

**ASSEMBLY WATER, PARKS AND WILDLIFE COMMITTEE AND
BUDGET SUBCOMMITTEE NO. 3
ON RESOURCES & TRANSPORTATION**

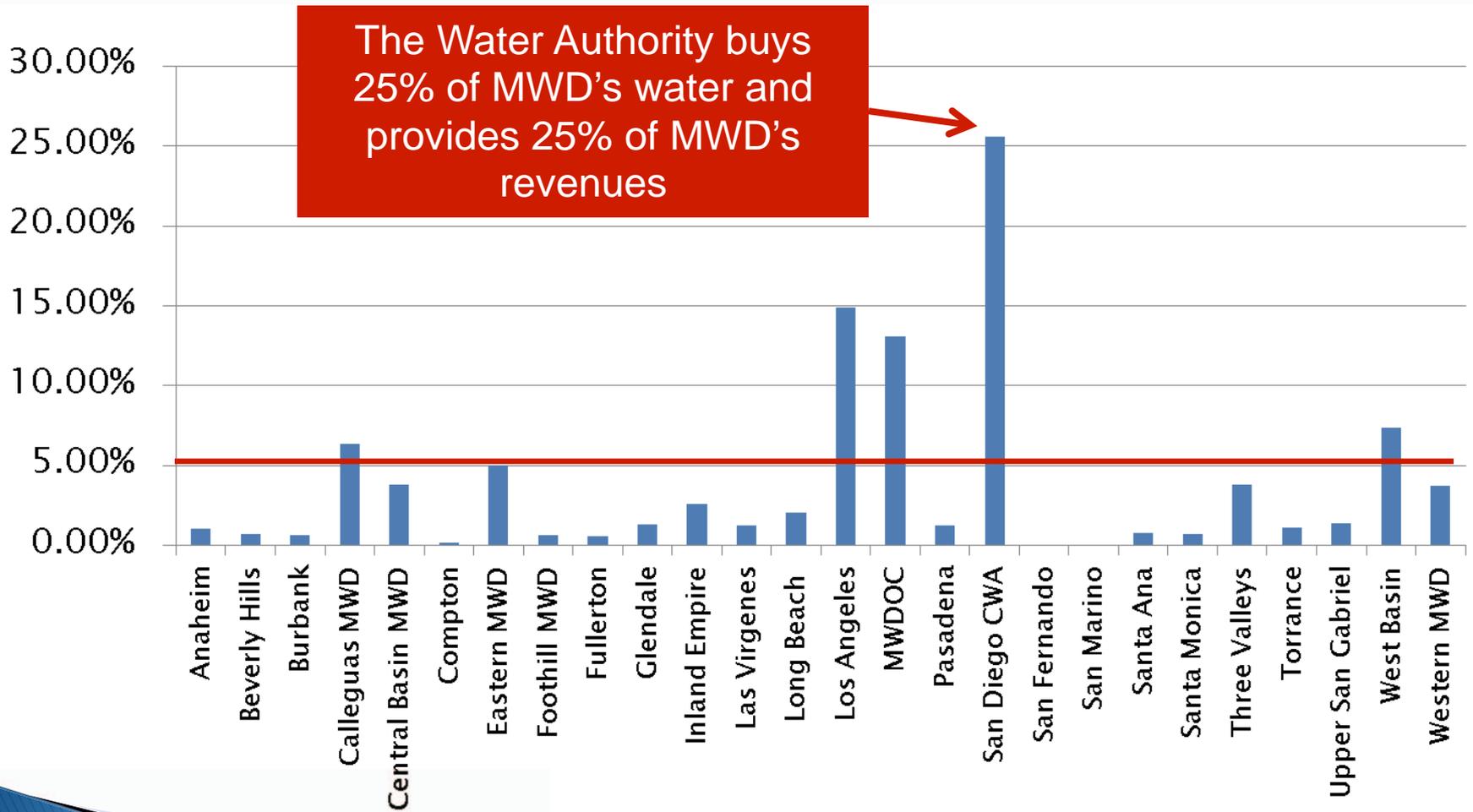
**JOINT OVERSIGHT HEARING:
BAY DELTA CONSERVATION PLAN
STATUS AND UPDATE**

October 19, 2011

