



STATE WATER CONTRACTORS: Affordability & Reliability of California's Most Important Water Supply

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Who Are State Water Contractors?

- Public Water Agencies throughout California who contract with DWR to participate in the State Water Project:
 - Pay regardless of actual deliveries
 - Pay and receive water per the terms of their contracts with DWR
 - Defined service area and uses of the water
 - Mostly wholesalers; some also retail agencies
- Deliveries to:
 - 27 million people
 - 750,000 acres of farmland
 - Approximately 30% of each agency's total water supply



State Water Project

36 storage facilities, reservoirs and lakes

21 pumping plants

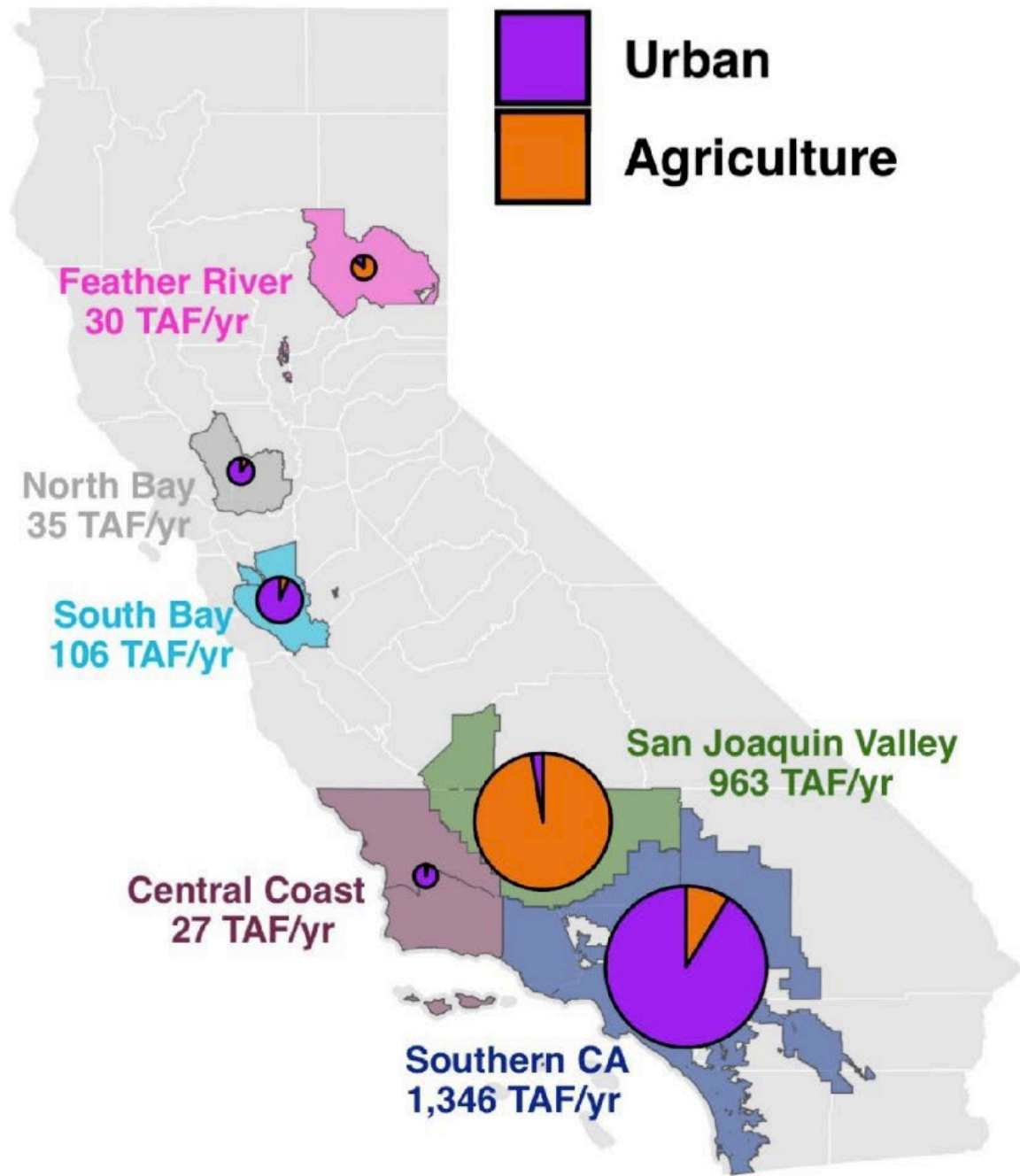
4 pumping-generating plants

5 hydroelectric power plants

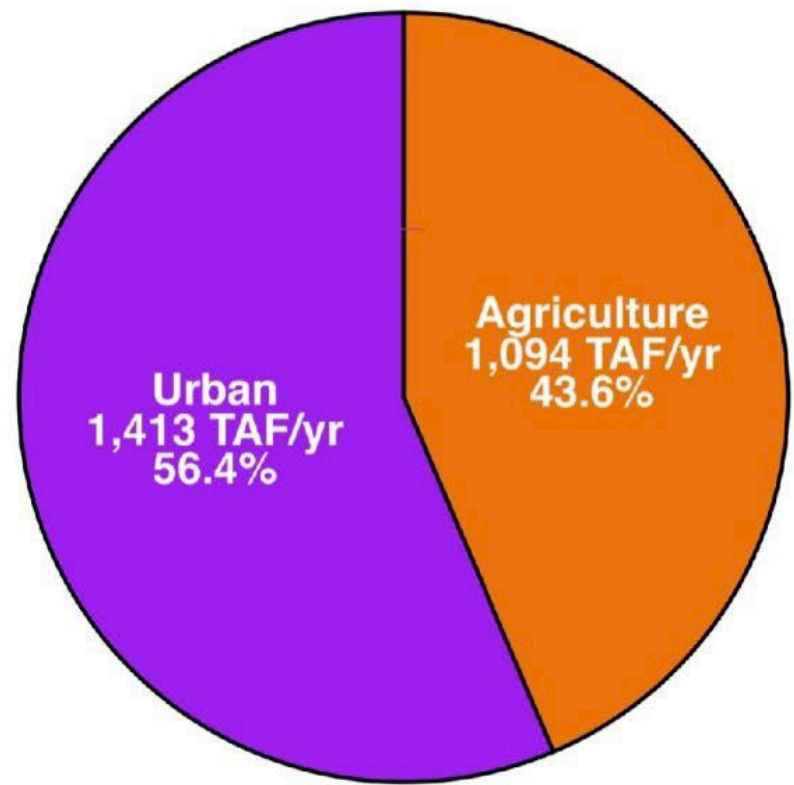
705 miles of open canals and pipelines

Construction began in the 1960s



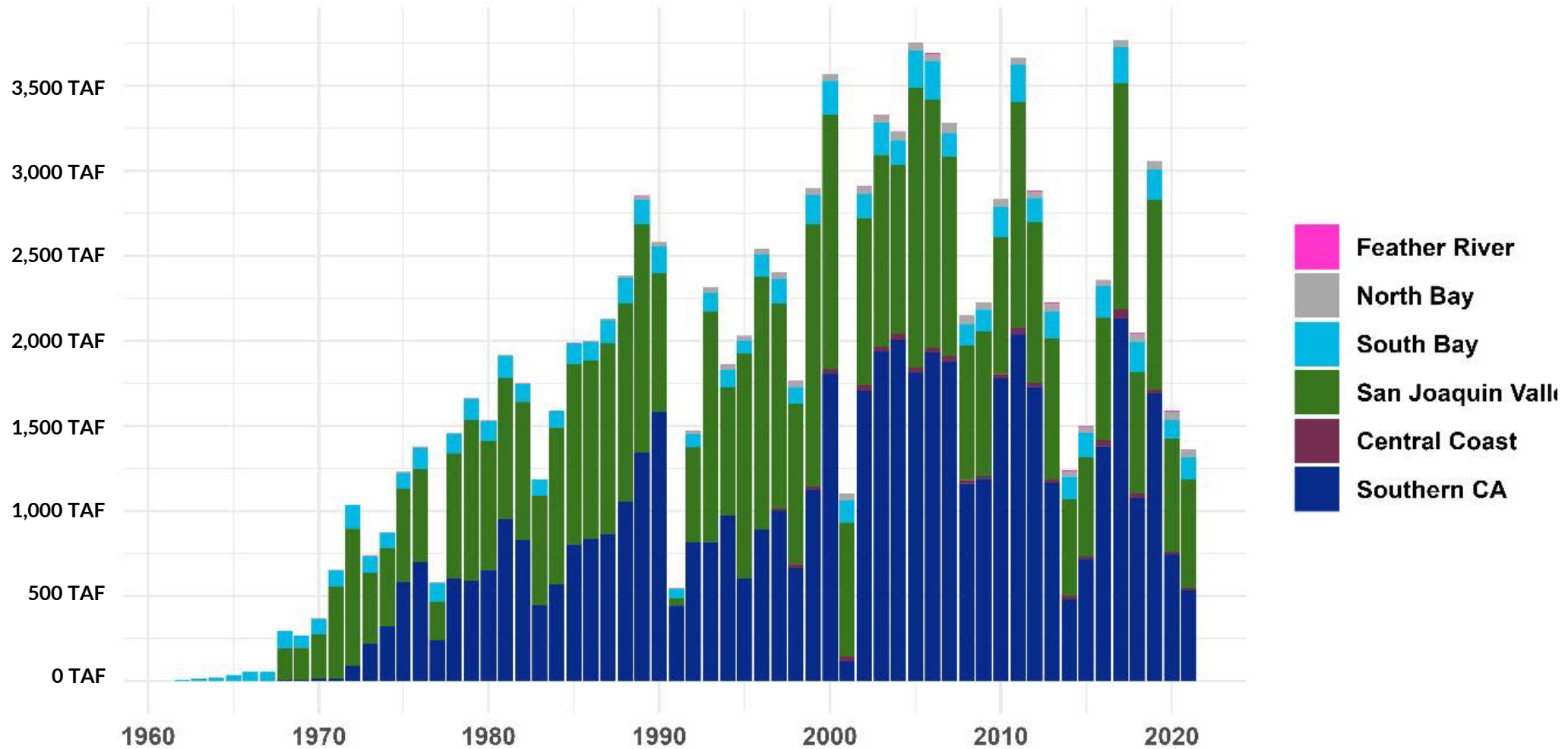


SWP Total Deliveries



Source: Department of Water Resources, "Water Plan Balance Data."
 Note: Units in thousands of acre-feet per year. Water use averaged over 2002-2019 (excluding 2017, for which data was no available).

Hydrology & Delivery Vary, but the SWP Remains a Crucial Part of Water Supply Portfolios



Source: California Department of Water Resources, "Bulletin 132-22, Table B-5B."

SWP Provides Critical, Irreplaceable Supplies

- Significant volume of water
 - 2.5 million acre-feet annual on average (3 full Folsom Lakes)
- SWP water supports local and regional projects
 - Refilling reservoirs
 - Groundwater recharge and storage
 - Recycled water
 - Water quality management
- Currently one of the most affordable supplies available to urban agencies

