with 4,167 participants.



LOCAL RESOURCES

Water recycling, groundwater recovery and groundwater storage are important elements in the region's diverse local resource portfolio and help bring greater water supply reliability. Metropolitan provides financial incentives through its Local Resources Program (LRP) for the development and use of recycled water and recovered groundwater. Since the inception of the LRP in 1982, Metropolitan has provided \$356 million to produce about 2 million acre-feet of recycled water. Metropolitan also provided approximately \$125 million to produce 729,000 acre-feet of recovered degraded groundwater for municipal use. So far, there are 75 water recycling projects and 24 groundwater recovery projects in the program.

Water Recycling and Groundwater Recovery

In fiscal year 2013/14, Metropolitan's funding supported the production of about 180,000 acre-feet of recycled water for non-potable and indirect potable uses and about 68,000 acre-feet of recovered groundwater for municipal use. In addition, another 267,000 acre-feet of recycled water, which includes 94,000 acre-feet of the base flow recharge from the Santa Ana River and 64,000 acre-feet of recovered groundwater, were produced by local agencies through other funding sources.

Fiscal Year 2013/14 LRP Highlights

Metropolitan launched the On-site Retrofit Pilot Program to provide financial incentives to property owners to convert their potable water systems to recycled water. The program, budgeted at \$7.5 million over three years, is open to commercial, industrial and irrigation users.

Metropolitan also entered into agreements with local agencies for two recycled water projects and one groundwater recovery project. When fully developed, they will produce about 3,600 acre-feet of recycled water and about 250 acre-feet of recovered groundwater, respectively.

- The Leo J. Vander Lans Water treatment Facility Expansion Project will be owned and operated by Water Replenishment District and operated by City of Long Beach. This project will increase recycled water use for the Alamitos Seawater Barrier by about 3,475 acre-feet per year.
- The Recycling Demonstration Project is owned and operated by the city of Anaheim. This project will provide up to 110 acre-feet per year of recycled water for landscape irrigation in downtown Anaheim, as well as for toilet flushing in one of the city's office buildings. In addition, this project will be a showcase and an educational facility for students and general public on recycled water treatment and use.
- The Cal Poly Pomona Water Treatment Plant Project will be owned and operated by California State Polytechnic University, Pomona. The project will treat up to 250 acre-feet per year of contaminated groundwater for potable use within the university.



Groundwater Management

Metropolitan partners with local agencies to store imported surface water in groundwater basins for use in times of shortage under conjunctive use agreements. Metropolitan currently has nine storage projects with nearly 212,000 acre-feet of storage capacity and can withdraw up to about 70,000 acre-feet per year during shortage years. In spring 2014, Metropolitan requested nearly 40,000 acre-feet to be produced from these storage accounts over a 15-month period through 2015.

