



The Metropolitan Water District of Southern California

NEWS RELEASE

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**METROPOLITAN PARTNERS WITH ARIZONA, NEVADA TO FUND
CONSTRUCTION OF NEW RESERVOIR, ADD TO COLORADO RIVER FLEXIBILITY
Metropolitan to receive a total of 100,000 acre-feet of water
over next three years in return for share of reservoir funding**

To help increase operational flexibility along the Colorado River, Metropolitan Water District's Board of Directors today authorized \$28.7 million to join agencies in Arizona and Nevada in funding construction of a new reservoir that will save up to 228 billion gallons of water per year.

In return for its funding, Metropolitan will receive 100,000 acre-feet of water, including up to 34,000 acre-feet this year that will be created through construction and operation of the reservoir adjacent to the All American Canal in Imperial County. (An acre-foot of water is nearly 326,000 gallons, about the amount used by two typical Southland families in and around their homes in a year.)

"These are exactly the types of creative partnerships that were outlined under the landmark federal conservation and reservoir operations plan for the Colorado River that was finalized last December," said Metropolitan board Chairman Timothy F. Brick. "By states working together, we will be able to conserve and store up to 70,000 acre-feet of water annually in future years along the Colorado River."

Based on historical Colorado River water releases from upstream reservoirs, the 8,000-acre-foot Drop 2 Reservoir is expected to save water by capturing and storing water that would have otherwise been lost. Once completed in late 2010, the reservoir is expected to generate up to 3.5 million acre-feet of water over 50 years.

Under the funding agreement, Metropolitan and Central Arizona Water Conservation District will reimburse Southern Nevada Water Authority for their share of the \$172 million paid to the federal Bureau of Reclamation to build the Drop 2 Reservoir.

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In return, Reclamation, which will design and build the facility, will make a total of 600,000 acre-feet of water available to the three agencies through 2036. Central Arizona, along with Metropolitan, will receive 100,000 acre-feet, while SNWA will take delivery of 400,000. Metropolitan will be the first agency to take delivery of the water through 2010, provided that Colorado River shortages are not declared.

“The real significance of this partnership is that the benefits are spread among all Colorado River users,” said Metropolitan General Manager Jeff Kightlinger. “In addition to the operational flexibility and additional supplies, this resourceful approach offers an innovative solution that could delay or prevent shortage conditions in the future for all Colorado River Basin states.”

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The Metropolitan Water District of Southern California is a cooperative of 26 cities and water agencies serving 18 million people in six counties. The district imports water from the Colorado River and Northern California to supplement local supplies, and helps its members to develop increased water conservation, recycling, storage and other resource-management programs.