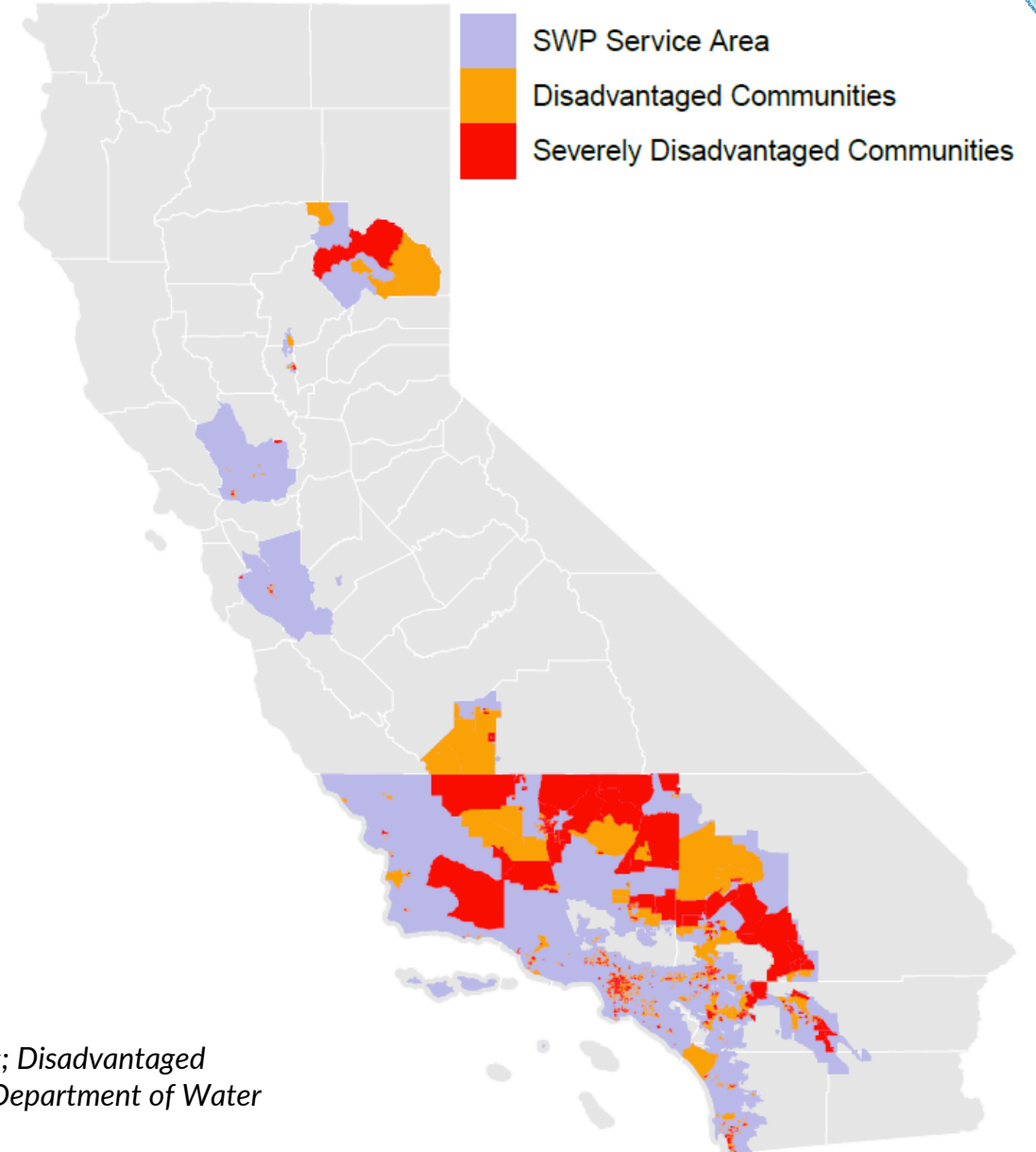


3/4 of All Disadvantaged Communities in California Are in the SWP Service Area

Sources: *Disadvantaged Communities Categorization, Department of Water Resources; Disadvantaged Communities Nomenclature Within the State of California: Findings and Conclusions, Department of Water Resources*

Note: Based on Department of Water Resources' income-based disadvantaged communities definition.

