

POSITION STATEMENT FROM WBMWD

August, 2010

SENT TO:

Mr. Tim Brick, Chairman
Metropolitan Water District of Southern California
P. O. Box 54153
Los Angeles, CA 90054

Dear Chairman Brick:

SUPPORT FOR THE 2010 UPDATE OF METROPOLITAN'S INTEGRATED RESOURCES PLAN

Last November, many of the signatories below shared with the Board of Directors of the Metropolitan Water District of Southern California (Metropolitan) their perspective on concepts being discussed as part of the 2010 Update of Metropolitan's Integrated Resources Plan (IRP). As we conveyed then, the growing uncertainties facing southern California water agencies argue for the flexibility provided by the "adaptive" approach being proposed as part of 2010 update. With the release of the Draft 2010 IRP Update, we again would like to express our support while sharing our perspective on the fundamental elements of the plan:

- **Reaffirm Southern California's Regional Approach** – since its founding, Metropolitan has adapted to meet the unique challenges of the day, but its core mission of providing water supply reliability for the region has never varied. As captured in the 1952 Laguna Declaration, this mission is based on a collective, regional approach that is as appropriate today as it was in 1928. Over the past 20 years, this mission has been reaffirmed in Board adopted policies, including the 1999 Strategic Policy Principles and the 1996 and 2004 Integrated Resources Plans. It is crucial that the Board again reaffirms Metropolitan's historical role of ensuring the region's water supply reliability as part of the 2010 IRP Update.
- **Create Buffer Against Increasing Risk** - recent events demonstrate that there are significant risks beyond historical hydrology. Implementing the proposed "operational" buffer is essential if the region is to guard against such risks as regulatory actions, climate change, and delays in project implementation. Had the region implemented such an operational buffer as part of the last IRP update, the recent supply allocation brought on by regulatory restrictions would have likely been avoided. Metropolitan must take the steps

necessary to develop the resource mix, which not only increases available supplies, but also generates essential supply diversity to mitigate against the growing number and types of risk.

- **Strengthen Partnerships** – achieving the regional reliability goal and the associated resource targets identified in the 2010 IRP Update will not be accomplished easily. The ‘low hanging fruit’ is gone, which only reinforces the need for a collective approach to achieve the revised targets. The formation of new or enhanced partnerships that leverage local expertise while continuing to recognize local authority will be key to continuing success in conservation and the development of emerging resources such as regional recycling and desalination projects.
- **Implement an Adaptive, Flexible Implementation Approach** – in addition to incorporating new types of risk, the Draft 2010 IRP Update also recognizes the uncertainty associated with the timing and extent of this new risk. Through the more refined “adaptive management” implementation approach, the plan will manage reliability while at the same time managing risk and costs. This approach provides for program and project phasing that ensures flexibility in decision-making and encourages local solutions where they are politically, technically or institutionally appropriate.
- **“Opt-Out” is Not A Workable Option** – Metropolitan’s founders created an agency whose core policies are built upon regional commitment. This regional commitment to innovative programs and essential infrastructure has allowed Metropolitan to not only continue to serve the region’s needs, but serve as a model for other regions as well. Under this model, all agencies have the autonomy to make their own individual resource decisions, but those decisions should not jeopardize collective investments into the overall supply reliability of the region.

Our agencies urge the Metropolitan Board to adopt the 2010 IRP at your October meeting. We remain committed to working closely with Metropolitan staff to explore the appropriate programs and projects to achieve reliability in the face of future uncertainty.

Sincerely,

cc: Jeffrey Kightlinger, General Manager