Foundational Actions Funding Program

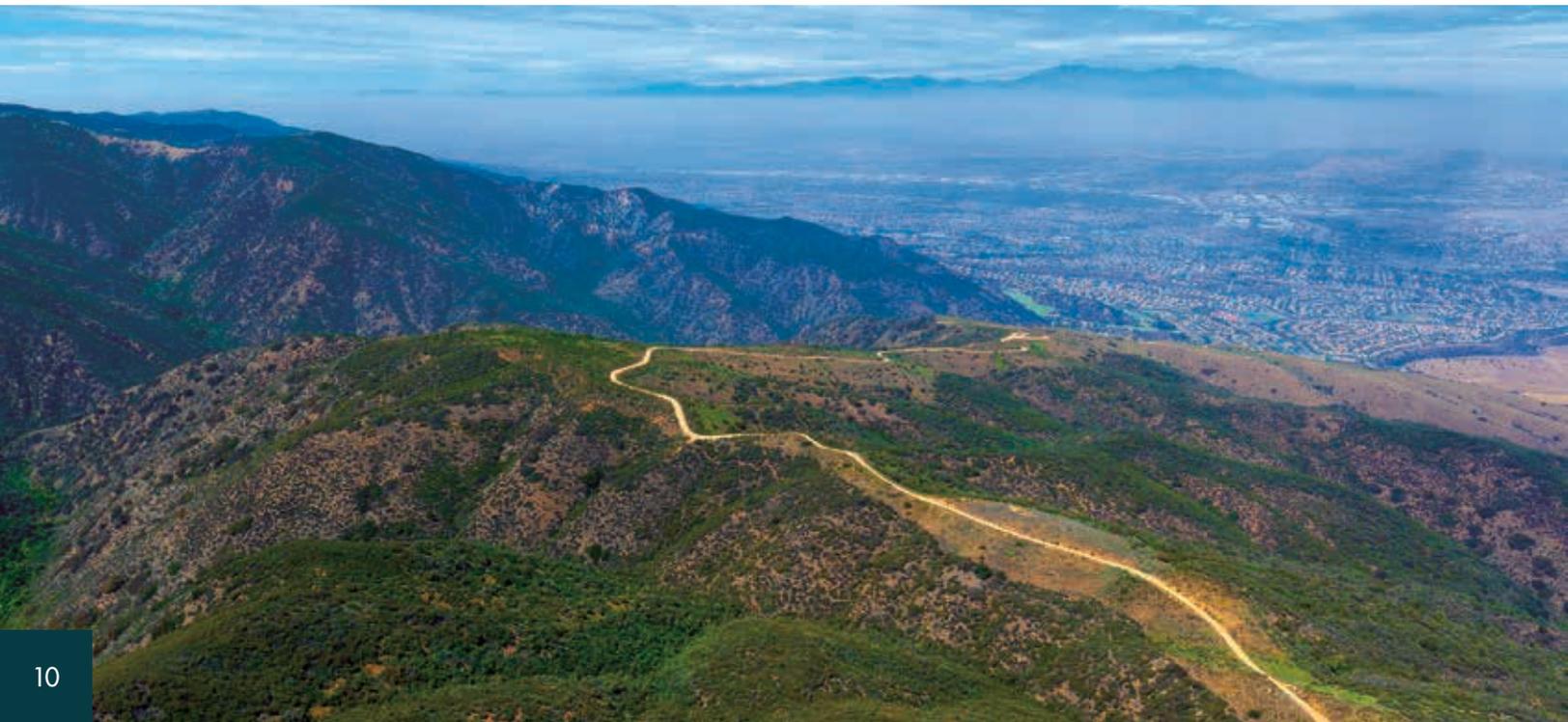
In April 2013, Metropolitan's Board of Directors approved a two-year pilot Foundational Actions Funding Program to address regional funding needs for actions that reduce barriers to future water resource production. The program is open to Metropolitan's member agencies. Proposed actions consist of technical studies or pilot projects related to recycled water, seawater desalination, stormwater, and groundwater enhancement. Metropolitan entered into thirteen contracts for technical studies and pilot projects totaling \$3 million in matching funds. These projects are currently underway, and final results are due to Metropolitan in early 2016.

WATERSHED INITIATIVES

Metropolitan is active on planning boards and organizations formed to improve watershed management and restoration. Metropolitan works with stakeholders from the following organizations:

Local Organizations

Integrated Regional Water Management: Metropolitan continues to participate in the Greater Los Angeles County Region Leadership Committee as its surface water management area representative. The Greater Los Angeles County Region IRWM Leadership Committee submitted applications \$27.2 million in Drought Grant funding from Proposition 84 for local projects totaling over \$184 million. **Southern California Water Committee Stormwater Task Force:** Metropolitan hosted the third annual workshop in June 2014 to discuss lessons learned through the Municipal Separate Storm Sewer System permit process, funding strategies and legislation opportunities. **The Los Angeles Basin Stormwater Conservation Study:** The \$2.4 million study is a cooperative effort among the Los Angeles County Flood Control District, the federal Bureau of Reclamation and several local agencies, including Metropolitan. The Basin Study, expected to be complete by May 2015, identifies alternatives, conducts trade-off analyses and develops recommendations for meeting future water demands in the watersheds. **Council for Watershed Health:** Metropolitan has been partnering with the Council for Watershed Health since 2000 in various research studies and educational outreach efforts related to improving water supply reliability, water quality and promotion of water-use efficiency. Currently, the council has four programs: urban stormwater, sustainable landscape, watershed coordination, and watershed monitoring.





