



Engineering, Operations, & Technology Committee

Pure Water Southern California Partnership Development Update

Item 6a

November 18, 2024

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Pure Water Southern California Partnership Development Update

Subject

Pure Water Southern California - Partnership Development Update

Purpose

Update the Committee on efforts to develop the partnerships with member agencies and Colorado River partners

Next Steps

Incorporate input from the Committee and member agencies

Present to the Board of Directors for its approval term sheets with member agencies, Southern Nevada

Advance partnership with Arizona



What Has Been Accomplished So Far



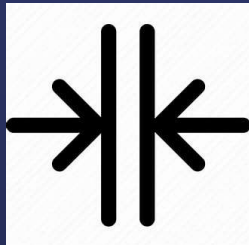
Member Agency
Letters of Intent (2018-2022)

Colorado River Partners
Letters of Intent (2020)
Funding Agreements (2020, 2021)

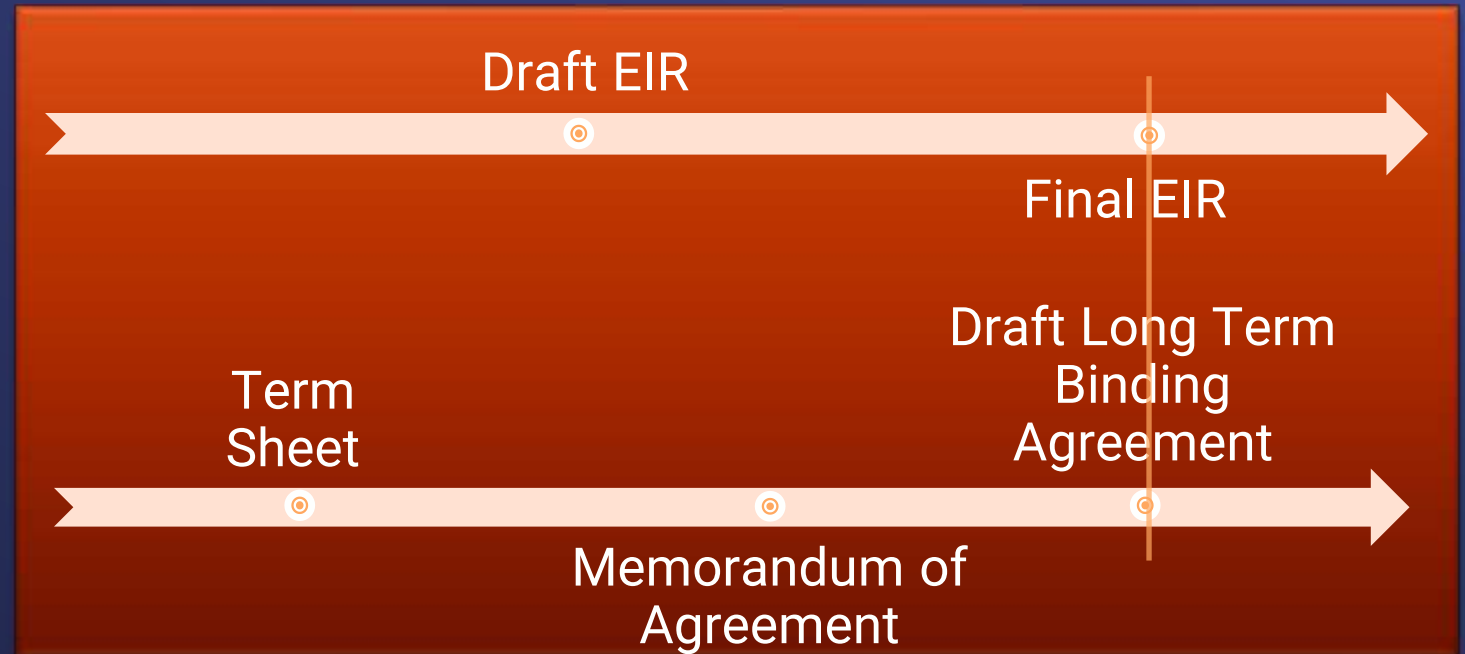
What is the Goal of the Current Effort

Partnerships with Member Agencies

Concepts for Partnerships



Stage of Planning



What Are Some of the Questions Asked

Demand Projections

Cost for Monitoring

Costs for Member Agency Infrastructure

Costs for Purified Water

Impact on Other Supplies

Proposed Response

Current Assessment of Demand Projections*

Agency	Average Annual
LADWP	“Emergency”
West Basin MWD/Torrance	41,000 AF
Long Beach	4,000 AF
Central Basin MWD	5,000 AF
Three Valleys MWD	6,500 AF
Upper San Gabriel Valley MWD	35,000 AF
San Gabriel Valley MWD	TBD
Totals (Phase 1/ Phase 2 Capacity)	91,500 AF + TBD (118,500 AF/155,000 AF)

* Based on 2024 discussions

Proposed Responses

Water Quality Sampling

**Sampling
Analyses**

**Collaborate to avoid or reduce duplication
Explore opportunities to reduce costs**

Member Agency Infrastructure

Significant Costs

**Collaborate, including on funding or cost
recovery approaches**

New Regional Facility

**Relationship to
Existing System**

Integrate costs and water supply

Proposed Response

Financial Integration