MHI Definition





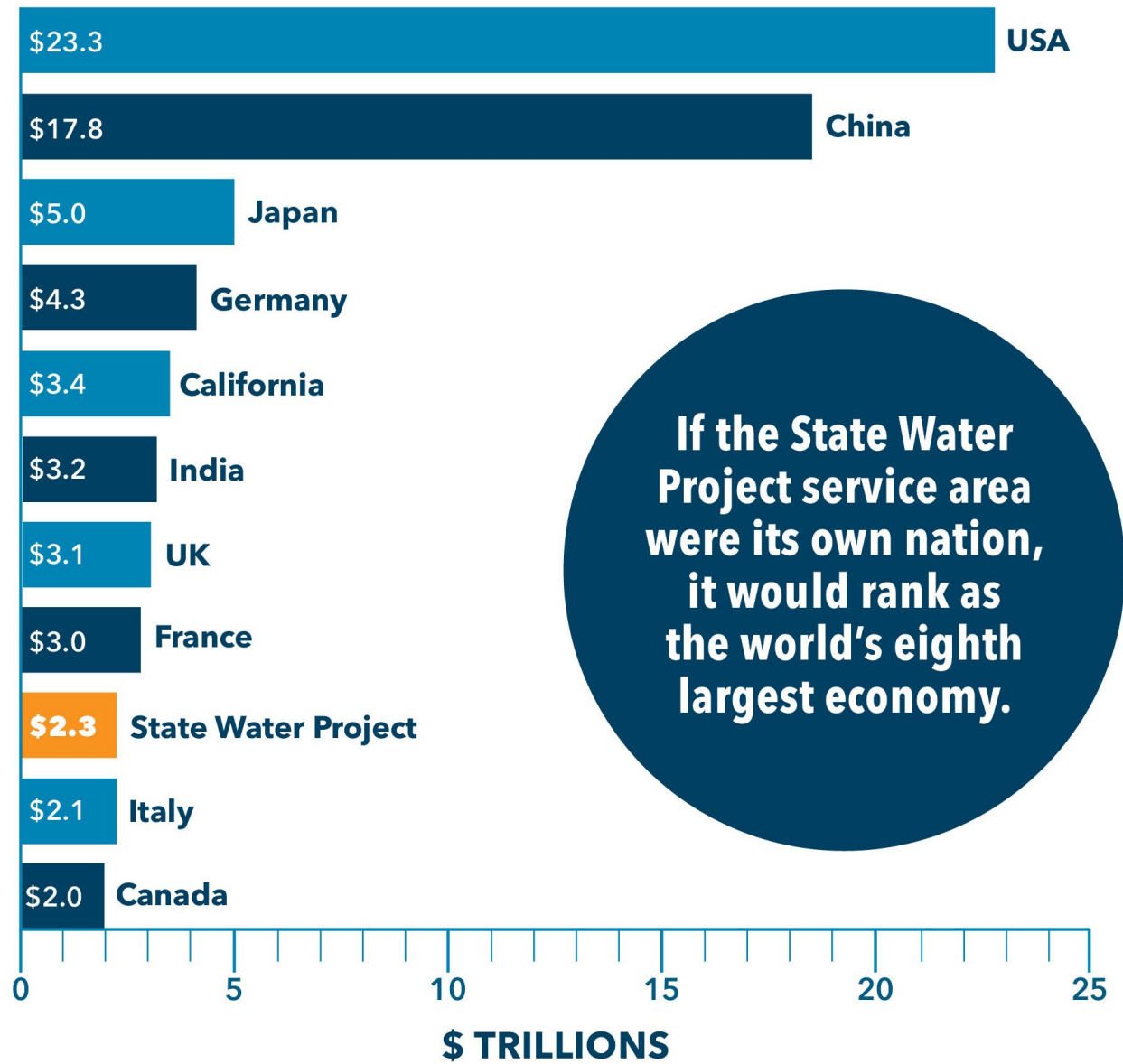
Public Benefits of the SWP

- SWP supports significant public benefits beyond those received by the water ratepayers:
 - Clean energy
 - Electrification transition support
 - Recreation
 - Flood protection
 - Environmental protection and restoration
 - Food security
 - Broad statewide economic benefits





Economic Benefits of the SWP



If the State Water Project service area were its own nation, it would rank as the world's eighth largest economy.