Colorado River

Lower Colorado River Multi-Species Conservation Program: The program was created to balance the use of Colorado River water resources with the conservation and recovery of native species and their habitats. Metropolitan is actively involved in developing the annual work plans and budget and administers the Habitat Maintenance Fund and the Remedial Measures Fund.

Sacramento-San Joaquin Delta

Bay Delta Conservation Plan: Metropolitan participates in the BDCP process and continues to work with agencies and stakeholders throughout the Delta watershed to restore the ecosystem and to protect Delta water quality for drinking water uses and aquatic wildlife. **Municipal Water Quality Investigations Program:** Metropolitan continues to support the state Department of Water Resources' MWQI, which implements water quality monitoring and special studies in the Delta and its tributaries. In fiscal year 2013/14, this program continued to operate five real-time water quality stations, completed seasonal water quality forecasts, and initiated a State Water Project limnology study. **Delta nutrient impact studies:** Metropolitan continues to work with the state and federal water contractors to support studies and management actions addressing the impacts of nutrients and other water quality stressors in the Delta watershed. Metropolitan also participated in the Central Valley and San Francisco Bay Regional Water Quality Control Boards' nutrient management programs. **Battle Creek Salmon and Steelhead Restoration Project:** This federal project, begun in 2010, is one of the largest cold-water fish restoration efforts in North America. Metropolitan supported and financially assisted this project which will open almost 50 miles of winter-, spring- and late fall-run salmon and steelhead habitat in the Sacramento River watershed. Construction is anticipated to be completed by 2019.

WATER RECYCLING AND GROUNDWATER RECOVERY

Recycling and groundwater recovery are local resources that add balance to the region's diverse portfolio of resource options. Figures 1 and 2 show the production of these local resources as the region places greater emphasis on water-use efficiency and improving basin health. While water recycling and groundwater recovery projects are developed by local water agencies, many projects receive financial incentives for water production through Metropolitan's Local Resources Program. Figure 1 includes treated wastewater discharged to the Santa Ana River base flow that percolates into downstream groundwater basins.

Figure 1. Regional Recycled Water Production

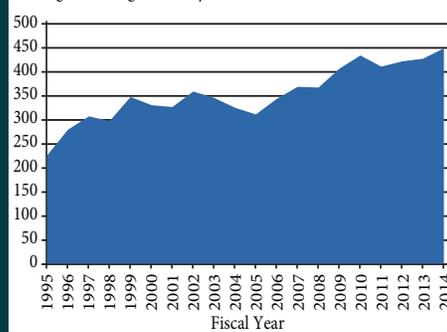
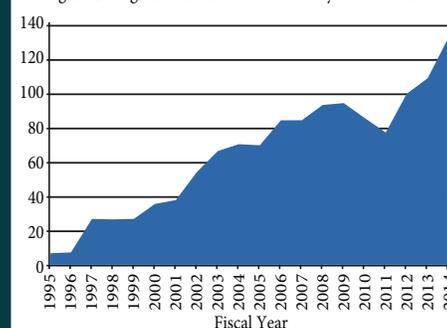