Dennis Cushman, Assistant General Manager
San Diego County Water Authority



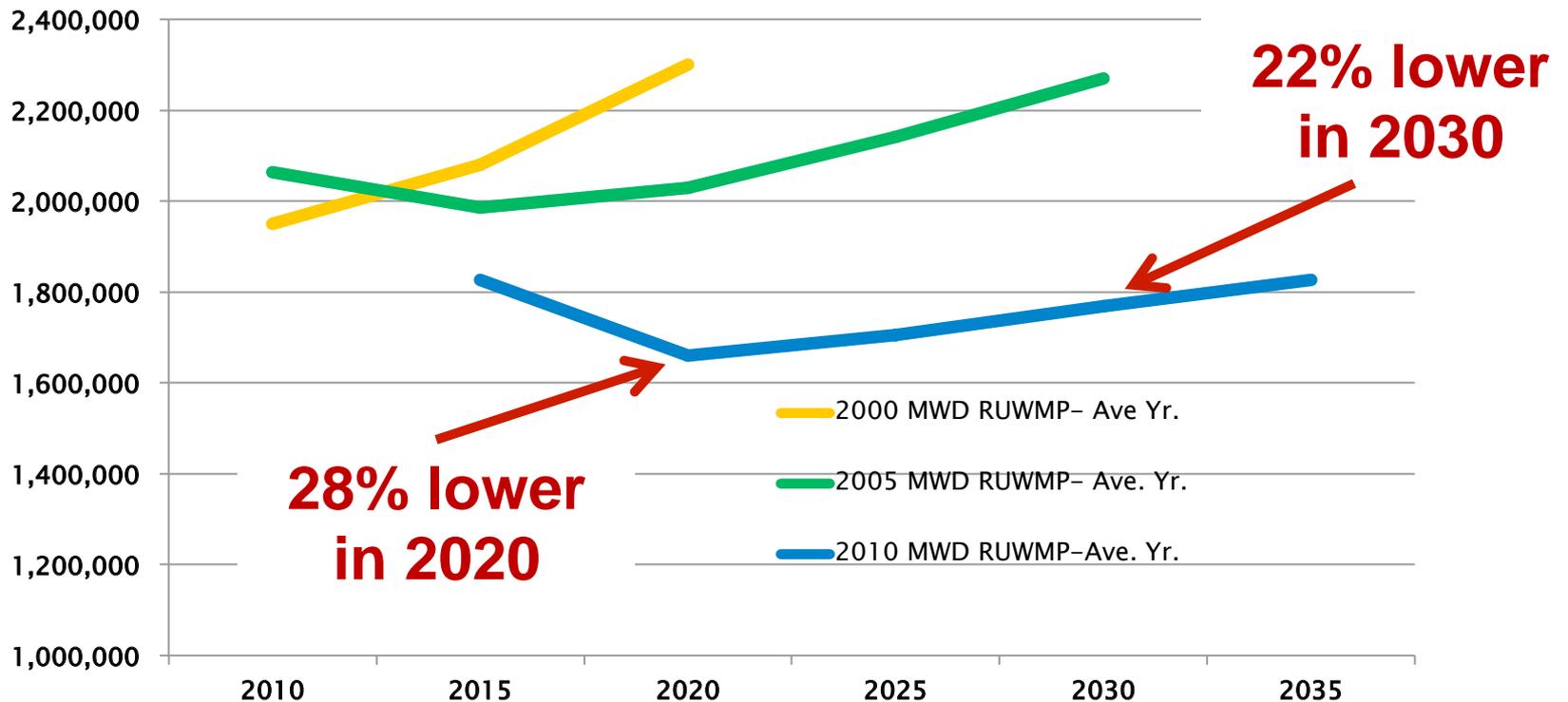
The Water Authority is MWD's Largest Member Agency & has Biggest Stake in Bay-Delta Fix



Average MWD Water Purchases by Member Agency (2000-09)