- (1) Integrating its costs for Pure Water into Metropolitan's regional wholesale water service costs, and
- (2) Recovering those costs through a rate structure based on the cost-of-service process.

Proposed Response

Integration of Water Supply

Maximum MWD Supply of 10 TAF Without PWSC				Maximum MWD Supply of 10 TAF With PWSC Contract for 7 TAF				
Allocation	SWP	Colorado	Total	Allocation	PWSC	SWP	Colorado	Total
100%	5 TAF	5 TAF	10 TAF	100%	7 TAF	1.5 TAF	1.5 TAF	10 TAF
50%	2.5 TAF	2.5 TAF	5 TAF	50%	7 TAF	0	0	7 TAF

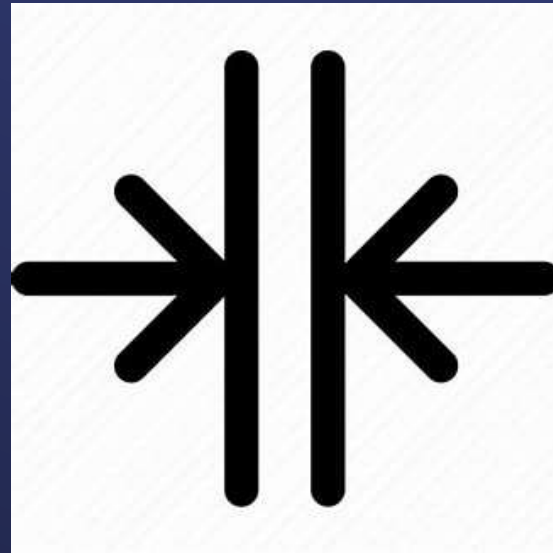
Most Years  Same Quantity (10 TAF v. 10 TAF)

Low Allocation  PWSC provides Baseline Supply (5 TAF v. 7 TAF)

What is the Goal of the Current Effort

Partnership(s) with Southern Nevada, & Possibly Arizona

Concepts
for
Partnership



PWSC Planning
and
Post '26 Guideline
Development

What Are Some of the Questions

Investment for Water Received

Impact on Region

Availability of Colorado River Water

Proposed Responses

Water Supply – Financial

Water received in proportion to investments made

Durability

Protect water supply needs of the region

Align partnerships with “Post ‘26 Guidelines” for the Colorado River

Proposed Responses - Board Input Requested

Water Quality Sampling

Sampling Analyses	Collaborate to avoid or reduce duplication Explore opportunities to reduce costs
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Member Agency Infrastructure

Significant Costs	Collaborate, including on funding or cost recovery approaches
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New Regional Facility

Relationship to Existing System	Integrate costs and water supply
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Water Supply – Financial

Water received in proportion to investments made

Durability

Protect water supply needs of the region

Align partnership with “Post ‘26 Guidelines” for the Colorado River

Next Steps

- 1 Incorporate Board input
- 2 Incorporate additional input from partners
- 3 Return in first quarter 2025