Figure 2. Regional Groundwater Recovery Production





ACHIEVEMENT SCORECARD

FISCAL YEAR 2013/14

CONSERVATION		
FY 2013/14 Total Water Saved¹		923,000 acre-feet
New Water Saved From Metropolitan Conservation Credits Program ²		9,000 acre-feet
Water Saved From Existing Metropolitan Conservation Credits Program ³		157,000 acre-feet
Water Saved From Code-Based, Price, & Pre-1990 Device Retrofit		757,000 acre-feet
FY 2013/14 Investment		\$33.7 million
Metropolitan Conservation Credits Program Investment ⁴		\$18.6 million
Member Agency Conservation Investment ⁵		\$14.4 million
Metropolitan Outreach & Education		\$0.7 million
Cumulative Savings Since 1990		
Water Saved From Metropolitan Conservation Credits Program ⁶		2,050,000 acre-feet
Metropolitan Conservation Investment (excl. funding by member agencies)		\$352 million
RECYCLED WATER ⁷		
FY 2013/14 Production		447,000 acre-feet
Water Produced From Projects Receiving Metropolitan Funding		180,000 acre-feet
Water Produced From Projects Without Metropolitan Funding (incl. Santa Ana River base flow)		267,000 acre-feet
FY 2013/14 Investment		
Metropolitan Funding		\$30 million
Cumulative Production & Investment Since Inception⁸		
Production With Metropolitan Funding		2,006,000 acre-feet
Metropolitan Investment		\$356 million
GROUNDWATER RECOVERY ⁷		
FY 2013/14 Production		132,000 acre-feet
Water Produced From Projects Receiving Metropolitan Funding		68,000 acre-feet
Water Produced From Projects Without Metropolitan Funding		64,000 acre-feet
FY 2013/14 Investment		
Metropolitan Funding		\$9.4 million
Cumulative Production & Investment Since Inception⁹		
Production With Metropolitan Funding		729,000 acre-feet
Metropolitan Investment		\$125 million
CONJUNCTIVE USE PROGRAM ¹⁰		
Metropolitan Cumulative Capital Investment		\$26.5 million
Proposition 13 Grant Funds Administered by Metropolitan		\$45.0 million
Water Stored Since Program Inception through September 2014		273,000 acre-feet
Water Extracted Since Program Inception through September 2014 ⁷		220,000 acre-feet
GROUNDWATER REPLENISHMENT ¹¹		
Cumulative Investment through December 2014		\$347 million
Cumulative Replenishment Delivery through December 2014		3,256,000 acre-feet
REGIONAL SUMMARY		
	FY 2013/14	Since 1990
Water Conservation ¹² , Recycled Water and Groundwater Recovery	1.5 million acre-feet	17.9 million acre-feet
Metropolitan's Investment in Water Conservation, Recycled Water and Groundwater Recovery	\$58 million	\$833 million



FOOTNOTES FOR ACHIEVEMENT SCORECARD

Numbers in this report are based on best available information during the production of this report and subject to revision for accounting reconciliation.

