



THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

Office of the General Manager

October 2, 2017

The Honorable Gavin Newsom
Lieutenant Governor of California
Chair
California State Lands Commission
100 Howe Avenue, Suite 100-South
Sacramento, CA 95825

Dear Mr. Newsom:

Support for the Huntington Beach Seawater Desalination Project

The purpose of this letter is to express The Metropolitan Water District of Southern California's (Metropolitan) support for the Huntington Beach Seawater Desalination Project. The project will serve retail customers located within the Municipal Water District of Orange County (MWDOC) and the Orange County Water District (OCWD). Both agencies are within Metropolitan's service area.

In partnership with local water agencies such as MWDOC and OCWD, Metropolitan is a statewide leader in implementing water conservation programs and progressive water resources such as wastewater recycling and groundwater recovery. Metropolitan has invested more than \$1.3 billion in conservation programs and local resources, and our member agencies have invested many billions more. Metropolitan's recent accomplishments include funding the replacement of almost 150 million square feet of turf with water-efficient landscapes, nearly tripling the Governor's drought response goal of 50 million square feet for all of California. Likewise, OCWD's environmental stewardship is exemplified by its pioneering Groundwater Replenishment System (GWRS), which treats 100 million gallons of wastewater a day for indirect potable reuse.

Metropolitan promotes the development of local recycling, groundwater recovery and seawater desalination projects with financial incentives through our long-standing Local Resources Program (LRP). The LRP reduces financial barriers to local projects that are more expensive than Metropolitan's imported supplies. Projects receiving LRP incentives, such as the GWRS, have produced over 3.2 million acre-feet of local supplies since Metropolitan initiated the program in 1982. Proponents of the Huntington Beach Seawater Desalination Project have submitted an application for participation in the LRP. The application would be eligible for consideration by Metropolitan's Board after the project is fully permitted and ready to proceed.

The severity of the State's recent drought, the extended dry period on the Colorado River, and the projected long-term impacts of climate change underscore the need for continued diversification of Southern California's water resource portfolio. Metropolitan's long-term Integrated Water Resources Plan (IRP) achieves diversification with an "all of the above" approach. This includes

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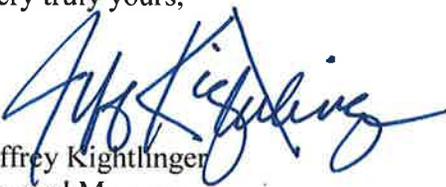
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maintaining Colorado River Aqueduct supplies and restoring the reliability of the State Water Project, while also developing local climate-resilient resources such as seawater desalination. Metropolitan's IRP establishes a regional goal of 2.4 million acre-feet in annual production from local supplies by the year 2040. This is a significant increase above production levels seen in recent years, which is closer to 1.8 million acre-feet. Over the same time horizon, local planning agencies project Metropolitan's service area to grow by more than three million people. New projects such as the Huntington Beach Seawater Desalination Project help increase local supplies and reduce Southern California's reliance on imported water supplies to meet expected future demands.

For these reasons, Metropolitan supports the development of local projects such as the Huntington Beach Seawater Desalination Project to help sustain our region's 19 million people and trillion dollar economy.

Please contact Robert Harding at (213) 217-6582 or via email at bharding@mwadh2o.com if you have any questions.

Very truly yours,



Jeffrey Kightlinger
General Manager

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