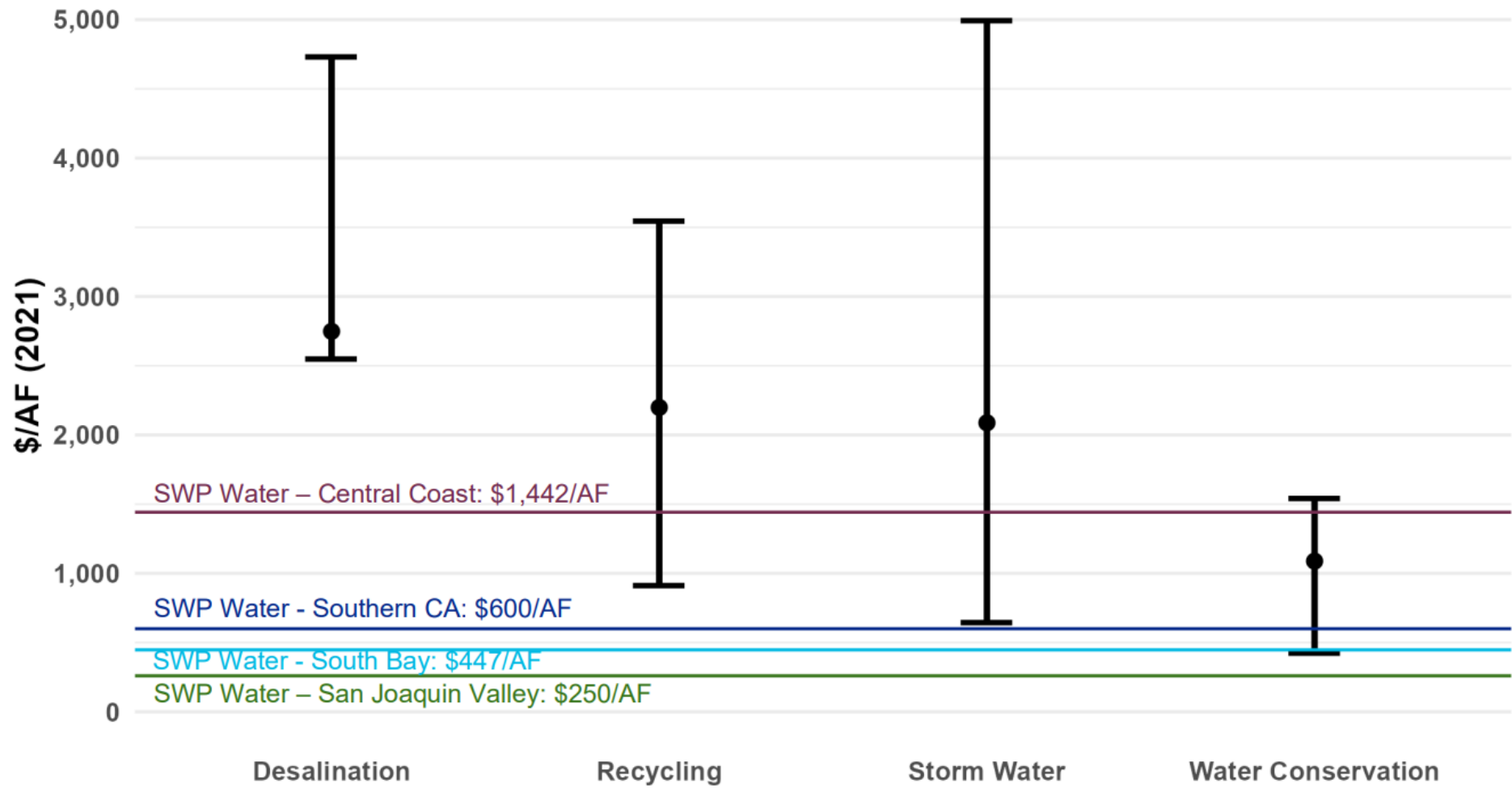
Economy ranking bar chart

SWP Energy Profile

- SWP is a key contributor to California's carbon-free future
 - ~60% of SWP energy use profile is already renewable / zero-carbon (produces ~14% of CA's hydropower)
 - Lowest emission footprint of all major utilities in the state
- Over the last 30 years, the SWP has reduced annual GHG emissions by more than 1 million metric tons – equivalent to taking 200,000 cars off the road



SWP Water Is Affordable; Affordability Needs To Be Protected



Note: Represents average costs of projects in 2021 \$

Addressing Affordability

- Increase supply, including reliability
 - Climate-responsive operational rules
 - Delta Conveyance Project
 - Conveyance repairs
 - Increased storage capacity
- Managing costs
 - DWR asset management and planning
 - Appropriate statewide investment for public benefits
 - Efficient planning and permitting
 - Ensuring increasing energy costs are not solely placed on water users