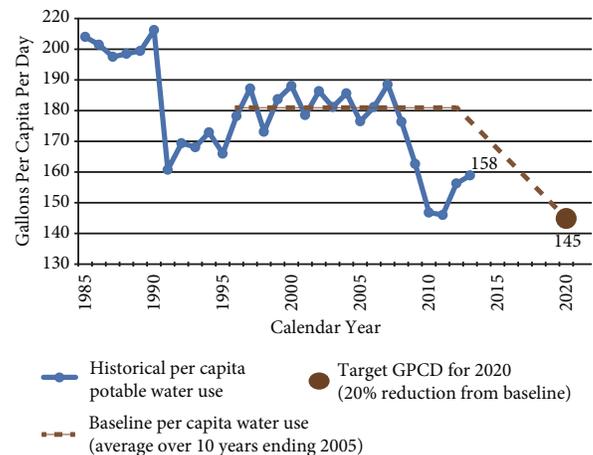
1. Annual total savings include Metropolitan's Conservation Credits Program, code-based conservation achieved through legislation, building and plumbing codes and ordinances, reduced consumption resulting from changes in water pricing, and pre-1990 device retrofits.
2. New water savings achieved through Metropolitan's Conservation Credits Program and from member agency-funded programs installed in fiscal year 2013/14.
3. Includes water savings initially achieved through Metropolitan's Conservation Credits Program and subsequently maintained through plumbing codes.
4. Active conservation investment includes administrative fees for contracted program vendors.
5. In addition to Metropolitan's Conservation Credits Program, member agencies and retailers also implemented local water conservation programs within their respective service areas. Member agency investment figures include rebate funding beyond rebates already provided by Metropolitan's Conservation Credits Program.
6. Cumulative water savings since 1990 that include water savings initially achieved through Metropolitan's Conservation Credits Program and subsequently maintained through plumbing codes.
7. Figures reflect actual and estimated deliveries for all Metropolitan-assisted projects and payments reported through June 2014; cumulative production and investment reflect accounting reconciliation as data become available; annual regional production for recycled water includes an estimated 94,000 acre-feet of treated wastewater discharged to the Santa Ana River base flow that percolates into downstream groundwater basins.
8. Metropolitan initiated its Local Resources Program in 1982 to encourage production of recycled water for municipal purposes.
9. Metropolitan initiated its Groundwater Recovery Program in 1991 to encourage treatment and use of degraded groundwater for municipal purposes.
10. Construction of the conjunctive use storage programs was completed in 2008. Proposition 13 refers to Chapter 9 of the Safe Drinking Water, Clean Water, Watershed Protection, and Flood Protection Bond Act of 2000. Water extracted since program inception includes losses.
11. Figure is cumulative since 1990. Prior to 2013, Metropolitan provided replenishment water at a discounted rate to encourage long-term recharge and maintenance of groundwater basins and local reservoirs. Although the discounted replenishment rate was discontinued Jan. 1, 2013, Metropolitan continues to provide water for replenishment purposes at full service rates. Figure may not include all deliveries used for replenishment purposes.
12. Cumulative water savings since 1990 include Metropolitan's Conservation Credits Program, code-based conservation achieved through legislation, building and plumbing codes and ordinances, reduced consumption resulting from changes in water pricing, and pre-1990 device retrofit.

WATER-USE EFFICIENCY STRATEGY

Metropolitan and the Natural Resources Defense Council cosponsored the Water Conservation Act of 2009 (SBX7-7), which targets a 20 percent reduction statewide in urban per capita water use by the year 2020. Per capita water use is one indicator of progress in advancing water-use efficiency. Metropolitan's baseline is 181 gallons per capita per day and the 2020 reduction target is 145 GPCD (Figure 3). Since 2011, the region saw a slight increase in per capita water use that can be explained in part by continued economic recovery and drier weather as compared with previous years. The calendar year 2013 GPCD of 158 is a 13 percent decrease from the baseline and shows that the region is on track to meet its 2020 target.

Metropolitan's commitment to water-use efficiency is demonstrated through more than two decades of conservation and water recycling. Metropolitan will continue to support the region's effort to meet the 2020 target through conservation and recycled water programs.

Figure 3. Regional Potable Per Capita Water Use



California's Extreme Drought Conditions

METROPOLITAN HAS RESPONDED TO CALIFORNIA'S EXTREME DROUGHT CONDITIONS BY CALLING ON LOCAL CITIES AND WATER AGENCIES TO IMPLEMENT EXTRAORDINARY CONSERVATION AND CONTINUING ITS EFFORT TO EXPAND THE CONSERVATION AND RECYCLED WATER PROGRAMS.