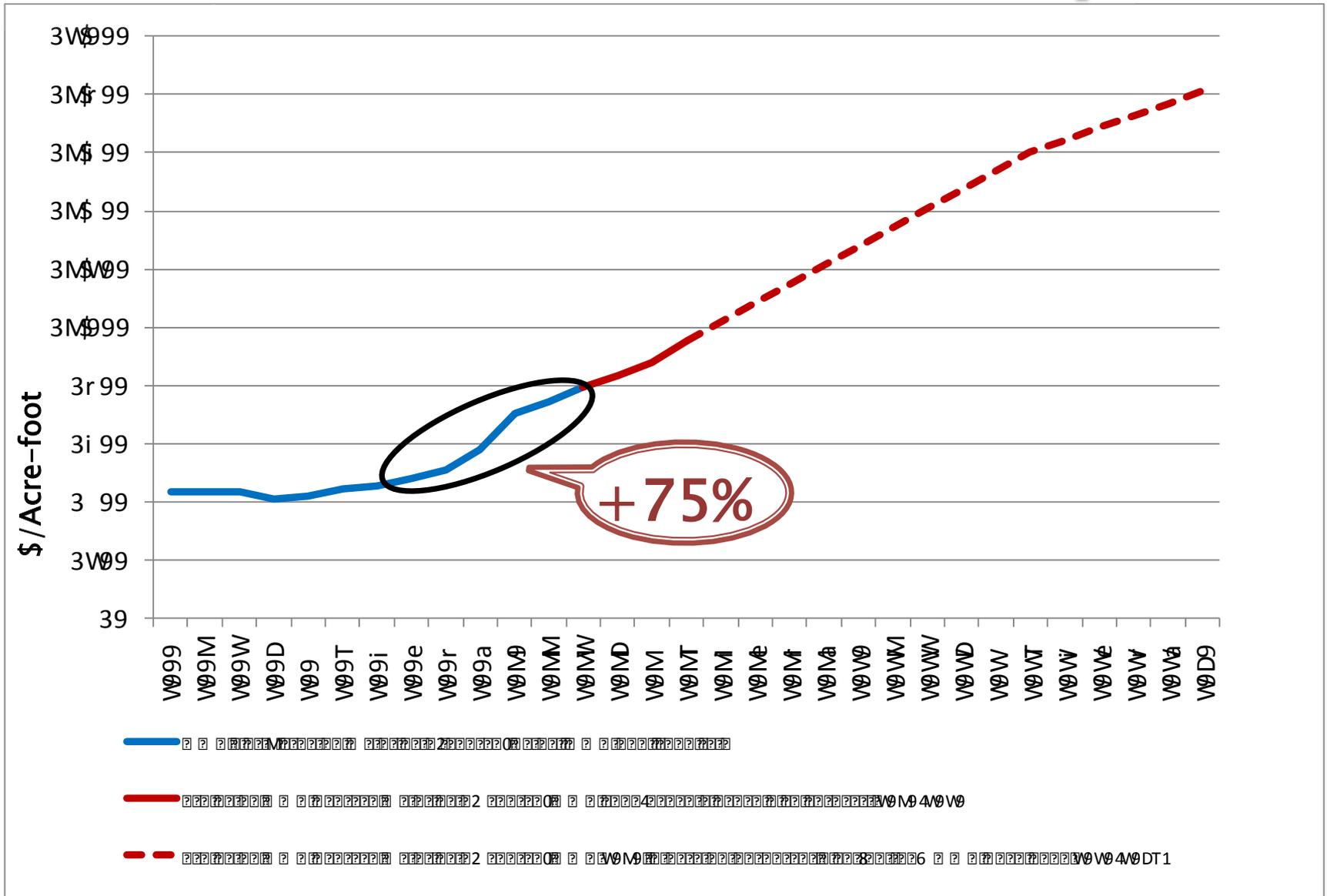
MWD's Water Sales are Down



MWD Average Demands 2000 and 2005 vs. 2010 Forecasts
Source: MWD 2000, 2005 and 2010 Regional Urban Water Management Plans



MWD's Water Rates are Up

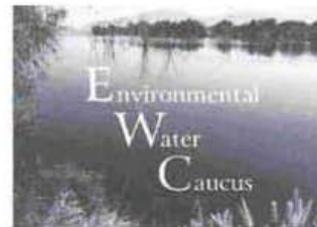
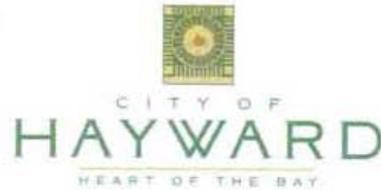


Should MWD's Member Agencies Sign Take-or-Pay Contracts to Back Up MWD's Obligation to the State?

“To date, most of our board members have said ‘we’re not so sure about that,’ and most of our member agencies have said ‘thanks, but no thanks, we prefer it the way it is.’ ... Should people make those firm commitments going into the future? So far, the member agencies have opted not to. They prefer it the way it is.” – Jeffrey Kightlinger, speaking at an Aug. 10, 2010 public meeting in San Diego on MWD’s draft 2010 Integrated Resources Plan (IRP).



Broad Coalition Urges Focus on Delta Financing, Affordability and Commitments to Pay



2012 Legislative Focus

- ▶ Impact of higher water rates on demand and future investment decisions must be addressed
- ▶ Critical questions remain:
 1. What is the real demand for Bay-Delta water?
 2. What is the total cost, including mitigation?
 3. Who is willing to sign contracts to pay?
 4. Should the state rely upon MWD to be the financial foundation of the Delta fix without first requiring firm take-or-pay contracts with its member agencies?