STATEWIDE WATER EMERGENCY

Although multi-year dry periods are a fact of life in California, the current drought is unprecedented in geographic scope and severity. As of October 14, 2014, the National Weather Service (NWS) reported that 82 percent of California is in extreme drought or higher, up from 28 percent at the start of the calendar year. Over 58 percent of the state is in "exceptional drought" – the highest level – according to the NWS drought monitor. Virtually the entire state and its surrounding watersheds are affected by drought. The NWS also reported that the first six months of 2014 were 4.7 degrees hotter than average, setting a new record for California. The heat wave was more intense in Southern California, where the first six months were 5.7 degrees hotter than average, also a record. These conditions, preceded by two dry years, have adversely affected water supplies across the state. The State Water Project (SWP) record low five percent allocation in 2014 is but one example.

Managing the state's stressed water supplies is vital to the health and wellbeing of California's population, economy, agriculture and environment. Metropolitan appreciates the strong leadership demonstrated by Governor Edmund G. Brown Jr., the State Water Resources Control Board (SWRCB), and other state agencies. In January 2014, the governor issued a drought emergency proclamation calling for Californians to reduce their water use by 20 percent and for water agencies to implement water shortage plans. In April, the governor issued a second proclamation, asking the state to redouble drought actions and directing the SWRCB to adopt emergency regulations to implement the directive. Accordingly, the SWRCB adopted outdoor water restrictions on July 15, 2014 that targeted outdoor urban water use that would normally increase under the hot and dry conditions afflicting California.

METROPOLITAN'S ACTIONS

Metropolitan's mission is to provide high quality, reliable supplies to our region in an economically and environmentally responsible way. Metropolitan and its member agencies have spent the past 25 years preparing for drought by investing in a robust, diversified water resource portfolio. In the process, utilities in the region have become statewide leaders in water conservation, wastewater recycling and groundwater recovery. Metropolitan's cumulative invest-

ments in reliable local supplies exceed \$1 billion and include:

- \$352 million for conservation programs,
- \$356 million for recycled water projects,
- \$125 million for groundwater recovery projects, and
- \$373 million for groundwater storage programs.

Metropolitan also supports stringent requirements for water efficient appliances. Along with its member agencies, Metropolitan has pushed the envelope for recycled water use. Since 1991, these efforts have generated a cumulative 17.9 million acre feet of reduced demands and new supplies.

Southern California's investment in conservation, recycling, and groundwater recovery has created a remarkable reduction in water demands and increased local supplies. As shown in this Regional Progress Report for fiscal year 2013/14, Southern California conserved 923,000 acre-feet and produced 447,000 acre-feet of water through recycling and 132,000 acre-feet of groundwater recovery. The combined water savings and production is more than the total water used by the cities of Los Angeles, San Francisco, and San Diego. In fact, it is more water than can be supplied through Metropolitan's Colorado River Aqueduct in a given year.



PUBLIC HEARING

In accordance with section 130.5 of the MWD Act, Metropolitan held a public hearing on Dec. 8, 2014 to receive comment on the draft Regional Progress Report on achievements in conservation, recycling and groundwater recharge with an emphasis on fiscal year 2013/14. Transcriptions of comments received at the public hearing are on file at Metropolitan and available upon request.

MANAGING WATER DEMAND

Potable retail demands in Metropolitan's service area reflect the investments shown above. In the late 1980s, potable demands averaged 199 gallons per capita per day (GPCD). By comparison, the average potable demand from 2010 to 2013 was 151 GPCD – a 24 percent reduction. Over the same period, Metropolitan has invested \$2 billion to build Diamond Valley Lake, doubling the region's surface water storage capacity; \$500 million on dry-year storage, transfer and exchange programs along the SWP and the Colorado River Aqueduct, and groundwater programs within its service area. Metropolitan is leveraging the region's investments in conservation, local supplies and dry-year storage to manage and mitigate the drought's impacts on the region's nearly 19 million residents and trillion dollar economy.

Conservation, local supplies and storage have all reduced Southern California's reliance on imported supplies. In fiscal year 2006/07, the beginning of the last significant dry period, Metropolitan delivered 2.41 million acre-feet of imported supplies. By comparison, Metropolitan delivered 2.06 million acre-feet in fiscal year 2013/14. The 350,000 acre-feet drop amounts to a 15 percent reduction in imported supplies despite the current drought's record heat and over a half a million more people living in Southern California. Even with these significant reductions in demand, Southern

California is committed to continued increases in water-use efficiency, particularly in outdoor water use.

RESPONSE TO THE GOVERNOR'S DROUGHT PROCLAMATION

After meeting with the governor earlier this year, Metropolitan ramped up conservation efforts in Southern California. In February 2014, Metropolitan called on local cities and water agencies to immediately implement extraordinary conservation measures and institute local drought ordinances. Metropolitan also significantly expanded its water conservation programs. Metropolitan doubled its annual conservation budget from \$20 million to \$40 million. The increase will be combined with its member and local retail agencies' contributions to achieve additional water savings throughout the year.

Metropolitan's Conservation Effort

The region's conservation efforts in the past 25 years primarily targeted indoor water use, such as retrofitting homes and businesses with high efficiency shower heads, toilets, faucet aerators, clothes washing machines, waterless urinals, and commercial processes and equipment. In recent years, Metropolitan has increased focus on outdoor water use with efficient irrigation controllers, sprinkler nozzles, rain barrels and turf removal.

Metropolitan's turf removal program provides residential and commercial customers with rebates to replace their water-

thirsty turf lawns with California Friendly® landscapes. To date, more than 21 million square feet of turf have been permanently removed.

Metropolitan also more than doubled recycled water retrofit incentives to large landscape irrigators to accelerate conversions from potable to recycled water.

Regional Outreach Campaign

In July 2014, Metropolitan launched a \$5.5 million outreach campaign, the largest in Metropolitan's history. The goal of the campaign was to raise awareness of the drought and urge residents and businesses to save water this year. The campaign features multiple media platforms, including radio and television, with enhanced outreach to the region's ethnic communities. Activity on Metropolitan's bewaterwise.com® website quadrupled as a result of the campaign. Metropolitan's conservation programs saw record-breaking increases in applications for rebates. It is clear that Southern California is responding to these calls for increased conservation efforts.

Metropolitan is committed to doing its part in promoting water-use efficiency and increasing local supplies while collaborating with other stakeholders to protect critical reserves.

METROPOLITAN'S MEMBER AGENCIES



Joined Metropolitan
December 6, 1928



Joined Metropolitan
December 6, 1928



Joined Metropolitan
December 6, 1928



Joined Metropolitan
December 14, 1960



Joined Metropolitan
November 12, 1954



Joined Metropolitan
June 23, 1931



Joined Metropolitan
October 16, 1950



Joined Metropolitan
January 15, 1953



Joined Metropolitan
February 27, 1931



Joined Metropolitan
December 6, 1928



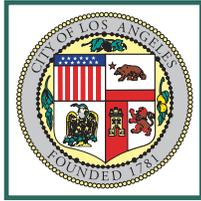
Joined Metropolitan
November 26, 1951



Joined Metropolitan
December 1, 1960



Joined Metropolitan
February 27, 1931



Joined Metropolitan
December 6, 1928



Joined Metropolitan
November 26, 1951



Joined Metropolitan
December 6, 1928



Joined Metropolitan
December 17, 1946



Joined Metropolitan
November 12, 1971



Joined Metropolitan
December 6, 1928



Joined Metropolitan
December 6, 1928



Joined Metropolitan
December 6, 1928



Joined Metropolitan
November 15, 1950



Joined Metropolitan
February 27, 1931



Joined Metropolitan
March 27, 1963



Joined Metropolitan
July 23, 1948



Joined Metropolitan
November 12, 1954



THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

The Metropolitan Water District
of Southern California
P.O. Box 54153
Los Angeles, CA 90054-0153
mwdh2o.com
bewaterwise.com

CONTACT METROPOLITAN

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